



**NC DEPARTMENT**  
**of COMMERCE**  
RURAL ECONOMIC  
DEVELOPMENT



**NCDHHS**

NORTH CAROLINA

**HOUSING**  
**FINANCE**  
**AGENCY**

This is the State of North Carolina's five-year strategic plan to identify and address the housing and community development needs across the state, using allocated funds from the U.S. Department of Housing and Urban Development.

# North Carolina Consolidated Plan 2021-2025

FINAL September 2021

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# Executive Summary

## ES-05 Executive Summary - 91.300(c), 91.320(b)

### 1. Introduction

The North Carolina Consolidated Plan 2021-2025 was developed in accordance with the Consolidated Plan regulations set forth in 24 CFR Part 91 and with the requirements set forth by the U.S. Department of Housing and Urban Development (HUD). The Consolidated Plan serves two purposes. First, it is the planning document that guides the North Carolina Consolidated Plan partners in addressing housing and community development needs across the state for the next five years, using the allocated funds received from the HUD. Secondly, this plan serves as a tool to inform a variety of stakeholders — including HUD, state and local officials, non-profit and advocacy organizations, and the residents of North Carolina — of the need for improving the living conditions for our state’s residents, especially the very low, low, and moderate-income populations. North Carolina also developed the Analysis of Impediments to Fair Housing (AI) to accompany the Consolidated Plan. The AI identifies barriers to fair housing and affordable housing in the state and provides strategies to address each. A copy of the approved Consolidated Plan 2021-2025 which includes the 2021 Annual Action Plan, and the North Carolina AI will be posted on the North Carolina Department of Commerce's website at [www.nccommerce.com](http://www.nccommerce.com).

The 2021-2025 North Carolina Consolidated Plan includes five programs funded by HUD: the Community Development Block Grant (CDBG) program, the HOME Investment Partnerships (HOME) program, the National Housing Trust Fund (NHTF), the Emergency Solutions Grants (ESG) program, and the Housing Opportunities for Persons with Aids (HOPWA) program. Additionally, the State is also administering the CDBG Disaster Recovery (CDBG-DR) programs. Also, in 2021, North Carolina received a late award of the Recovery Housing Program (RHP) which funds activities that will provide stable housing for persons recovering from substance abuse disorders. RHP will be described in a separate Action Plan scheduled to be released later in 2021. Lastly, the State is also implementing CARES Act funding for CDBG Coronavirus (CDBG-CV), ESG Coronavirus (ESG-CV), and HOPWA Coronavirus (HOPWA-CV). These funds were included in an amendment to the North Carolina 2019 Annual Action Plan, but updates will be provided in subsequent annual reports.

The Consolidated Plan, its related Annual Action Plans, and Consolidated Annual Performance and Evaluation Reports (CAPER) are developed by the North Carolina Plan Partners. The partner state agencies include the North Carolina Department of Commerce which administers the CDBG and RHP programs, the North Carolina Housing Finance Agency which administers the HOME and NHTF programs, and the North Carolina Department of Health and Human Services which administer the ESG and HOPWA programs. The North Carolina Office of Recovery and Resiliency (NCORR) of the Department of Public Safety is also consulted for progress pertaining to the CDBG-DR program.

Since the previous Consolidated Plan, North Carolina has experienced many changes. Specifically, NC had multiple natural disasters including hurricanes, flooding, and forest fires. 2020, however, presented the greatest challenge as the state prepared for and responded to the public health emergency caused by COVID-19. These unanticipated incidents highlighted housing and community development gaps such as the need for more short-term and affordable permanent housing, the need for water and sewer system improvements, and the need for more jobs for low-to-moderate residents throughout the state, but even more so in the rural areas defined as municipalities with populations at or below 50,000 and counties with populations at or below 200,000.

## **2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview**

In response, North Carolina will strategically invest its federal and state resources, partner with public and private organizations, and leverage non-governmental funds to alleviate critical housing, economic, and community development problems for North Carolina's households. This will be achieved through the following five goals:

**1. Increase Housing Affordability and Availability:** The affordability and availability of decent housing stock remains a dominant need in North Carolina. Among other needs, COVID-19 highlighted the importance of housing stability and the need for quality short-term, transitional, and permanent housing stock. Further, the Housing Needs Assessment revealed that NC is a growing state, particularly in urban areas and its elderly and Hispanic and Asian populations; housing costs are unaffordable for 380,000 low-income owner households and 505,000 low-income renter households; housing overcrowding is substantial; and over 9,300 individuals are homeless in the state.

In response, NC will strive to preserve and develop quality, affordable housing by increasing affordable rental homes, providing access to homeownership, and improving owner-occupied housing.

**2. Provide Suitable Living Environment:** While quality housing is essential, a suitable living environment is also. NC will support the provision of a suitable living environment by funding infrastructure especially water and sewer improvements to address deteriorated systems; providing public services such as short-term housing, emergency payments for rent, mortgage, and utilities, and food distribution; and preserving and creating public facilities such as community centers, parks, transitional housing, supportive housing, and emergency shelters.

**3. Expand Economic Opportunity:** NC will use its resources to spur economic development by creating and retaining jobs.

**4. Stimulate Housing and Economic Inclusiveness:** NC completed its Analysis of Impediments to Fair Housing (AI) as a part of the Consolidated Planning process. NC will move forward with the AI strategies to address barriers to fair housing. Additionally, NC will develop and implement Fair Housing and Section

3 plans which encourages grantees to include fair housing and Section 3 plans as a funding requirement primarily for CDBG projects.

**5. Respond to, Prepare for, and Prevent COVID-19 Pandemic Needs:** NC has received CARES Act funding to respond to, prepare for, and prevent COVID-19. NC agencies will use the CARES Act, future federal funds, and existing federal programs to respond to the evolving needs linked to the public health emergency.

### **3. Evaluation of past performance**

Through its five core programs, the state demonstrated continued success to assist low-to-moderate income persons and households. The NC Department of Commerce provided direct housing assistance to households. Considering all of NC Commerce's programs, including infrastructure, urgent needs, and other community development activities, households were aided ranging from clean drinking water, improved public services, and financial literacy training to help lift them out of poverty, to employment possibilities that were non-existent prior to the business moving to where they lived, and access to medical and dental care that was previously unobtainable. HOME funding continued to provide housing opportunities through down payment assistance, housing rehabilitation, and other housing programs to enrich and improve the quality of life of low to moderate income persons across the state. ESG and HOPWA continued to address the needs of the most critically distressed citizens of North Carolina by providing shelter to the state's homeless population and individuals with special needs including those with HIV/AIDS and other related needs. The programs designed by each agency to address needs ranging from the most critical to moderate had a major impact on the citizens of this state as has been outlined each year in the Consolidated Annual Performance Evaluation Report (CAPER).

### **4. Summary of citizen participation process and consultation process**

As required, the NC Consolidated Plan Partners consistently involve the public throughout the public participation process as outlined in the approved Citizen Participation Plan. Comments received pertaining to the Consolidated Plan and the Analysis to Impediments to Fair Housing Choice (AI) will be maintained as required with N.C Public Records Law as outlined in North Carolina General Statutes. When comments are made about specific agency programs, that agency provides a written response. The draft of each document and the final documents are posted on the NC Commerce website at [www.nccommerce.com](http://www.nccommerce.com).

**Public Engagement Efforts for AI:** As a continued effort to gain public input on the development of the Analysis to Impediments to Fair Housing Choice, a statewide survey was conducted using Survey Monkey during the summer of 2020. All information pertaining to public notice for the Analysis to Impediments to Fair Housing Choice was distributed in both English and Spanish languages to ensure access to persons with limited English proficiency. No additional requests were made for information to be provided in other languages. A virtual public hearing was held on April 22, 2021. There were

approximately 20 participants. No public comments were received during the public comment period which ended April 29, 2021.

**Public Hearing for the NC Consolidated Plan 2021-2025:** A virtual public hearing was conducted on April 22, 2021, for the five-year plan. Approximately 20 participants attended the session. The public comment period ended on April 29, 2021. Public comments were received and are included in the Citizen Participation attachment of this document.

## **5. Summary of public comments**

A virtual public hearing was held on April 22, 2021 for the NC Analysis of Impediments to Fair Housing and the NC Consolidated Plan 2021-2025. Both documents were also posted on the NC Commerce, NC Housing Finance Agency, and NC Department of Health and Human Services websites beginning March 26, 202, and closing on April 29, 2021 for public review and comment. The State received three public comments. The comments are included in the Citizen Participation Summary attached to this document.

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

All public comments were received and considered in preparation of the Consolidated Plan.

## **7. Summary**

In sum, between 2021 and 2025, the state of North Carolina will use the information acquired from the updated Analysis of Impediments, Housing Needs Assessment, Market Analysis to address the critical housing, community, and economic needs for low-to-moderate income persons and households. This will be accomplished through five key goals: (1) increase housing affordability and availability; (2) provide a suitable living environment through the provision of public services and public facilities; (3) Expand economic opportunities; (4) stimulate housing and economic inclusiveness; and (5) respond to needs pertaining to the COVID-19 pandemic.

Over the next five years, North Carolina will continue with its disaster relief efforts. The destruction caused by hurricanes and flooding greatly exasperated the wide range of housing, infrastructure, and economic issues described throughout the North Carolina Consolidated Plan. Post disaster, FEMA, HUD, and partner State agencies generated a detailed disaster recovery and mitigation unmet needs assessments. Those assessments, as well as how the state will apply federal dollars to the unmet needs are reflected in the substantial actions plans to support each of the three grants created by Public Laws 114-254 and 115-31 (Hurricane Matthew, \$236,529,000); Public Laws 115-254 and 116-20 (Hurricane Florence, \$542,644,000); and Public Laws 115-123 and 116-20 (Hurricane Matthew Mitigation, \$168,067,000 with a supplemental allocation expected for \$34,619,000 for Hurricane Florence Mitigation). All action plans are available on the ReBuild NC website at

<https://www.rebuild.nc.gov/action-plans> and are available in English and in Spanish. Each Action Plan was subject to its own public comment period before finalization and approval by HUD.

## The Process

### PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

**1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source**

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

NC Commerce serves as the lead agency for the Consolidated Planning process in the State of North Carolina. As of February 2021, NC Commerce is under the leadership of Secretary Machel Baker Sanders.

Additionally, North Carolina receives supplemental funds of Community Development Block Grant (CDBG) for disaster relief and mitigation. The North Carolina Office of Recovery and Resiliency (NCORR) serves as the state's CDBG-DR and CDBG-MIT Administrator.

### Consolidated Plan Public Contact Information

The public contact information for the NC Consolidated Plan is:

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## **PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.200(I) and 91.315(I)**

### **1. Introduction**

Consultation and coordination among other state agencies and nonprofits have become increasingly important due to new federal funding streams such as CARES Act and the American Rescue Plan Act funds, natural disasters, and the public health emergency due to COVID-19. To increase coordination, the state has several housing and community development policy bodies including the Interagency Council for Coordinating Homeless Programs (ICCHP), and the North Carolina Housing Partnership. The Governor also established an oversight entity called the NC Pandemic Relief Office, in the NC Office of State Budget. For the State's Consolidated Planning efforts, the NC Plan Partners oversee the planning, implementation, and reporting for HUD CPD programs. In this role, the NC Plan Partners specifically sought input and consulted with COC's, CDBG grantees, ESG grantees, the 15 HIV/AIDS service organizations, local health departments, mental health and substance abuse providers, Family Health Centers, and public housing authorities, in addition to the broader public while developing the 2021-2025 Consolidated Plan.

### **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 (91.215(I))**

The state encourages participation among housing professionals, non-profit agencies, local government entities, and service agencies. The state has a coordinated planning process with its other HUD formula recipients in developing all HUD required plans. The NC Plan Partners have consistently reached out to other organizations such as the North Carolina Coalition to End Homelessness, NC Justice Center, and Legal Aid of North Carolina. The state solicits feedback during the comment phase of each plan by posting information on multiple websites. Information is also shared through listservs and contact data bases. The state conducted regional meetings seeking feedback of its Analysis of Impediments to Fair Housing Choice Plan and will hold one final public meeting prior to submission of the Consolidated Plan, Annual Action Plan, and Analysis of Impediments.

### **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**

The NC Department of Health and Human Services coordinates with the NC Coalition to End Homelessness to provide fiscal and programmatic assistance to local Continua of Care (CoC). The Coalition also serves as an advocate on behalf of CoCs regarding policy and funding. Frequent dialogue is maintained with members of the CoC and the Coalition to End Homelessness. Specifically, within the RFA, each CoC makes recommendations to the state in determining local priority needs, funding,

performance standards and outcomes for chronically homeless individuals and families, families with children, as well as veterans. Each CoC membership is composed of representatives that serve and advocate for the provision of services to homeless persons. Membership includes homeless providers, local departments of social services and mental health, city and county agencies, housing and community developers, and staff representing corrections, domestic violence, public housing authorities, hospitals, and veterans.

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

See the response to the previous question. This initiative is coordinated by the NC Department of Health and Human Services.

**2. Describe Agencies, groups, organizations, and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities**

**Table 2 – Agencies, groups, organizations who participated**

**Identify any Agency Types not consulted and provide rationale for not consulting**

Not applicable

**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**

**Describe cooperation and coordination among the State and any units of general local government, in the implementation of the Consolidated Plan (91.315(I))**

The State of North Carolina develops, implements, and reports on the Consolidated Plan through the North Carolina Plan Partners. The NC Plan Partners consists of the North Carolina Department of Commerce (the lead agency), the North Carolina Housing Finance Agency, and the North Carolina Department of Health and Human Services. Additionally, these agencies seek input from the NC Department of Environmental Quality, the Broadband Infrastructure Office of NC Department of Information Technology, and the NC Office of Recovery and Resiliency of the Department of Public Safety. In 2019, the NC Plan Partners also conducted a survey seeking input on statewide housing and community development needs. Additionally, in 2020, an online survey was conducted seeking information on affordable housing barriers and fair housing issues. As a part of the 2021-2025 Analysis of Impediments to Fair Housing development, focus groups were held that included local governments, Council of Governments, homeless service providers, and grant administrators. Lastly, all Consolidated Plan related documents are posted for review and comments on the North Carolina Commerce website and the UNC School of Government ListServ for city and county managers. The drafts are also emailed to stakeholders that include local governments, COCs, consultants, and other state agencies.

**Narrative (optional):**

North Carolina is committed to narrowing the digital divide. In 2015, the Broadband Infrastructure Office (BIO), in the NC Department of Information Technology (NCDIT), was established to serve as a statewide resource for broadband access, overseeing the State Broadband Plan for North Carolina. In recent years, the BIO team has leveraged state and federal funds to expand access to high-speed internet. Through the GREAT grant program, NC has invested \$56 million to bring broadband access to over 28,000 households. In addition, BIO has leveraged more than \$237 million in federal funds to expand access. The BIO team also responded to the COVID-19 pandemic by participating in efforts to close the homework gap in NC and connect students to broadband through the NC Student Connect partnership.

In September 2020, NC Commerce met with the North Carolina Broadband Office to explore ways the two agencies could coordinate increasing broadband services in rural areas by using funding sources such as CDBG and CDBG-CV. Prior to this effort, NC Commerce launched a broadband pilot program as a public facilities improvement activity using CDBG funds. Two communities were selected: the Town of Windsor (east) and the Town of Belmont (west).

On May 19, 2021, Gov. Cooper announced his plan to invest \$1.2 billion in American Recovery Plan (ARP) funds to close the digital divide in North Carolina by 2025.

<https://governor.nc.gov/news/governor-cooper-releases-american-rescue-plan-investment-recommendations> While NC's economy recovers from the COVID-19 pandemic, the gap between residents enjoying economic growth and those struggling to secure jobs, find housing, and pursue educational resources is widening. The funds will provide access to affordable, high-speed internet in every corner of the state and will ensure high-speed internet is equitably adopted and residents are able to access education, healthcare, and business opportunities. NCDIT's expanded Broadband and Digital Equity division will be charged with executing the governor's plan, including spending \$165 million on efforts to achieve digital equity and literacy for all North Carolinians.

The plan will connect 98% of NC households to high-speed internet infrastructure, support 80% of NC households' subscriptions to affordable broadband service and allow 100% of households with children to subscribe, permanently closing the homework gap in North Carolina. Additional details of the plan are available here: <https://www.ncbroadband.gov/digital-divide>. Funding under the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) under ARP must be obligated by December 31, 2024 with projects completed by December 31, 2026.

BIO also works closely with local communities across the state on broadband planning through its Technical Assistance program. The Community Broadband Planning Playbook outlines a planning process including facilitation of conversations between local stakeholders and broadband providers <https://www.ncbroadband.gov/technical-assistance/playbook>. BIO also coordinates with broadband providers on broadband mapping efforts. Various mapping information can be found on the State NC One Map: <https://www.nconemap.gov/pages/broadband>.

## **PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 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 hearing shall include:

- 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 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 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) |
|------------|------------------|------------------------------|---|------------------------------|--|---------------------|
| 1          | Newspaper Ad     | Non-targeted/broad community | The purpose of the three newspaper ads were to advertise the public hearing and invite public comments on the Consolidated Plan 2021-2025. Ads appeared in the Triangle Tribune, Charlotte Post (online only), and Citizen Times. | 0                            | 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)  |
|------------|---------------------|------------------------------|--|------------------------------|--|--|
| 2          | Internet Outreach   | Non-targeted/broad community | The public hearing was advertised, and the draft documents were posted for public comments on the NC Commerce and North Carolina Housing Finance agency websites <a href="http://www.nccommerce.com">www.nccommerce.com</a> and <a href="http://www.nchfa.com">www.nchfa.com</a> respectively. | None                         | Not applicable                               | <a href="http://www.nccommerce.com">www.nccommerce.com</a> |
| 3          | Posting on ListServ | NC Local Units of Government | The public hearing announcement and links to the draft NC Consolidated Plan 2021-2025 were posted on the ListServ for County and City Managers. No responses were received.  | None                         | 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) |
|------------|------------------|------------------------------|---|------------------------------|--|---------------------|
| 5          | Public Hearing   | Non-targeted/broad community | <p>Two virtual public hearings were held on April 22, 2021 to share the five-year plan for the five CPD programs, the Analysis of Impediments to Fair Housing Choice, the Housing Needs Assessment, the Market Analysis, and announce the pending Recovery Housing Program (RHP). Approximately 20 persons participated in the public hearing of which 10 were members of the NC Plan Partners.</p> | None were received.          | Not applicable.                              |                     |

**Table 4 – Citizen Participation Outreach**

# Needs Assessment

## NA-05 Overview

### Needs Assessment Overview

- North Carolina is a growing state, particularly in urban areas and within its senior population and Hispanic and Asian populations.
- Housing costs are unaffordable for 380,000 low-income owner households and 505,000 low-income renter households. This is 50% of the low-income owners and 60% of the low-income renters. Nearly a half-million low-income families in North Carolina have housing costs that exceed half of their income.
- Those with the lowest incomes are more likely to experience severe cost burden. 53% of Extremely Low Income (ELI) owner households and 59% of ELI renter households pay more than half of their income for housing. “Extremely Low Income” means the household earns less than 30% of the area median income (AMI) for a household of their size.
- Overcrowding or substandard housing conditions are also experienced by more than 84,000 North Carolina households with incomes below 80% AMI.
- There are more than 9,300 homeless individuals in North Carolina, of whom 76% are sheltered in emergency shelters or transitional housing. The remainder are unsheltered or reside in places not meant for human habitation. Chronically homeless people and homeless people with chronic substance abuse are less likely to be sheltered than the homeless population as a whole. Veterans are more likely to be sheltered.

## NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

### Summary of Housing Needs

North Carolina is the ninth most populous state in the country and experienced the fifth largest population growth between 2010 and 2017. Population growth is expected to reach a total of roughly 12 million by 2030. This continued growth will result in an older, more diverse population. The North Carolina Office of State Budget and Management (OSBM) projects that one in five North Carolinians will be at least 65 years old in the next ten years, while the non-Hispanic, non-White, and Hispanic populations will increase by 35% and 27%, respectively. Growth has not been equally distributed across the state, with metropolitan counties accounting for much of increasing in population while 35 non-metropolitan counties lost population. Changes in population impact the supply and demand of housing and are a key consideration in the provision of affordable housing.

Low, very low, and extremely low-income households in North Carolina are spending a disproportionate amount of their incomes on rent. Housing cost burden affects 30% of the state's households and this percentage is even greater for extremely and very low-income households. Out of all extremely low-income households, renters and homeowners with no additional housing problems were the most likely population to experience severe housing cost burden at 59% and 53% respectively. Roughly 40% of very low-income renter households are cost-burdened, along with one-third of low-income renter households. Higher percentages of low-income renters are cost-burdened than low-income owners.

Extremely low-income renter households are also more likely to reside in substandard or severely overcrowded housing. There are 84,000 North Carolina households with incomes below 80% AMI (area median income) who live in crowded conditions or substandard housing. A 2017 UNC analysis of extreme housing conditions in North Carolina suggests that the members of over 377,000 households in the state are living in overcrowded housing, lack critical facilities, or living in housing that imposes a severe cost burden on residents. The analysis suggests that housing problems are increasing, with the number of severely cost-burdened households increasing by 22.5% and the number of overcrowded households by 45.4% between 2008 and 2013.

Extreme housing conditions can be found throughout the state in urban, suburban, and rural communities. The largest concentrations were in the Piedmont and Coastal Plain. Census tracts with extreme housing conditions tended to have higher percentages of African Americans, Hispanics, and people living in poverty.

| Demographics  | Base Year: 2009 | Most Recent Year: 2019 | % Change |
|---------------|-----------------|------------------------|----------|
| Population    | 9,535,483       | 1,048,808              | -89%     |
| Households    | 3,541,807       | 3,918,597              | 11%      |
| Median Income | \$45,069.00     | \$52,413.00            | 16%      |

Table 5 - Housing Needs Assessment Demographics

**Alternate Data Source Name:**

2014 - 2018 ACS

**Data Source Comments:** The most recent population is 10,488,084 but I can't add another digit

**Number of Households Table**

|   | <b>0-30%<br/>HAMFI</b> | <b>&gt;30-50%<br/>HAMFI</b> | <b>&gt;50-80%<br/>HAMFI</b> | <b>&gt;80-100%<br/>HAMFI</b> | <b>&gt;100%<br/>HAMFI</b> |
|---|------------------------|-----------------------------|-----------------------------|------------------------------|---------------------------|
| Total Households  | 481,720                | 468,585                     | 659,020                     | 383,335                      | 1,782,920                 |
| Small Family Households                                     | 161,620                | 155,055                     | 247,785                     | 158,875                      | 957,605                   |
| Large Family Households                                     | 32,155                 | 34,725                      | 50,700                      | 28,575                       | 118,760                   |
| Household contains at least one person 62-74 years of age   | 79,670                 | 103,160                     | 143,595                     | 83,355                       | 384,115                   |
| Household contains at least one person age 75 or older      | 56,430                 | 83,485                      | 88,770                      | 40,800                       | 129,480                   |
| Households with one or more children 6 years old or younger | 93,620                 | 80,830                      | 107,615                     | 59,425                       | 211,880                   |

**Table 6 - Total Households Table**

**Data** 2011-2015 CHAS  
**Source:**

## Housing Needs Summary Tables

### 1. Housing Problems (Households with one of the listed needs)

|   | Renter       |                    |                    |                     |         | Owner        |                    |                    |                     |         |
|---|--------------|--------------------|--------------------|---------------------|---------|--------------|--------------------|--------------------|---------------------|---------|
|   | 0-30%<br>AMI | >30-<br>50%<br>AMI | >50-<br>80%<br>AMI | >80-<br>100%<br>AMI | Total   | 0-30%<br>AMI | >30-<br>50%<br>AMI | >50-<br>80%<br>AMI | >80-<br>100%<br>AMI | Total   |
| <b>NUMBER OF HOUSEHOLDS</b>   |              |                    |                    |                     |         |              |                    |                    |                     |         |
| Substandard Housing - Lacking complete plumbing or kitchen facilities                 | 6,365        | 4,475              | 4,255              | 1,450               | 16,545  | 1,730        | 1,510              | 1,735              | 825                 | 5,800   |
| Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing) | 5,650        | 3,455              | 3,775              | 1,600               | 14,480  | 700          | 1,290              | 1,530              | 760                 | 4,280   |
| Overcrowded - With 1.01-1.5 people per room (and none of the above problems)          | 11,665       | 10,730             | 10,530             | 3,405               | 36,330  | 3,485        | 4,095              | 7,260              | 3,420               | 18,260  |
| Housing cost burden greater than 50% of income (and none of the above problems)       | 184,120      | 69,065             | 14,885             | 1,355               | 269,425 | 89,435       | 61,345             | 43,240             | 11,885              | 205,905 |

|   | Renter     |             |             |              |             | Owner      |             |             |              |             |
|---|------------|-------------|-------------|--------------|-------------|------------|-------------|-------------|--------------|-------------|
|   | 0-30% AMI  | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total       | 0-30% AMI  | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total       |
| Housing cost burden greater than 30% of income (and none of the above problems) | 30,24<br>5 | 102,5<br>85 | 103,8<br>30 | 21,41<br>5   | 258,0<br>75 | 27,04<br>0 | 56,70<br>5  | 101,9<br>55 | 51,13<br>0   | 236,8<br>30 |
| Zero/negative Income (and none of the above problems)                           | 32,53<br>0 | 0<br>0      | 0<br>0      | 0<br>0       | 32,53<br>0  | 22,19<br>5 | 0<br>0      | 0<br>0      | 0<br>0       | 22,19<br>5  |

**Table 7 – Housing Problems Table**

Data 2011-2015 CHAS  
Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

|   | Renter    |             |             |              |         | Owner     |             |             |              |         |
|---|-----------|-------------|-------------|--------------|---------|-----------|-------------|-------------|--------------|---------|
|   | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total   | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total   |
| <b>NUMBER OF HOUSEHOLDS</b>               |           |             |             |              |         |           |             |             |              |         |
| Having 1 or more of four housing problems | 207,800   | 87,730      | 33,440      | 7,810        | 336,780 | 95,350    | 68,245      | 53,760      | 16,890       | 234,245 |
| Having none of four housing problems      | 72,845    | 156,410     | 251,515     | 127,930      | 608,700 | 51,000    | 156,200     | 320,305     | 230,705      | 758,210 |

|   | Renter    |             |             |              |        | Owner     |             |             |              |        |
|---|-----------|-------------|-------------|--------------|--------|-----------|-------------|-------------|--------------|--------|
|   | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total  | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total  |
| Household has negative income, but none of the other housing problems | 32,530    | 0           | 0           | 0            | 32,530 | 22,195    | 0           | 0           | 0            | 22,195 |

**Table 8 – Housing Problems 2**

Data 2011-2015 CHAS  
Source:

3. Cost Burden > 30%

|                             | Renter    |             |             |         | Owner     |             |             |         |
|-----------------------------|-----------|-------------|-------------|---------|-----------|-------------|-------------|---------|
|                             | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total   | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total   |
| <b>NUMBER OF HOUSEHOLDS</b> |           |             |             |         |           |             |             |         |
| Small Related               | 91,115    | 75,010      | 49,530      | 215,655 | 33,480    | 36,615      | 58,880      | 128,975 |
| Large Related               | 19,145    | 13,890      | 7,195       | 40,230  | 7,035     | 8,905       | 11,390      | 27,330  |
| Elderly                     | 35,650    | 32,680      | 18,115      | 86,445  | 51,160    | 55,595      | 49,840      | 156,595 |
| Other                       | 87,090    | 62,625      | 48,910      | 198,625 | 28,855    | 19,745      | 27,455      | 76,055  |
| Total need by income        | 233,000   | 184,205     | 123,750     | 540,955 | 120,530   | 120,860     | 147,565     | 388,955 |

**Table 9 – Cost Burden > 30%**

Data 2011-2015 CHAS  
Source:

4. Cost Burden > 50%

|                             | Renter    |             |             |         | Owner     |             |             |        |
|-----------------------------|-----------|-------------|-------------|---------|-----------|-------------|-------------|--------|
|                             | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total   | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total  |
| <b>NUMBER OF HOUSEHOLDS</b> |           |             |             |         |           |             |             |        |
| Small Related               | 78,160    | 26,300      | 5,075       | 109,535 | 27,540    | 19,695      | 16,240      | 63,475 |
| Large Related               | 14,815    | 3,535       | 650         | 19,000  | 5,220     | 3,825       | 2,235       | 11,280 |

|                      | Renter    |             |             |         | Owner     |             |             |         |
|----------------------|-----------|-------------|-------------|---------|-----------|-------------|-------------|---------|
|                      | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total   | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total   |
| Elderly              | 26,935    | 15,130      | 4,555       | 46,620  | 35,715    | 26,570      | 16,700      | 78,985  |
| Other                | 78,090    | 27,880      | 5,555       | 111,525 | 23,635    | 12,355      | 8,540       | 44,530  |
| Total need by income | 198,000   | 72,845      | 15,835      | 286,680 | 92,110    | 62,445      | 43,715      | 198,270 |

Table 10 – Cost Burden > 50%

Data 2011-2015 CHAS  
Source:

5. Crowding (More than one person per room)

|                                       | Renter    |             |             |              |        | Owner     |             |             |              |        |
|---------------------------------------|-----------|-------------|-------------|--------------|--------|-----------|-------------|-------------|--------------|--------|
|                                       | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total  | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total  |
| NUMBER OF HOUSEHOLDS                  |           |             |             |              |        |           |             |             |              |        |
| Single family households              | 14,775    | 11,855      | 11,375      | 3,740        | 41,745 | 3,125     | 4,100       | 6,320       | 2,800        | 16,345 |
| Multiple, unrelated family households | 2,155     | 2,080       | 2,435       | 970          | 7,640  | 1,075     | 1,290       | 2,420       | 1,325        | 6,110  |
| Other, non-family households          | 670       | 565         | 1,045       | 350          | 2,630  | 24        | 15          | 100         | 100          | 239    |
| Total need by income                  | 17,600    | 14,500      | 14,855      | 5,060        | 52,015 | 4,224     | 5,405       | 8,840       | 4,225        | 22,694 |

Table 11 – Crowding Information – 1/2

Data 2011-2015 CHAS  
Source:

|                                  | Renter    |             |             |       | Owner     |             |             |       |
|----------------------------------|-----------|-------------|-------------|-------|-----------|-------------|-------------|-------|
|                                  | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total |
| Households with Children Present | 0         | 0           | 0           | 0     | 0         | 0           | 0           | 0     |

Table 12 – Crowding Information – 2/2

Data Source  
Comments:

Describe the number and type of single person households in need of housing assistance.

North Carolina has 1.1 million single person households, many of whom are elderly and low-income. It also has single person households with disabilities and single person households who are homeless. It is common for members of these populations to need housing assistance.

ACS 2017 One-Year data estimates that there are 1.1 million one-person households across the state. 54% of these households reside in owner-occupied units, while 46% reside in renter-occupied units. 37% of 1-person households are elderly (65+).

Single person households in North Carolina have lower incomes than households with multiple earners. Households with lower incomes are more likely to experience challenges with housing affordability. The median income for a 1-person household in 2017 was \$27,978, significantly lower than the statewide median income for households of any size that year (\$52,752).

Nationally, single-person households (“individuals”) represent about two-thirds of all people experiencing homelessness; the same is probably true in North Carolina. The research also states that nationally between 2007 and 2016, the number of sheltered individuals over age 50 increased by 23%, including a 48% increase in the number of sheltered individuals ages 62 and older.

Older adults that are the most vulnerable to becoming homeless include those that have lost housing after the death of a loved one, or when age-related illness or infirmity results in the loss of employment and income. There is a supportive housing need in North Carolina of 6,145 units for the aging population based on Corporation for Supportive Housing data.

**Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.**

Many North Carolina households in need of housing assistance also have household members with disabilities or who are survivors of domestic violence, dating violence, sexual assault, or stalking.

Roughly 13%, or 1.35 million, of all North Carolinians have one or more disabilities. People 65 and older are more likely to have disabilities, with 42% of disabled individuals in this age range. Because people with disabilities are more likely to be low-income or extremely low-income, they are more likely to be cost-burdened. Additional barriers such as accessibility and discrimination further limit their housing options. According to the Corporation for Supportive Housing, 5,872 supportive housing units are needed to meet the housing need for individuals on the Intellectual or Developmental Disabilities (IDD) Waitlist and who need to reside in IDD Residential and Institutional facilities; of those, 3,333 are on the waitlist.

Often the housing needs for individuals with disabilities directly relate to having incomes as low as Supplemental Security Income (SSI) levels. In North Carolina, 229,000 people were living on SSI in 2018, when the maximum monthly SSI amount for an individual was \$750. That year the median rent for a 1-bedroom unit was \$801 per month, more than the entire monthly SSI payment. The SSI maximum has

risen to \$783 per month in 2020 for those not living in an adult care home but at the same time median rent for a 1-bedroom has also risen to \$853 per month.

Domestic violence is consistently identified as a significant factor in homelessness. Fully 92% of women who are homeless report having experienced severe physical or sexual violence at some point in their lives, and 50% of all women who are homeless report that domestic violence was the immediate cause of their homelessness. Domestic violence, homelessness, and housing insecurity are undeniably linked, as lack of safe and affordable housing is often reported as one of the primary barriers survivors of domestic violence face when they choose to leave an abusive partner.

A total of 744 survivors of domestic violence experiencing homelessness were counted during the January 2019 PIT count. The majority (534) of these survivors were in transitional housing or emergency shelters and 210 were unsheltered. A report from the March 2020 Domestic Violence Counts Report for North Carolina claims that, in one day, domestic violence victims made 125 requests for services that could not be provided because programs lacked the resources to meet the needs; these requests were for emergency shelter, housing, transportation, childcare, legal representation, and other needs. Of those unmet requests, 86 were for housing or emergency shelter.

### **What are the most common housing problems?**

The most common housing problem for low-income renters and homeowners is cost burden.

Many low-income renters pay more than they can afford for housing. Severe cost-burden (paying more than half the household's income for housing) affects 34% of renters earning less than 80% AMI and 63% of those earning 0-30% AMI. Paying more than 30% of income for housing (called "cost-burden") affects 64% of all renters earning less than 80% of the AMI, 75% of very low-income renters (those earning 30-50% AMI), and 74% of extremely low-income renters (those earning 0-30% AMI).

Low-income homeowners are similarly cost-burdened. 51% of homeowners earning less than 80% AMI are cost-burdened, and 72% of extremely low-income homeowners are cost-burdened. While homeowners typically have higher incomes than renters, severe cost burden is also a problem for homeowners, even if to a lesser extent than renter households. 26% of owners earning less than 80% AMI are severely cost-burdened, and 55% of extremely low-income homeowners are severely cost-burdened.

### **Are any populations/household types more affected than others by these problems?**

Non-elderly non-family households are most at risk of cost burden. Households without children are also at greater risk of homelessness than households with children.

30% of elderly families, 30% of large families (5 or more people), 26% of small families, and 40% of non-elderly non-family households are cost burdened.

January 2019 Point-in-Time data show more of the homelessness population are households without children compared to households with children (6600 households without children compared to 767 households with children, a ratio of 8.6 to 1). Households without children also comprise a greater share of the housed households, but at a ratio of only 2.3 childless households to 1 household with children. Therefore, the rate of child-free households becoming homeless is disproportionate to their share of the overall population.

**Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance**

The characteristics and needs of families and individuals at imminent risk of homelessness can be ascertained by looking at families and individuals who have entered homelessness.

The shortage of affordable rental housing is a driving factor for families that become homeless, given low incomes from employment, benefits, or other sources. When people are paying too large a share of their income for rent even a minor crisis or setback, such as a reduction in work hours or an unexpected expense, can be de-stabilizing and result in the loss of housing. The United States Interagency Council on Homelessness cites worst-case housing needs, evictions, family violence, and adverse childhood experiences as risk factors of homelessness for families.

For individuals experiencing homelessness, major contributors to becoming homeless are similar to those for homeless families: (a) a shortage of rental housing affordable to people with extremely low incomes or who rely on SSI benefits, (b) high rates of adverse childhood experiences, (c) incarceration, and (d) behavioral health disorders.

There is currently limited research and data on the needs of formerly homeless families and individuals that are exiting the rapid re-housing program. The Urban Institute published a literature review on rapid rehousing. This review found that families who exited the HUD Rapid Re-housing for Homeless Families Demonstration still experienced significant challenges one year after exit (even when housed). In all, 70% worried about food security, 57% struggled with money for rent, 14% had a child expelled or suspended from school within the last year, and 17% reported deteriorating health.

**If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:**

Not applicable.

**Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness**

Doubling-up, lack of income, and family size are all linked with housing instability and an increased risk of homelessness.

Recent research found that families with previous homeless episodes returned to shelter more frequently than other families, and those who had previously doubled up were more likely than other families to double up again. These findings add to previous research that suggests past housing instability predicts future instability. 18% of households comprised of a single family with a sub family or comprise of more than one family live in crowded conditions (compared to only 2% of all households).

In contrast to doubling-up and lack of income, which increases risk of homelessness, housing subsidies decrease housing instability (increasing stability). For most families, homelessness is a housing affordability problem; lack of resources to afford housing increases instability and increases risk of homelessness. Access to affordable housing and access to long-term housing subsidies decrease risk of homelessness and increase housing stability. The Family Options Study, a multi-site random assignment experiment designed to study the impact of various housing and services interventions for homeless families, found that housing subsidies reduced all forms of housing instability dramatically, and also had significant impact on many aspects of family stability (like intimate partner violence, separation from children, food insecurity, and school absences).

**Discussion**

None

## NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

The percentage of North Carolinians suffering from housing unit problems varies along patterns of income and race of the household.

### 0%-30% of Area Median Income

| Housing Problems               | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 360,361                                  | 66,608                                | 54,719   |
| White                          | 178,395                                  | 38,779                                | 30,916   |
| Black / African American       | 128,957                                  | 21,918                                | 16,752   |
| Asian                          | 5,726                                    | 384                                   | 1,719  |
| American Indian, Alaska Native | 5,286                                    | 1,416                                 | 1,282  |
| Pacific Islander               | 126                                      | 10                                    | 59   |
| Hispanic                       | 34,843                                   | 2,977                                 | 2,916  |

**Table 13 - Disproportionally Greater Need 0 - 30% AMI**

Data 2011-2015 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

### 30%-50% of Area Median Income

| Housing Problems               | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 315,105                                  | 153,274                               | 0  |
| White                          | 168,265                                  | 105,053                               | 0  |
| Black / African American       | 98,778                                   | 32,022                                | 0  |
| Asian                          | 5,610                                    | 1,240                                 | 0  |
| American Indian, Alaska Native | 3,126                                    | 2,468                                 | 0  |
| Pacific Islander               | 154                                      | 19                                    | 0  |

| Housing Problems | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|------------------|--|---------------------------------------|--|
| Hispanic         | 34,016                                   | 11,270                                | 0  |

**Table 14 - Disproportionally Greater Need 30 - 50% AMI**

Data 2011-2015 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

### 50%-80% of Area Median Income

| Housing Problems               | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 292,866                                  | 365,942                               | 0  |
| White                          | 173,777                                  | 245,275                               | 0  |
| Black / African American       | 80,787                                   | 79,340                                | 0  |
| Asian                          | 5,812                                    | 4,944                                 | 0  |
| American Indian, Alaska Native | 2,809                                    | 4,315                                 | 0  |
| Pacific Islander               | 243                                      | 119                                   | 0  |
| Hispanic                       | 25,593                                   | 27,952                                | 0  |

**Table 15 - Disproportionally Greater Need 50 - 80% AMI**

Data 2011-2015 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

### 80%-100% of Area Median Income

| Housing Problems         | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole  | 97,181                                   | 285,914                               | 0  |
| White                    | 65,131                                   | 199,996                               | 0  |
| Black / African American | 20,862                                   | 59,996                                | 0  |

| Housing Problems               | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Asian                          | 2,005                                    | 4,268                                 | 0  |
| American Indian, Alaska Native | 736                                      | 2,647                                 | 0  |
| Pacific Islander               | 120                                      | 64                                    | 0  |
| Hispanic                       | 7,089                                    | 16,015                                | 0  |

**Table 16 - Disproportionally Greater Need 80 - 100% AMI**

Data 2011-2015 CHAS  
Source:

\*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

## Discussion

There are roughly 360,000 extremely low-income households (earning 0-30% AMI) in North Carolina with one or more housing problems. This is 75% of the approximately 482,000 extremely-low-income households in the state. Extremely low-income Hispanic households are disproportionately affected, with 86% experiencing 1 or more housing problems.

There are approximately 315,000 very low-income households (earning 30-50% AMI) in North Carolina with one or more housing problems; this is 67% of the very low-income households. Pacific Islander and Asian households experience the greatest disproportionate need in this income category, with 89% and 82% experiencing one or more housing problems, respectively.

There are nearly 293,000 low-income households (earning 50-80% AMI) in North Carolina with one or more housing problems, which totals 44% of the low-income households. Pacific Islander households have the most disproportionate need, with 67% experiencing one or more housing problems. This is followed by Asian households at 54%.

There are approximately 97,000 moderate-income households (earning 80-100% AMI) in North Carolina with one or more housing problems. This represents 25% of the moderate-income population. Pacific Islander households experience the greatest proportionate need, with 65% experiencing one or more housing problems.

## NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

North Carolinians that experience severe housing problems also vary according to income and race/ethnicity patterns.

### 0%-30% of Area Median Income

| Severe Housing Problems*       | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 303,116                                  | 123,868                               | 54,719   |
| White                          | 148,353                                  | 68,749                                | 30,916   |
| Black / African American       | 109,037                                  | 41,741                                | 16,752   |
| Asian                          | 5,193                                    | 920                                   | 1,719  |
| American Indian, Alaska Native | 4,241                                    | 2,445                                 | 1,282  |
| Pacific Islander               | 96                                       | 40                                    | 59   |
| Hispanic                       | 29,797                                   | 7,981                                 | 2,916  |

**Table 17 – Severe Housing Problems 0 - 30% AMI**

Data 2011-2015 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

### 30%-50% of Area Median Income

| Severe Housing Problems* | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole  | 155,999                                  | 312,402                               | 0  |
| White                    | 84,186                                   | 189,144                               | 0  |
| Black / African American | 46,904                                   | 83,850                                | 0  |
| Asian                    | 2,951                                    | 3,906                                 | 0  |

| <b>Severe Housing Problems*</b> | <b>Has one or more of four housing problems</b> | <b>Has none of the four housing problems</b> | <b>Household has no/negative income, but none of the other housing problems</b> |
|---------------------------------|---|--|---|
| American Indian, Alaska Native  | 1,526   | 4,089  | 0   |
| Pacific Islander                | 133   | 44   | 0   |
| Hispanic                        | 17,481  | 27,863                                       | 0   |

**Table 18 – Severe Housing Problems 30 - 50% AMI**

Data 2011-2015 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

### 50%-80% of Area Median Income

| <b>Severe Housing Problems*</b> | <b>Has one or more of four housing problems</b> | <b>Has none of the four housing problems</b> | <b>Household has no/negative income, but none of the other housing problems</b> |
|---------------------------------|---|--|---|
| Jurisdiction as a whole         | 87,273  | 571,576                                      | 0   |
| White                           | 50,686  | 368,345                                      | 0   |
| Black / African American        | 20,274  | 139,902                                      | 0   |
| Asian                           | 2,787   | 7,975  | 0   |
| American Indian, Alaska Native  | 1,023   | 6,086  | 0   |
| Pacific Islander                | 50  | 312  | 0   |
| Hispanic                        | 11,350  | 42,166                                       | 0   |

**Table 19 – Severe Housing Problems 50 - 80% AMI**

Data 2011-2015 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

## 80%-100% of Area Median Income

| Severe Housing Problems*       | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 24,696                                   | 358,453                               | 0  |
| White                          | 15,989                                   | 249,098                               | 0  |
| Black / African American       | 4,240                                    | 76,577                                | 0  |
| Asian                          | 568                                      | 5,736                                 | 0  |
| American Indian, Alaska Native | 225                                      | 3,161                                 | 0  |
| Pacific Islander               | 45                                       | 139                                   | 0  |
| Hispanic                       | 3,385                                    | 19,751                                | 0  |

**Table 20 – Severe Housing Problems 80 - 100% AMI**

Data 2011-2015 CHAS  
Source:

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

## Discussion

There are approximately 303,000 extremely low-income households (earning 0-30% AMI) in North Carolina experiencing one or more severe housing problems. This represents approximately 63% of the extremely low-income population. Extremely low-income Hispanic households are disproportionately affected, with 73% experiencing one or more severe housing problems.

There are nearly 156,000 very low-income households (earning 30-50% AMI) in North Carolina with one or more severe housing problems, which is 33% of the very low-income population. Pacific Islander and Asian households in this income category are disproportionately affected, with 75% and 43% experiencing one or more severe housing problems, respectively.

There are 87,000 low-income households (earning 50-80% AMI) in North Carolina with one or more severe housing problems, comprising 13% of the low-income population. Asian households in this income category are disproportionately affected, with 26% experiencing one or more severe housing problems.

There are more than 24,500 moderate-income households (earning 80-100% AMI) in North Carolina with one or more housing problems. This is 6% of the moderate-income population. Pacific Islander households in this income category are disproportionately affected, with 24% experiencing one or more severe housing problems.

## NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

The likelihood of a household being cost-burdened varies according to income and race/ethnicity.

### Housing Cost Burden

| Housing Cost Burden            | <=30%     | 30-50%  | >50%    | No / negative income (not computed) |
|--------------------------------|-----------|---------|---------|-------------------------------------|
| Jurisdiction as a whole        | 2,585,980 | 619,387 | 511,923 | 57,348                              |
| White                          | 1,922,428 | 372,867 | 284,845 | 31,877                              |
| Black / African American       | 431,244   | 169,974 | 164,785 | 17,509                              |
| Asian                          | 52,713    | 10,895  | 8,996   | 1,999                               |
| American Indian, Alaska Native | 24,972    | 5,701   | 6,013   | 1,337                               |
| Pacific Islander               | 824       | 382     | 229     | 59                                  |
| Hispanic                       | 127,431   | 50,763  | 37,307  | 3,366                               |

**Table 21 – Greater Need: Housing Cost Burdens AMI**

Data Source: 2011-2015 CHAS

### Discussion

In North Carolina, 30% of households are cost-burdened, which means they pay more than 30% of their income towards housing. Approximately 14% of households are severely cost-burdened, paying more than 50% of their income for housing.

Except for white and Asian households, all other racial ethnic groups are more likely to be cost-burdened than the population as a whole. Black/African Americans and Pacific Islanders have the highest rates of cost burden - 44% and 42% respectively. For the American Indian and Alaska Native population the figure is 32%. 41% of Hispanic households are cost burdened.

Eastern counties in North Carolina appear to have a greater share of households experiencing severe housing cost burden. For example, 21% of households in Bertie and Pitt counties are severely cost-burdened, while New Hanover, Halifax, Washington, Pasquotank, Hertford, and Perquimans counties all have 18% of households experiencing severe cost burden.

## **NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2)**

### **Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?**

Across all income categories, people of color have disproportionately higher housing needs than the population overall.

According to the 1-yr 2018 ACS estimates, North Carolina’s population is roughly 21% Black, 3% Asian, 1% American Indian and Alaskan Native, 3% multiple races, 63% White alone (not Hispanic or Latino), 10% Hispanic (of any race), and 3% other races.

Trends among income categories are approximately as one would predict: the lower the household’s income, the more likely the household is to face housing problems and severe housing problems. The exceptions to this trend are Asian and Pacific Island populations, where households in the lowest income category (0-30% of the area median income) have lower percent of households with housing problems – 73% and 65%, respectively – than the same populations do in the next-lowest income category (30-50% of the area median income). In the 30-50%AMI income category the rates for Asians and Pacific Islanders are 82% and 89% respectively. After that anomaly those two populations join the pattern where increased incomes correlate with fewer housing problems.

Pacific Island households’ rates of housing problems, however, remain significantly higher than other minority populations. In the moderate-income category (households earning 80-100% of the median income for their area), 65% of Pacific Islander households experience housing problems (compared to 25% for the state overall, 26% for Black households and 32% for Asian households). It is important to note that the Pacific Islander population in the state is very small (approximately 1,500 households).

Extremely low-income (ELI) Hispanic households are disproportionately affected by severe housing problems. 73% of ELI Hispanic households experience severe housing problems, which is nearly 7 percentage points higher than the next-highest populations: “Other - including multiple races, non-Hispanic” (67%), Asian (66%) and Black/African American (65%). The statewide rate of severe housing problems is 63%.

Regarding cost burden, Hispanic, Non-Hispanic Black, Pacific Islander, and “Other (including multi-racial, non-Hispanic)” populations are disproportionately affected. Statewide 30% of households pay more than 30% of their income for housing; these subpopulations all have between 42% and 44% of households paying more a larger share.

### **If they have needs not identified above, what are those needs?**

Limited data is available for assessing other needs.

**Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?**

Between 2010 and 2018, the U.S. Census Bureau estimates that North Carolina's Hispanic population statewide grew by 197,000 new residents, an increase of 24.6%, faster than the growth of this population nationwide (18.6%).

More than one in four NC Latino residents live in two counties: Mecklenburg (148,000 people) or Wake (113,000). The counties with the next largest Hispanic populations are Forsyth (49,000), Guilford (43,000), and Durham (43,000) counties. In rural North Carolina counties there are fewer Hispanic households, but they comprise a larger share of the population (for example, 23% of the population in Duplin and Lee, while statewide they comprise approximately 10% of the population).

Six counties, all urban areas, have Black populations of more than 100,000 people: Mecklenburg (approximately 345,000 people), Wake (222,000), Guilford (180,000), Cumberland (127,000), Durham (117,000) and Forsyth (102,000). In the eastern coastal plain and in counties along the I-95 corridor, higher shares of the population are black than in the Piedmont and Western parts of the state, with 12 counties in the state where Black households comprise more than 40% of the population, and 7 where they are the majority.

North Carolina's Asian population is the fastest-growing racial/ethnic group in the state, growing from 209,400 residents in 2010 to more than 303,000 in 2017; this is an increase of nearly 44.7%. Over half of North Carolina's Asian residents live in one of three counties: Wake (76,500), Mecklenburg (64,900), or Guilford (26,700). The counties with the next largest Asian populations are Durham (15,600), Orange (11,800), and Forsyth (9,200). The Asian population is heavily concentrated in urban areas; in only 9 counties does the Asian share of the population exceed 3% (the statewide figure).

# NA-35 Public Housing – (Optional)

## Introduction

### Totals in Use

|                            | Program Type |           |                |          |                 |                |                                     |                            |            |
|----------------------------|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|------------|
|                            | Certificate  | Mod-Rehab | Public Housing | Vouchers |                 |                | Special Purpose Voucher             |                            |            |
|                            |              |           |                | Total    | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program | Disabled * |
| # of units vouchers in use | 19           | 171       | 33,774         | 53,942   | 1,436           | 50,714         | 484                                 | 229                        | 708        |

Table 22 - Public Housing by Program Type

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

### Characteristics of Residents

|   | Program Type |           |                |          |                 |                |                                     |                            |  |
|---|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|--|
|   | Certificate  | Mod-Rehab | Public Housing | Vouchers |                 |                | Special Purpose Voucher             |                            |  |
|   |              |           |                | Total    | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program |  |
| # Homeless at admission                 | 7            | 0         | 104            | 107      | 1               | 60             | 45                                  | 1                          |  |
| # of Elderly Program Participants (>62) | 0            | 37        | 6,722          | 9,353    | 563             | 8,603          | 37                                  | 8                          |  |
| # of Disabled Families                  | 0            | 20        | 7,065          | 15,002   | 268             | 13,785         | 216                                 | 29                         |  |

|   | Program Type |           |                |          |                 |                |                                     |                            |
|---|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|
|   | Certificate  | Mod-Rehab | Public Housing | Vouchers |                 |                | Special Purpose Voucher             |                            |
|   |              |           |                | Total    | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program |
| # of Families requesting accessibility features | 19           | 171       | 33,774         | 53,942   | 1,436           | 50,714         | 484                                 | 229                        |
| # of HIV/AIDS program participants              | 0            | 0         | 0              | 0        | 0               | 0              | 0                                   | 0                          |
| # of DV victims                                 | 0            | 0         | 0              | 0        | 0               | 0              | 0                                   | 0                          |

**Table 23 – Characteristics of Public Housing Residents by Program Type**

Data Source: PIC (PIH Information Center)

### Race of Residents

| Race                          | Program Type |           |                |          |                 |                |                                     |                            |            |
|-------------------------------|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|------------|
|                               | Certificate  | Mod-Rehab | Public Housing | Vouchers |                 |                | Special Purpose Voucher             |                            |            |
|                               |              |           |                | Total    | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program | Disabled * |
| White                         | 9            | 62        | 5,864          | 14,198   | 500             | 13,235         | 137                                 | 76                         | 158        |
| Black/African American        | 5            | 108       | 27,051         | 39,022   | 927             | 36,781         | 342                                 | 151                        | 544        |
| Asian                         | 0            | 0         | 254            | 99       | 0               | 93             | 1                                   | 1                          | 3          |
| American Indian/Alaska Native | 5            | 1         | 548            | 562      | 8               | 547            | 4                                   | 1                          | 2          |
| Pacific Islander              | 0            | 0         | 57             | 61       | 1               | 58             | 0                                   | 0                          | 1          |
| Other                         | 0            | 0         | 0              | 0        | 0               | 0              | 0                                   | 0                          | 0          |

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

**Table 24 – Race of Public Housing Residents by Program Type**

Data Source: PIC (PIH Information Center)

### Ethnicity of Residents

| Ethnicity    | Program Type |           |                |          |                 |                |                                     |                            |            |
|--------------|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|------------|
|              | Certificate  | Mod-Rehab | Public Housing | Vouchers |                 |                | Special Purpose Voucher             |                            |            |
|              |              |           |                | Total    | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program | Disabled * |
| Hispanic     | 1            | 27        | 894            | 1,167    | 33              | 1,065          | 20                                  | 16                         | 27         |
| Not Hispanic | 18           | 144       | 32,880         | 52,775   | 1,403           | 49,649         | 464                                 | 213                        | 681        |

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

**Table 25 – Ethnicity of Public Housing Residents by Program Type**

Data Source: PIC (PIH Information Center)

**Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:**

**What are the number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance? Based on the information above, and any other information available to the jurisdiction, what are the most immediate needs of residents of public housing and Housing Choice voucher holders?**

**How do these needs compare to the housing needs of the population at large**

**Discussion:**

None

## NA-40 Homeless Needs Assessment – 91.305(c)

### Introduction:

The January 2019 Point-in-Time count showed several decreases that reflect ongoing downward trends among the general homeless population as well as the subpopulations. The 2019 Annual Homelessness Assessment Report reports that homelessness in North Carolina has decreased 24% since 2010, including an 18% decrease in adults without children and a 36% decrease in people in families with children.

Despite downward trends, thousands of North Carolinians are currently homeless and in need of assistance. There were 9,314 homeless individuals in North Carolina identified during the Point-in-Time (PIT) count conducted in late January 2019. Of these 7,046, or 76%, were staying in emergency shelters or transitional housing, and 2,268, or 24% were sleeping in unsheltered locations. 73% were adults with no dependent children, and 26% were people in families with children. Fourteen percent (14%) of the homeless population was reported as having a severe mental illness; 11% a substance abuse disorder; 8% were victims of domestic violence, and 10% were veterans. 417 unaccompanied youth were also counted.

### Homeless Needs Assessment

| Population   | Estimate the # of persons experiencing homelessness on a given night |             | Estimate the # experiencing homelessness each year | Estimate the # becoming homeless each year | Estimate the # exiting homelessness each year | Estimate the # of days persons experience homelessness |
|--|--|-------------|--|--|---|--|
|  | Sheltered  | Unsheltered |  |  |   |  |
| Persons in Households with Adult(s) and Child(ren) | 290  | 2,157       | 8,649  | 0  | 2,346   | 0  |
| Persons in Households with Only Children           | 31   | 3           | 0  | 0  | 56  | 0  |
| Persons in Households with Only Adults             | 1,975  | 4,858       | 19,251   | 0  | 2,089   | 0  |
| Chronically Homeless Individuals                   | 647  | 523         | 3,906  | 0  | 0   | 0  |
| Chronically Homeless Families                      | 89   | 9           | 0  | 0  | 0   | 0  |
| Veterans   | 144  | 763         | 2,790  | 0  | 0   | 0  |

| Population          | Estimate the # of persons experiencing homelessness on a given night |             | Estimate the # experiencing homelessness each year | Estimate the # becoming homeless each year | Estimate the # exiting homelessness each year | Estimate the # of days persons experience homelessness |
|---------------------|--|-------------|--|--|---|--|
|                     | Sheltered  | Unsheltered |  |  |   |  |
| Unaccompanied Child | 317  | 100         | 279  | 0  | 0   | 0  |
| Persons with HIV    | 62   | 18          | 0  | 0  | 0   | 0  |

Table 26 - Homeless Needs Assessment

Alternate Data Source Name:  
2019 PIT Count by CoC  
Data Source Comments:

Indicate if the homeless population is: Partially Rural Homeless

### Rural Homeless Needs Assessment

| Population   | Estimate the # of persons experiencing homelessness on a given night |             | Estimate the # experiencing homelessness each year | Estimate the # becoming homeless each year | Estimate the # exiting homelessness each year | Estimate the # of days persons experience homelessness |
|--|--|-------------|--|--|---|--|
|  | Sheltered  | Unsheltered |  |  |   |  |
| Persons in Households with Adult(s) and Child(ren) | 240  | 736         | 0  | 0  | 0   | 0  |
| Persons in Households with Only Children           | 0  | 2           | 0  | 0  | 0   | 0  |
| Persons in Households with Only Adults             | 293  | 1,274       | 0  | 0  | 0   | 0  |
| Chronically Homeless Individuals                   | 130  | 154         | 0  | 0  | 0   | 0  |
| Chronically Homeless Families                      | 6  | 26          | 0  | 0  | 0   | 0  |
| Veterans   | 33   | 129         | 0  | 0  | 0   | 0  |

| Population          | Estimate the # of persons experiencing homelessness on a given night |             | Estimate the # experiencing homelessness each year | Estimate the # becoming homeless each year | Estimate the # exiting homelessness each year | Estimate the # of days persons experience homelessness |
|---------------------|--|-------------|--|--|---|--|
|                     | Sheltered  | Unsheltered |  |  |   |  |
| Unaccompanied Youth | 40   | 147         | 0  | 0  | 0   | 0  |
| Persons with HIV    | 0  | 0           | 0  | 0  | 0   | 0  |

Table 27 - Homeless Needs Assessment

Alternate Data Source Name:  
2019 PIT Count by CoC  
Data Source Comments:

**For persons in rural areas who are homeless or at risk of homelessness, describe the nature and extent of unsheltered and sheltered homelessness with the jurisdiction:**

The January 2019 Point in Time Count reports that 3,406 individuals were experiencing homelessness in two largely rural CoCs, which represents 37% of the homeless population. These rural CoCs serve 42% of the state’s Asian homeless population and 50% of the Native American homeless population. Roughly half (49%) of the total count of unsheltered homeless in North Carolina can be found in the largely rural CoCs. The majority (83%) of North Carolina’s unsheltered homeless families can also be found in the largely rural CoCs. This aligns with a report by the National Alliance to End Homelessness, which states that many rural homeless people reside in “hidden places”, such as campgrounds, cars, abandoned farm buildings or other places not intended for habitation. Out of the total homeless in rural areas, 68% were sheltered and 32% were unsheltered. Since 2010, homelessness in rural areas has decreased by 7%.

**If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):**

Substantially more of the homeless population overall are sheltered than unsheltered. There were 9,314 homeless individuals in North Carolina identified during the Point-in-Time (PIT) Count conducted in late January 2019, of which 76% were sheltered and 24% unsheltered.

Persons in households with only adults comprised 73% of the homeless population, with 52% located in either shelter or transitional housing, and 21% were unsheltered. Persons in households with adults and children comprised 26% of the homeless population, with 23% of those families in either shelter or transitional housing and 3% unsheltered.

Chronically homeless persons are less likely to be sheltered than the whole homeless population; only 58% are sheltered, compared to 76% of the total homeless population. Similarly, homeless persons with chronic substance abuse are less likely to be sheltered; only 59% are sheltered. Veterans, on the other hand, are more likely to be sheltered than the total homeless population; 84% of homeless veterans are sheltered.

The number of homeless veterans has dropped by 16% from 2010, with 907 homeless veterans counted during the 2019 PIT. Cumberland County/Fayetteville and Winston-Salem are two communities in North Carolina that have announced an end to veteran homelessness. There was a total of 2,447 homeless adults with children during the 2019 PIT count; this represents a 36% decrease from 2010.

Chronically homeless persons are less likely to be sheltered than the whole homeless population; only 58% are sheltered, compared to 76% of the total homeless population. Similarly, homeless persons with chronic substance abuse are less likely to be sheltered; only 59% are sheltered. Veterans, on the other hand, are more likely to be sheltered than the total homeless population; 84% of homeless veterans are sheltered.

**Nature and Extent of Homelessness: (Optional)**

| <b>Race:</b>                     | <b>Sheltered:</b> | <b>Unsheltered (optional)</b> |
|----------------------------------|-------------------|-------------------------------|
| White                            | 2,629             | 1,363                         |
| Black or African American        | 4,043             | 789                           |
| Asian                            | 27                | 4                             |
| American Indian or Alaska Native | 55                | 39                            |
| Pacific Islander                 | 16                | 6                             |
| <b>Ethnicity:</b>                | <b>Sheltered:</b> | <b>Unsheltered (optional)</b> |
| Hispanic                         | 273               | 138                           |
| Not Hispanic                     | 6,773             | 2,130                         |

Alternate Data Source Name:  
 2019 AHAR Part I  
 Data Source  
 Comments:

**Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.**

The number of homeless veterans has dropped by 16% from 2010, with 907 homeless veterans counted during the 2019 PIT. Cumberland County/Fayetteville and Winston-Salem are two communities in North Carolina that have announced an end to veteran homelessness. There was a total of 2,447 homeless adults with children during the 2019 PIT count; this represents a 36% decrease from 2010.

**Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.**

There are nearly 5000 Black people, nearly 4000 white people, and nearly 500 people of other race categories experiencing homelessness in North Carolina. There are more than 400 Hispanic homeless people in the state.

Different racial/ethnic categories experience homelessness at different ratios. African Americans comprise approximately 21% of the state’s population, but 52% of the homeless population. 63% of the state’s population is in the category “White alone, not Hispanic or Latino”, while Whites comprise only 43% of the state’s homeless population. Hispanic people make up 10% of the total population in North Carolina, but only 4% of the homeless population. Asians, Native Hawaiians/Pacific Islanders, American Indian/Alaskan Natives, and Multi-race people together comprise 5% of the state’s homeless population.

Black homeless people are more likely to be in shelters than White homeless people (with 84% of Black homeless people sheltered and only 66% of White homeless people sheltered. The remainder are unsheltered or living in structures not intended for housing.

## **Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.**

Substantially more of the homeless population are sheltered than unsheltered. There were 9,314 homeless individuals in North Carolina identified during the Point-in-Time (PIT) Count conducted in late January 2019, of which 76% were sheltered and 24% unsheltered.

People in households with only adults comprised 73% of the homeless population, with 52% located in either shelter or transitional housing, and 21% were unsheltered. People in households with adults and children comprised 26% of the homeless population, with 23% of those families were in either shelters or transitional housing and 3% were unsheltered.

People experiencing chronic homelessness are less likely to be sheltered; only 58% are sheltered, compared to 76% of the total homeless population. Similarly, persons experiencing homeless with chronic substance abuse are less likely to be sheltered; only 59% are sheltered. Veterans, on the other hand, are more likely to be sheltered than the total homeless population; 84% of homeless veterans are sheltered.

### **Discussion:**

None

## NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d)

### Introduction

This section focuses on non-homeless needs, especially those with disabilities and HIV/AIDS. As part of the State's continued effort to evolve and modernize the North Carolina Housing Opportunities for Persons with AIDS (HOPWA) program, NC has fully integrated the HOPWA program with the Ryan White Part B program funded by the Health Resources Services Administration (HRSA) and the HIV Prevention program funded by the Centers for Disease Control and Prevention (CDC). These programs, in collaboration, form the HIV/STD Prevention and Care Unit within the North Carolina Communicable Disease Branch. HOPWA program staff submitted, for review and comment, the draft Con Plan to all Ryan White Part B HIV and HOPWA service providers that are funded by the North Carolina Division of Public Health HIV Care Program statewide. The COVID-19 pandemic created significant environmental, health and safety and social impacts, risks, and challenges for workforces across the State, affecting non-profits and their staff, and clients. Some of the most critical areas of concerns mentioned during technical assistance with providers was the need for additional resources, specifically affordable housing.

The chart below requesting HIV Housing Need could not be populated in the provided template. The estimated unmet HIV housing need based on the type of HOPWA Assistance, however, is 194 for Tenant-Based Rental Assistance, 237 for Short-term Rent, Mortgage, and Utility, and unknown for Facility Based Housing (Permanent, short-term or transitional).

### HOPWA

| <b>Current HOPWA formula use:</b>                |        |
|--|--------|
| Cumulative cases of AIDS reported                | 15,423 |
| Area incidence of AIDS                           | 519    |
| Rate per population                              | 6      |
| Number of new cases prior year (3 years of data) | 1,293  |
| Rate per population (3 years of data)            | 15     |
| <b>Current HIV surveillance data:</b>            |        |
| Number of Persons living with HIV (PLWH)         | 34,460 |
| Area Prevalence (PLWH per population)            | 389    |
| Number of new HIV cases reported last year       | 1,383  |

**Table 28 – HOPWA Data**

**Data Source Comments:** NC Surveillance Data effective June 24,2020.

### HIV Housing Need (HOPWA Grantees Only)

| Type of HOPWA Assistance       | Estimates of Unmet Need |
|--------------------------------|-------------------------|
| Tenant based rental assistance | 0                       |

| Type of HOPWA Assistance                                       | Estimates of Unmet Need |
|--|-------------------------|
| Short-term Rent, Mortgage, and Utility                         | 0                       |
| Facility Based Housing (Permanent, short-term or transitional) | 0                       |

**Table 29 – HIV Housing Need**

**Data** HOPWA CAPER and HOPWA Beneficiary Verification Worksheet  
**Source:**

**Describe the characteristics of special needs populations in your community:**

The importance of housing status for HIV prevention and care is essential. Nine out of ten households receiving HOPWA housing assistance have extremely low or very low incomes. Nationwide Eleven percent of persons entering the HOPWA program were chronically homeless prior to entry and 4.6 percent of HOPWA housing recipients were veterans. Research consistently shows that housing is a critical component of HIV care and prevention systems. By assisting with housing and related services, the HOPWA program helps PLWHA enter housing, access, and remain in care, and adhere to complex treatment regimens, which results in reduced use of emergency care and hospital services. Individuals living with and affected by HIV/AIDS have a higher incidence of homelessness which has a negative impact on their compliance with medical care. Lack of stable, secure, adequate housing is a significant barrier to consistent and appropriate HIV medical care, access, and adherence to antiretroviral medications, sustained viral suppression, and risk of transmission. The NC HOPWA and Ryan White Part B programs are fully integrated to ensure an integrated approach to housing, health, and support services to ensure individuals and their families are safely housed which results in improved health care outcomes. HOPWA Project Sponsors and Ryan White Part B funded providers share in the development of the Network Service Delivery Plan, Network Client Satisfaction Survey, Network Quality Management Plan, Network Evaluation Plan and Network Client Grievance Policy and Procedures. Their shared commitment to a blended plan for assessing client needs, satisfaction, and service delivery demonstrate the importance of these programs to work jointly under the umbrella of the HIV Care Program.

The HIV Care Program maintains a HOPWA Cascade which is a HIV Care Continuum Model for housing and care that analyzes HIV viral suppression in HIV+ individuals receiving HOPWA housing assistance. Data collected through the Cascade demonstrates that stable housing results in retention in care which thus results in better health outcomes and HIV Viral Suppression.

**What are the housing and supportive service needs of these populations and how are these needs determined?**

HIV responses have evolved from emergency initiatives focused primarily on treatment access to longer-term strategies for chronic disease management, increasing attention is paid to supportive service needs that may affect treatment effectiveness. PLWHA are significantly more vulnerable to becoming homeless during their lifetime, with the greatest need for TBRA, STRMU, and PHP services which

ensures access to permanent affordable housing. The housing and supportive services needs were determined based upon HOPWA Project Sponsors improved tracking of unmet need for HOPWA–Eligible households, Regional Networks of Care Needs Assessments, Regional Networks of Care Service Delivery Plans, and Regional Networks of Care Client Satisfaction Surveys.

Nationally, the racial and ethnic composition of HOPWA housing recipients is reflective of the disparate impact of HIV on minorities: over 62% of persons receiving HOPWA housing identify as Black or African American or other racial/multiracial minorities; nearly one-fifth of households identify as having Hispanic/Latino ethnicity; over 40% of beneficiaries are female; and almost one-fifth are under 18 years of age. Our HOPWA Project Sponsors proposed to serve 213 eligible households with TBRA, and they served 201 eligible households. The number served was lower than proposed because the provision of services was altered due to the COVID-19 pandemic. Additionally, due to a lack of available affordable housing options in the state, we continue to have TBRA waiting lists among our Project Sponsors. In addition, the rental and criminal background histories of some TBRA eligible clients are a barrier to obtaining housing. We are requiring utilization of Resource Identification services by our Project Sponsors beginning in 2021 to identify additional housing stock.

Our HOPWA Project Sponsors proposed to serve 596 eligible households with STRMU assistance, and they served 359 eligible households. Although this number has significantly increased from last year, the number served was still lower than proposed because Project Sponsors were successful in leveraging other resources to meet the short-term needs of eligible households.

Our HOPWA Project Sponsors proposed to serve 57 eligible households with PHP assistance, and they served 45 eligible households which is a decrease from 2019. As we continue to provide education to our Project Sponsors about allowable uses of permanent housing placement funds, we are seeing an increase, where appropriate, in the utilization of permanent housing services to assist eligible households. We anticipate that this will continue to increase moving forward as we were only 12 clients shy of this goal, during a pandemic.

Our HOPWA Project Sponsors proposed to serve 872 eligible households through SS, and they served 266 eligible households. We attribute this decrease to COVID and the desire for the population to stay quarantined safely; and there for not wanting to be in contact with many people.

Of the clients receiving HOPWA housing subsidy in 2020, 88.76% were stably housed and/or at reduced risk of homelessness. We attribute this to the fact that all our HOPWA Project Sponsors provide TBRA and STRMU services, as needed.

**Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:**

- As of June 24, 2020, the estimated number of persons living with HIV in NC was 34,460.
- In 2020, 1,383 new diagnoses of HIV infection were reported.

- The three-year (2018-2020) average rate of diagnosed HIV infection in NC was 14.8 per 100,000 population.
- The top 5 counties with highest rates of HIV were Mecklenburg (29.0 per 100,000), Edgecombe (27.4 per 100,000), Guilford (26.2 per 100,000), Pitt (25.4 per 100,000) and Cumberland County (24.5 per 100,000).
- Among the HIV infection cases diagnosed in 2019, African Americans represented 68% of all cases with a rate of 63.9 per 100,000 adult/adolescent population. The highest rate (115.8 per 100,000) was among adult/adolescent African American males.
- For the newly diagnosed adult/adolescent HIV infection cases in 2019, men who have sex with men (MSM) was the principal risk factor indicated in 55.7% of total cases, heterosexual transmission risk was indicated in 12.6%, injection drug use (IDU) was indicated in 3.3%, and MSM/IDU was indicated in 2.6% of total cases.
- In the 2020 HOPWA CAPER reporting year (January 1, 2020 – December 31, 2020) 78% of the HOPWA households served had 0-30% of area median income (extremely low), 15% had 31-50% of area median income (very low), and 7% had 51-80% of area median income (low).
- 52% of the HOPWA individuals and beneficiaries served reported in the 2020 HOPWA CAPER were males, 47% were females and 1% were transgender (male to female).
- Of the HOPWA eligible individuals and beneficiaries served in the 2020 HOPWA CAPER reporting year:

1% was American Indian/Alaskan Native, 65% were Black/African American, 32% were White, 1% Black/African American & White, and 1% was Other/Multi-racial.

Of the total number of HOPWA eligible Individuals and Beneficiaries reported in the race breakdown above, 1% of them also identified as Hispanic or Latino.

**Relevant Geography (MSA):** The State’s HOPWA program currently (as of January 2016) serves people living with HIV/AIDS and their families in 82 of the 100 counties in NC.

The HOPWA formula grant was first funded for the State of NC in 1992 and served the entire state until 1998. In that year, the Charlotte, and Raleigh MSAs became eligible for HOPWA formula allocations and the state’s service area was reduced. In 2002, Wake County received a transfer of HOPWA Formula funds from the Raleigh to provide HOPWA services to Wake, Franklin and Johnston counties. In 2011, Greensboro also became eligible for HOPWA formula funding to serve Guilford, Randolph and Rockingham counties and the state funding and service area was again reduced. The Charlotte MSA was revised in 2013 to include Iredell, Lincoln, and Rowan counties. The NC HOPWA program gained Anson County because of the 2013 revision to the Charlotte MSA service area. During the Federal Fiscal Year 2015, the Durham-Chapel Hill MSA became eligible for HOPWA formula funding which resulted in the transition of Chatham, Durham, Orange, and Person counties from the state HOPWA formula funding. As a result, the state’s funding and service area was further reduced. In addition, clients living in Currituck County are served by the Virginia Beach, Virginia MSA. As of January 2016, the state’s HOPWA program now covers 82 of the 100 counties in NC. Funding from HUD supports the NC HOPWA Program

ensuring the delivery of a comprehensive continuum of housing support services for persons living with HIV throughout 10 Regional Networks of Care and Prevention across the state. In addition to HOPWA services for individuals living with HIV/AIDS, each of the 10 Networks of Care and Prevention also provides core medical and support services for individuals living within each Network region.

**Discussion:**

continued from previous section

The NC HOPWA program was notified by HUD on October 9, 2020 that the Winston-Salem MSA became eligible for HOPWA Formula allocation and the State funding and service area will be further reduced in 2022. The City of Winston-Salem is in the process of developing an RFA for HOPWA funding with a planned start date of January 1, 2022. As a result, the NC HOPWA program will continue to provide HOPWA services for all counties within the Winston-Salem MSA through December 31, 2021. Effective January 1, 2022, the City of Winston-Salem MSA will provide HOPWA services for Davie, Davidson, Forsyth, Stokes, and Yadkin counties while the NC HOPWA program will continue to provide services for Surry County. As a result, effective January 1, 2022, the NC HOPWA program will cover 77 of the 100 counties in NC.

## **NA-50 Non-Housing Community Development Needs - 91.315 (f)**

### **Describe the jurisdiction's need for Public Facilities:**

Public facilities include all improvements and facilities that are either publicly owned or that are traditionally provided by the government, or owned by a nonprofit, and operated so as to be open to the general public. This would include neighborhood facilities, firehouses, public schools, libraries, and non-permanent housing such as shelters and transitional facilities for the homeless and other special needs populations. Public improvements include streets, sidewalks, curbs and gutters, parks, playgrounds, water and sewer lines, flood and drainage improvements, parking lots, utility lines, and aesthetic amenities on public property such as trees, sculptures, pools of water and fountains, and other works of art. These activities are primarily funded through the CDBG Neighborhood Revitalization Program, Economic Development, and Infrastructure programs. Units of local governments identify its needs and provide the documentation in the CDBG application submitted to the State. The Rural Economic Development Division consistently receives requests for funds to build and rehabilitate public facilities for the aging, homeless and low-and-moderate income communities. REDD will also assist businesses with building reuse, infrastructure, tenant improvement and other CDBG eligible activities. In return, the businesses will create and retain jobs, primarily for LMI persons.

Recent natural disasters and the COVID-19 pandemic highlighted the needs for public facilities and improvements, especially non-permanent housing and broadband services. In addition to the Consolidated Plan that addresses housing and community development needs, Governor Cooper has released a statewide broadband plan that address infrastructure, affordability, and equity. The primary funding source to address the broadband needs is the American Rescue Plan Act funds that will be leverage with other state and private resources. ARPA funds will also be used in addition to CDBG, HOME, NHTF, HOPWA, and ESG to address permanent and non-permanent housing needs.

### **How were these needs determined?**

Additionally, the housing needs assessment revealed that North Carolina's population is growing mostly in urban areas and in elderly population. Also, the homeless population and over-crowded housing is significant creating the need for emergency, transitional, and supporting housing.

### **Describe the jurisdiction's need for Public Improvements:**

The public improvement needs throughout the state include broadband and water and sewer to address failing systems. Also, the COVID-19 pandemic has highlighted the need for public improvements to respond to and prevent the disease. Some of the need is documented in the following reports:

<https://www.ncbroadband.gov/data-reports/homework-gap-north-carolina-report>

<https://www.ncbroadband.gov/data-reports/connecting-north-carolina-state-broadband-plan>

<https://www.ncbroadband.gov/data-reports/nc-broadband-indices>

<https://infrastructurereportcard.org/state-item/north-carolina/>

<https://governor.nc.gov/issues/infrastructure>

**Broadband Access:** High-speed Internet access is critical infrastructure for North Carolina communities, especially in rural and low-wealth areas. Without broadband, the residents, businesses, and institutions providing health care, education, and emergency response are technologically and socially isolated. More important, broadband access is critical to providing access to health care and education. The Broadband Infrastructure Office (BIO), in the NC Department of Information Technology (NCDIT), was established by North Carolina's Chief Information Officer in 2015 to serve as a statewide resource for broadband access, overseeing the State Broadband Plan for North Carolina. The office strives to narrow the digital divide in NC while continuously assessing the needs in the State.

### **How were these needs determined?**

The need determination is outlined in the reports noted above. Additionally, the need is documented through the demand during the funding application process.

### **Describe the jurisdiction's need for Public Services:**

Public services needs have been increasing, especially during the public health emergency due to COVID-19. Prior to COVID-19, evidence of food desserts and insecurity was evident and has increased during the pandemic. Also, the job loss during the pandemic and the importance of housing stability has increased the demand for internet access and emergency payments for rent, mortgage, and utilities.

**Homeless Prevention-Related/Housing Stability Public Services:** Housing instability concerns are increasing in NC due to actual and pending evictions and increased unemployment and underemployment. This has increased the need for assistance with emergency payments for rent, mortgage, and utilities. Related to this is also the need to address food desserts and food insecurity by improving access to healthy, affordable foods.

**Broadband Services and Access:** Before and during the COVID-19 pandemic, NC was aware of the need to provide affordable and equitable broadband access. The access is critical to providing telehealth services and bridging the homework gap. Funding sources are not only needed for broadband infrastructure, but also for providing essential equipment such as hot spots and laptops to households and public facilities. The state broadband plan also identifies five main barriers to broadband adoption that are particularly pronounced among low-income households. The primary barriers are the cost or

affordability of service; the real or perceived costs of a computer; laptop or other devices; digital literacy; and the internet's perceived relevancy in a person's daily life. The recommendations to address these barriers include educating low-income households and community leaders on affordable broadband options and publishing best practices for local governments who want to offer subsidies or other adoption programs for low-income households.

**Natural Disasters and Public Health Emergency Public Services:** NC is susceptible to natural disasters and at-risk of public health emergencies such as COVID-19. Recent hurricanes and the COVID-19 highlighted the need for comprehensive short-term and long-term emergency response needs for the State's communities to deliver public aid quickly and effectively.

### **How were these needs determined?**

See the previous response and the resources below.

**Food Desserts and Insecurity:** <https://www.ers.usda.gov/data-products/food-access-research-atlas/go-to-the-atlas.aspx#.UuGErvYo6X1> <https://localfood.ces.ncsu.edu/food-access-food-security/>

**Homeless Prevention/Housing Stability Needs:** <https://nchousing.org/county-fact-sheets/> <https://www.rebuild.nc.gov/hope-program>

**Broadband Services and Access:** <https://www.ncbroadband.gov/digital-divide> <https://www.nconemap.gov/pages/broadband>

# Housing Market Analysis

## MA-05 Overview

### Housing Market Analysis Overview:

Between 2010 and 2018, the population of North Carolina increased by 7%, adding over 620,000 new residents and over 170,000 new households. To accommodate household growth and help remedy a deficit in affordable supply, the state added almost 250,000 new housing units. Much of that growth was concentrated in urban counties like Buncombe, Durham, Mecklenburg, and Wake. However, North Carolina continues to struggle in meeting the needs of its lowest income residents and, like many states, is experiencing affordability challenges.

The addition of over 620,000 residents in the past decade plus an economic shift from manufacturing to health care, biotechnology and finance have exacerbated housing affordability challenges in North Carolina. Housing construction has not kept pace with household growth in urban areas, driving up home sales prices and rental costs. While housing costs may be lower in rural communities, incomes are often lower as well, making it difficult to buy, rent or maintain homes.

## MA-10 Number of Housing Units – 91.310(a)

### Introduction

Single-family homes make up most of the housing stock across the state. Urban areas are more likely to have 20+ multi-unit structures, while rural areas are more likely to have mobile homes. The emphasis on single-family homes is likely attributable to zoning regulations, development costs, and other factors. Building permit data shows that most new construction is focused on single-family homes, with 98% of permits in 2018. As in other states across the country, the home-building industry in North Carolina has started showing signs of recovery from the Great Recession but has not returned to pre-Recession levels.

### All residential properties by number of units

| Property Type                   | Number           | %           |
|---------------------------------|------------------|-------------|
| 1-unit detached structure       | 2,976,686        | 65%         |
| 1-unit, attached structure      | 187,331          | 4%          |
| 2-4 units                       | 220,981          | 5%          |
| 5-19 units                      | 389,014          | 9%          |
| 20 or more units                | 200,737          | 4%          |
| Mobile Home, boat, RV, van, etc | 598,317          | 13%         |
| <b>Total</b>                    | <b>4,573,066</b> | <b>100%</b> |

Table 30 – Residential Properties by Unit Number

Alternate Data Source Name:

2014 - 2018 ACS

Data Source Comments:

### Unit Size by Tenure

|                    | Owners           |             | Renters          |             |
|--------------------|------------------|-------------|------------------|-------------|
|                    | Number           | %           | Number           | %           |
| No bedroom         | 13,504           | 0%          | 84,877           | 6%          |
| 1 bedroom          | 53,921           | 2%          | 438,751          | 32%         |
| 2 bedrooms         | 761,500          | 31%         | 1,102,161        | 83%         |
| 3 or more bedrooms | 4,178,852        | 167%        | 1,060,612        | 79%         |
| <b>Total</b>       | <b>5,007,777</b> | <b>200%</b> | <b>2,686,401</b> | <b>200%</b> |

Table 31 – Unit Size by Tenure

Alternate Data Source Name:

2014 - 2018 ACS

Data Source Comments:

**Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.**

Federally subsidized housing plays a key role in meeting the housing needs of seniors, people with disabilities, veterans, and low-income individuals in North Carolina. Data from the National Housing Preservation Database shows there are 156,128 units with federal subsidies including LIHTC, HOME, Section 8, Public Housing, USDA, and other HUD sources. LIHTC units constitute 40% of the federally subsidized housing stock, while Section 8 and Public Housing make up 37%. Analysis by the Center for Budget and Policy Priorities shows that 263,000 residents in North Carolina rely on federal rental assistance to afford modest housing. Of those residents, 69% are seniors, children, or people with disabilities.

Several state agencies are involved in the provision of housing. The North Carolina Housing Finance Agency sells bonds, allocates tax credits, and uses state and federal funds to finance affordable housing. Specifically, NCHFA administers and manages federal programs like Low Income Housing Tax Credit, HOME, and National Housing Trust Fund in addition to allocating state sources like the North Carolina Housing Trust Fund and others. The North Carolina Department of Commerce administers the federal Community Development Block Grant (CDBG) program. The North Carolina Department of Health and Human Services (NC DHHS) administers the Emergency Solutions Grant Program (ESG) and the Housing Opportunities for People with AIDS Program (HOPWA).

**CDBG:** Funds local community development activities with the goal of providing affordable housing, decreasing poverty and improving infrastructure.

**ESG:** Improves the number and quality of emergency shelters, provide essential services to shelter residents, re-house homeless individuals and families and prevent families and individuals from becoming homeless

**HOME:** Funds rehabilitation of owner-occupied units, development of rental housing, and home-buying. Targets low- and moderate-income homeowners who are elderly, disabled or veterans; extremely-low, low and moderate income renters including elderly and special needs; low and moderate income homebuyers

**HOPWA:** Provides housing and housing related services to persons/families living with HIV infection in the 86 North Carolina counties covered by the state HOPWA Program

**Low Income Housing Tax Credit:** Finances development and substantial rehabilitation of affordable rental housing. Targets renters with incomes up to 80% of area median income including elderly and those with special needs

**National Housing Trust Fund:** Finances development of affordable rental housing and supportive rental housing, targeting renters with incomes up to 80% of area median income including elderly and special needs.

**Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.**

Subsidized housing is an important part of the affordable housing stock in the state. In North Carolina, developments that receive tax credits must remain affordable for 30 years at which point owners may choose to raise rents, renovate, or redevelop. Section 8 contracts typically expire after 20 years. While most contracts are renewed, some owners may choose to convert to market rate housing, making these units vulnerable to significant price appreciation in certain markets. According to the National Housing Preservation Database, over 5,000 rental units in North Carolina will lose affordability in the next 5 years - including 2,405 Section 8 vouchers and 1,427 LIHTC units.

However, the majority of the state's affordable housing stock is unsubsidized, making it vulnerable to changes in the housing market. According to the Joint Center for Housing Studies, North Carolina lost 20% of its low-cost units, or 125,000 units with rents under \$600, between 2012 and 2017. Several forces have contributed to the shrinking supply of low-cost rentals – including increased demand from high income renters and an aging stock with costly repair needs.

### **Does the availability of housing units meet the needs of the population?**

The housing needs of extremely low-income households are not being met by the current housing stock in North Carolina. According to the Gap report by the National Low Income Housing Coalition, there is a shortage of over 188,000 homes for renters at 30% AMI and below and a shortage of 191,310 for renters at 50% AMI and below. As a consequence, low and extremely low-income households are experiencing severe cost burden with 70% of renters at 30% AMI spending half or more of their income on housing.

### **Describe the need for specific types of housing:**

As evidenced by cost burden and shortage of low-cost rental units, there is a need for quality affordable and accessible housing across the state, particularly for extremely low-income households.

In addition to the challenges associated with low-income households, North Carolina is experiencing significant demographic change including increased migration to urban counties and an aging population. According to the American Community Survey, 15% of the population is 65 and older. Among seniors, 35% have a disability, 10% live alone and 9% live in poverty. Estimates show that by 2035, more than 1 in 5 North Carolinians will be 65 and older. Thus, there is an increasing need for housing stock that allows residents to age in place provides supportive services.

### **Discussion**

None

## MA-15 Cost of Housing – 91.310(a)

### Introduction

North Carolina has seen an increase in median sales price and rents over the past decade. Incomes have not kept pace with rising housing costs which has led to affordability challenges, particularly for low-income households.

While housing costs vary by region, North Carolina continues to face a shortage of affordable housing for low-income households, particularly those earning \$20,000 or less. In urban areas, increased demand for housing and limited supply has driven up rents and housing prices. Unable to compete with higher income households for a limited number of homes, low-income workers in cities like Charlotte, Durham and Raleigh are being priced out of their neighborhoods. While housing costs may be lower in rural communities, incomes are often lower as well, making it difficult to buy, rent or maintain homes. As a result, nearly one in three North Carolinians spends 30% or more of their income on housing, leaving less money for other critical expenses like food, health care and education.

### Cost of Housing

|                      | Base Year: 2013 | Most Recent Year: 2018 | % Change |
|----------------------|-----------------|------------------------|----------|
| Median Home Value    | 153,600         | 180,600                | 18%      |
| Median Contract Rent | 602             | 877                    | 46%      |

Table 32 – Cost of Housing

**Alternate Data Source Name:**

2014 - 2018 ACS

**Data Source Comments:** 2009 - 2013 ACS (Base Year)

| Rent Paid       | Number           | %             |
|-----------------|------------------|---------------|
| Less than \$500 | 140,542          | 36.8%         |
| \$500-999       | 667,064          | 49.5%         |
| \$1,000-1,499   | 356,887          | 10.6%         |
| \$1,500-1,999   | 83,009           | 2.0%          |
| \$2,000 or more | 31,083           | 1.2%          |
| <b>Total</b>    | <b>1,278,585</b> | <b>100.0%</b> |

Table 33 - Rent Paid

**Alternate Data Source Name:**

2014 - 2018 ACS

**Data Source Comments:**

## Housing Affordability

| % Units affordable to Households earning | Renter           | Owner            |
|--|------------------|------------------|
| 30% HAMFI                                | 95,690           | No Data          |
| 50% HAMFI                                | 360,725          | 225,450          |
| 80% HAMFI                                | 854,240          | 612,655          |
| 100% HAMFI                               | No Data          | 890,150          |
| <b>Total</b>                             | <b>1,310,655</b> | <b>1,728,255</b> |

**Table 34 – Housing Affordability**

Data Source: 2011-2015 CHAS

## Monthly Rent

| Monthly Rent (\$) | Efficiency (no bedroom) | 1 Bedroom | 2 Bedroom | 3 Bedroom | 4 Bedroom |
|-------------------|-------------------------|-----------|-----------|-----------|-----------|
| Fair Market Rent  | 633                     | 652       | 799       | 1,063     | 1,281     |
| High HOME Rent    | 593                     | 614       | 760       | 969       | 1,072     |
| Low HOME Rent     | 522                     | 559       | 672       | 778       | 867       |

**Table 35 – Monthly Rent**

Data Source Comments:

## Is there sufficient housing for households at all income levels?

According to the latest Gap report from the National Low-Income Housing Coalition, North Carolina continues to face a shortage of affordable rental housing for households at the lowest income levels. Low-income households must compete with higher income households for a limited number of affordable homes in a private market. For every 100 extremely low-income households (earning \$17,000 or less) in the state, there are only 43 affordable and available homes, leaving 57 households without a home they can afford; there is a resulting in a shortage of more than 188,000 homes. For households earning at or below 50% area median income, roughly \$27,000 annually, there are only 65 affordable and available rental homes, resulting in a shortage of 191,310 homes. These shortages do not account for the more than 9,000 people experiencing homelessness, for whom additional homes are needed.

## How is affordability of housing likely to change considering changes to home values and/or rents?

Home prices and rents are expected to continue to increase, exacerbating affordability challenges. According to Zillow, the median home value is \$206,286 in 2020, a 5% increase since last year. Prices are forecasted to rise another 4% in 2021. Meanwhile, median rent in North Carolina is \$1,332/month and has steadily increased in the past decade. Rising housing costs are particularly noticeable in metropolitan areas where demand for housing has outpaced supply. Rural areas, on the other hand,

may struggle to attract and retain employment opportunities for residents, leading to higher rates of cost burden, vacancy, and foreclosure.

Incomes have not kept pace with housing costs. Some of the occupations in North Carolina that employ the most people – fast food workers and retail sales persons – pay the least, with median hourly wages that are insufficient to afford modest housing. North Carolina is projected to add more than 389,000 jobs between 2017 and 2026. Among the occupations that will have the largest number of annual job openings are food preparation and serving, office and administrative support, and sales – occupations that pay less than \$30,000 per year. Without a significant increase in wages or subsidized rental assistance, low-income households will continue to struggle to pay for housing.

**How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?**

There are no statewide HOME and Fair Market Rents due to the differences by county and region. In many counties, area median rent is higher than Fair Market Rent and HOME rents, suggesting the need for developing more affordable housing.

**Discussion**

None

## MA-20 Condition of Housing – 91.310(a)

### Introduction:

North Carolina has an aging housing stock; 45% of all housing units were built before 1980. The housing stock in metropolitan areas and surrounding counties tends to be newer than that of more rural counties. Generally, renter-occupied units are slightly older. The median year built for renter-occupied units is 1986 compared to 1990 for owner-occupied units. Consequently, renter-occupied units are more likely to have conditions like inadequate plumbing or kitchen facilities, overcrowding and cost-burden. Forty-three percent of renter occupied units had one of these conditions compared to 20% of owner-occupied housing. Older housing is also more at risk for lead-based paint hazards.

The vacancy rate in North Carolina (14%) is higher than in the United States (12%). The most common reasons for vacancy are “seasonal, recreational or occasional use”, “for rent” and “other”. Urban counties like Wake, Mecklenburg and Durham have vacancy rates below 8% which suggest tight real estate markets while more rural counties like Montgomery, Warren, and Yancey have vacancy rates above 30%. The large percentage of units that are vacant for other reasons (38%) could be indicative of housing units in foreclosure, disrepair, or abandonment.

### Definitions

**Substandard Condition:** The unit does not meet code standards or has one of the selected conditions (overcrowding, lack of kitchen/plumbing facilities and/or other utilities)

**Suitable for Rehabilitation:** The amount of work required to bring the unit up to minimum code standard, and the existing debt on the property, together are less than the fair market value of the property

### Condition of Units

| Condition of Units             | Owner-Occupied   |            | Renter-Occupied  |            |
|--------------------------------|------------------|------------|------------------|------------|
|                                | Number           | %          | Number           | %          |
| With one selected Condition    | 520,737          | 19%        | 582,920          | 40%        |
| With two selected Conditions   | 9,469            | 0%         | 34,528           | 2%         |
| With three selected Conditions | 777              | 0%         | 2,066            | 0%         |
| With four selected Conditions  | 44               | 0%         | 113              | 0%         |
| No selected Conditions         | 2,017,678        | 74%        | 750,265          | 51%        |
| <b>Total</b>                   | <b>2,548,705</b> | <b>93%</b> | <b>1,369,892</b> | <b>93%</b> |

Table 36 - Condition of Units

Alternate Data Source Name:

2014 - 2018 ACS

Data Source Comments:

## Year Unit Built

| Year Unit Built | Owner-Occupied   |             | Renter-Occupied  |            |
|-----------------|------------------|-------------|------------------|------------|
|                 | Number           | %           | Number           | %          |
| 2000 or later   | 728,044          | 27%         | 311,273          | 21%        |
| 1980-1999       | 902,523          | 33%         | 502,076          | 34%        |
| 1950-1979       | 724,373          | 27%         | 429,274          | 29%        |
| Before 1950     | 364,516          | 13%         | 226,461          | 15%        |
| <b>Total</b>    | <b>2,719,456</b> | <b>100%</b> | <b>1,469,084</b> | <b>99%</b> |

**Table 37 – Year Unit Built**

Alternate Data Source Name:

2014 - 2018 ACS

Data Source Comments:

## Risk of Lead-Based Paint Hazard

| Risk of Lead-Based Paint Hazard                       | Owner-Occupied |     | Renter-Occupied |     |
|---|----------------|-----|-----------------|-----|
|   | Number         | %   | Number          | %   |
| Total Number of Units Built Before 1980               | 1,088,889      | 40% | 655,735         | 45% |
| Housing Units build before 1980 with children present | 397,505        | 15% | 240,155         | 16% |

**Table 38 – Risk of Lead-Based Paint**

Data Source: 2011-2015 ACS (Total Units) 2011-2015 CHAS (Units with Children present)

## Vacant Units

|                          | Suitable for Rehabilitation | Not Suitable for Rehabilitation | Total   |
|--------------------------|-----------------------------|---------------------------------|---------|
| Vacant Units             | 407,941                     | 246,528                         | 654,469 |
| Abandoned Vacant Units   | 246,528                     | 246,528                         | 493,056 |
| REO Properties           | 174                         | 0                               | 174     |
| Abandoned REO Properties | 0                           | 0                               | 0       |

**Table 39 - Vacant Units**

Alternate Data Source Name:

2014 - 2018 ACS

Data Source Comments:

## Need for Owner and Rental Rehabilitation

Owner and rental rehabilitation are necessary to improve accessibility, enhance residential stability, and remove health hazards. Almost a third of housing units in North Carolina have at least one problem - incomplete kitchen facilities, incomplete plumbing facilities, overcrowding or cost-burden. Renter-occupied housing in particular needs rehabilitation – 40% of rental units have at least one problem and 46% were built before 1980. Lower-income households are more likely to live in a unit with housing

problems. According to CHAS data, 75% of owners and renters earning 30% of area median income or less have at least one housing problem. It is likely owners and landlords may not have enough financial resources to make repairs.

The physical and financial burdens of home maintenance can be overwhelming for seniors, particularly those with limited income. Rehabilitation allows elderly residents to age in place, deferring the costs of institutional care. The population of North Carolina is aging with 50% of homeowners and 25% of renters aged 55 or older. Thus, the need for rehabilitation will only increase across the state.

### **Estimated Number of Housing Units Occupied by Low- or Moderate-Income Families with LBP Hazards**

Approximately 1.7 million homes in North Carolina are at risk for lead-based paint hazards. Of those homes built before 1980, 31% have children present. The American Healthy Homes Survey that low-income households had a higher rate of lead-based paint risks (29%) than higher-income households (18%); government-assisted households had a lower occurrence of LBP hazards (12%) compared to those not receiving subsidies (22%), and African-American households are more likely than white households to have lead-based paint hazards. Approximately, 1,640,000 North Carolina households earn less than 80% AMI and it is likely that many are living in units with LBP hazards.

#### **Discussion:**

None

## MA-25 Public and Assisted Housing – (Optional)

### Introduction:

Although some information is provided below, the State does not collect information from the public housing authorities that service the non-entitlement regions of the state. Public housing authorities are governmental (or quasi-governmental) entities that manage various federal housing assistance programs on behalf of the Department of Housing and Urban Development (HUD). These programs include Public Housing, Section 8 Housing Choice Vouchers, and other programs.

### Totals Number of Units

|  | Program Type |           |                |          |               |              |                                     |                            |            |
|--|--------------|-----------|----------------|----------|---------------|--------------|-------------------------------------|----------------------------|------------|
|  | Certificate  | Mod-Rehab | Public Housing | Vouchers |               |              |                                     |                            |            |
|  |              |           |                | Total    | Project-based | Tenant-based | Special Purpose Voucher             |                            |            |
|  |              |           |                |          |               |              | Veterans Affairs Supportive Housing | Family Unification Program | Disabled * |
| # of units vouchers available  | 61           | 173       | 35,800         | 57,906   | 1,399         | 28,929       | 3,615                               | 4,514                      | 9,019      |
| # of accessible units  |              |           | 116            |          |               |              |                                     |                            |            |
| *includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition |              |           |                |          |               |              |                                     |                            |            |

**Table 40 – Total Number of Units by Program Type**

Data Source: PIC (PIH Information Center)

### Describe the supply of public housing developments:

### Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

There are 35,800 units of public housing across the state that are managed by their local or regional public housing authority (PHA). The State of North Carolina does not operate, own, or manage any public housing units. In North Carolina, PHAs in the larger suburban and metropolitan areas traditionally own and manage public housing developments.

### Describe the Restoration and Revitalization Needs of public housing units in the jurisdiction:

As noted above, the state does not oversee or track public housing units.

### Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

As stated prior, the state specifically does not have direct oversight over local PHAs.

**Discussion:**

## MA-30 Homeless Facilities – 91.310(b)

### Introduction

Of the 50 states, NC ranked the 35th highest based on its homeless population based on the HUD 2019 Continuum of Care Homeless Assistance Programs Reports. The AHAR also states that there were 9,314 total people experiencing homelessness in North Carolina in 2019. The total number of homeless families with children was 2,447. The total number of homeless veterans were 907. Of this number, 763 were sheltered veterans sheltered and 144 were unsheltered. This represents a 16.3% decline between 2010 and 2019. One area of concern, however, is Fayetteville (Cumberland County) which has 68.7% of all homeless people who were unsheltered veterans in 2019.

In 2019, NC had a total of 7,983 year-round beds (Emergency Shelters, Transitional Housing, Supportive Housing). This number demonstrates a gap of approximately 2,000 year-round beds compared to the statewide number experiencing homelessness that year. The number of persons experiencing homelessness is anticipated to increase once the eviction moratorium established during the COVID-19 pandemic is lifted by the state. Additionally, NC continues to replace housing loss during recent hurricanes and prepare for short-term and permanent housing for future ones. For this reason, NC will continue to prioritize the creation and preservation of housing and provisions of supportive services.

**Data Source:** HUD 2019 Continuum of Care Homeless Assistance Programs Reports

### Facilities Targeted to Homeless Persons

|   | Emergency Shelter Beds          |                                    | Transitional Housing Beds | Permanent Supportive Housing Beds |                   |
|---|---------------------------------|------------------------------------|---------------------------|-----------------------------------|-------------------|
|   | Year-Round Beds (Current & New) | Voucher / Seasonal / Overflow Beds | Current & New             | Current & New                     | Under Development |
| Households with Adult(s) and Child(ren) | 2,184                           | 952                                | 843                       | 2,304                             | 0                 |
| Households with Only Adults             | 3,770                           | 0                                  | 1,136                     | 3,494                             | 0                 |
| Chronically Homeless Households         | 0                               | 0                                  | 0                         | 2,922                             | 0                 |
| Veterans                                | 125                             | 0                                  | 367                       | 1,872                             | 0                 |
| Unaccompanied Youth                     | 62                              | 0                                  | 69                        | 2                                 | 0                 |

**Table 41 - Facilities Targeted to Homeless Persons**

**Alternate Data Source Name:**

2019 Housing Inventory Count Report

**Data Source**

952 is the total number of seasonal plus overflow beds. The rest of the 0's should be marked "n/a." Seasonal and

**Comments:**

overflow beds are not counted by whom they serve, i.e. adult-only households, chronically homeless households.

**Describe mainstream services, such as health, mental health, and employment services to the extent those services are use to complement services targeted to homeless persons**

The Emergency Solutions Grant (ESG), administered by NC DHHS, is responsible for ensuring that CoCs coordinate mainstream services to assist homeless individuals and families achieve housing stability as listed in 24 CFR 576.400(c). The CoCs are made up of coalitions of supportive housing and homelessness stakeholders including providers of housing as well as providers of services for individuals and families experiencing homelessness. These groups are made up of public and private housing providers, state-supported Managed Care Organization/Local Management Entities (MCO/LMEs) representatives providing mental and behavioral health services, vocational rehabilitation staff providing employment services, Social Security offices engaged in SAMHSA's SSI/SSDI Outreach, Access, and Recovery (SOAR) program, local Department of Social Services staff, as well as organizations providing health care and coordination of care services to people experiencing homelessness. CoCs are also required to use coordinated entry, which is an important process through which people experiencing homelessness can access the crisis response system in a streamlined way, have their strengths and needs assessed, and quickly connect to appropriate mainstream services in the community. The coordinated entry process provides individuals with a choice, rather than being evaluated for a single program within the system.

Landlords within the state of NC often charge higher rent for individuals with poor credit histories. HOPWA eligible individuals with poor credit and rental history have a difficult time finding affordable, decent, and safe housing. HOPWA eligible individuals cannot be transferred into other housing programs due to issues with criminal history, credit history, and extremely long and/or closed wait lists. Our There is a need for a statewide landlords and property owner training to educate landlords and property owners about fair housing practices to ensure that landlords and property owners are not discriminating against eligible individuals due to poor rental histories. There is also a need for a statewide free credit repair program to eliminate these barriers to housing eligible HOPWA participants.

**List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.**

The NC Plan Partners coordinate and/or fund a number of organizations across the state that provide services and facilities that meet the needs of the homeless and special populations such as families with children, veterans and their families, and unaccompanied youth. Services include homeless outreach; homeless intervention and prevention services; emergency shelter; transitional housing for individuals, families, veterans, and youth; Permanent Supportive Housing; and traditional permanent affordable housing. The NC Plan Partners using the CPD program to assist persons experiencing homelessness as follows:

**CDBG:** Using CDBG funds, NC Commerce provides funding for public facilities such as transitional housing and emergency shelters and infrastructure support for permanent multifamily and single-family housing through the Neighborhood Revitalization (NR) program. One example is a recently completed project called the Veterans Life Center located in Butner, NC serves homeless veterans by providing supportive services and housing after being dismissed from Veteran's Administration hospitals. Another

example is an emergency shelter under development with the City of Sanford and the Sanford Housing Authority. CDBG-NR has also funded domestic violence shelters and food banks/pantries. The overall goal of CDBG-NR is to preserve and create affordable housing for persons at or below 80% of the area median income.

**RHP:** In 2021, North Carolina was awarded funds for the Recovery Housing Program (RHP), a pilot program to assist persons with substance-abuse disorders with stable housing. NC Commerce in partnership with the NC DHHS and other Plan Partners will begin the public engagement and program design phase of the program in 2021. In 2022, the plan will be submitted to HUD for review and approval with the goal of beginning implementation in late 2022 or early 2023.

**HOME and NHTF:** Along with the Low-Income Housing Tax Credit and state funds, NCHFA utilizes HOME and NHTF to create and preserve affordable rental units. Properties receiving tax credits are required to participate in the Targeting Program, which sets aside between 10% and 20% of units for people with disabilities. NCHFA also offers the Supportive Housing Development Program to help nonprofit organizations and local governments build and rehabilitate emergency and permanent housing for people who are experiencing homelessness or have disabilities or other special needs such as substance use recovery. NCHFA partners with DHHS to provide integrated permanent supportive housing options to North Carolinians across state through the Transitions to Community Living Voucher, the Targeting Program and Key Rental Assistance.

**HOPWA:** For persons living with AIDS or HIV, NC DHHS assists using HOPWA funds with tenant-based rental assistance, short-term rental, mortgage, and utility assistance, and permanent housing placement services.

**ESG:** Through the ESG program, NC DHHS funds approximately 65 nonprofit agencies and local government entities statewide that provide shelter and services and rapid rehousing financial assistance and services for homeless persons including families with children, veterans, victims of sexual assault, and victims of domestic violence. Many subrecipients provide services to a variety of subpopulations of those experiencing homelessness; however, there are also subrecipients who focus on a particular subpopulation including those experiencing chronic homelessness, families with children, veterans and their families, and unaccompanied youth. Additionally, each Continuum of Care throughout the state has a process for determining their priorities of service; many communities set their priorities for the aforementioned subpopulations.

## MA-35 Special Needs Facilities and Services – 91.310(c)

### Introduction

This section of the plan describes, to the extent information is available, the facilities and services that assist persons who are not homeless, but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing. This includes transitional and permanent housing for special needs populations such as the elderly, frail elderly, youth in and aging out of foster care, persons with disabilities (mental, physical, and developmental), persons with alcohol and substance abuse addictions, and persons with HIV/AIDS.

Please note that the State's HOPWA Assistance Baseline, required as part of this response, could not be uploaded in the table below, so the information is as follows:

| Type of HOPWA Assistance with HIV/AIDS and their families | Number of Units Designated or Available for People |
|---|--|
| TBRA  | 201  |
| PH in Facilities  | 7  |
| STRUMU  | 359  |
| ST or TH Facilities                                       | 0  |
| PH Placement  | 45   |

**Source:** HOPWA CAPER and HOPWA/Beneficiary Verification Worksheet

### HOPWA Assistance Baseline Table

| Type of HOWA Assistance | Number of Units Designated or Available for People with HIV/AIDS and their families |
|-------------------------|---|
| TBRA                    | 0   |
| PH in facilities        | 0   |
| STRMU                   | 0   |
| ST or TH facilities     | 0   |
| PH placement            | 0   |

**Table 42 – HOPWA Assistance Baseline**

**Data Source:** HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

**To the extent information is available, describe the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that**

## **persons returning from mental and physical health institutions receive appropriate supportive housing**

The state addresses the needs of non-homeless persons who require supportive housing through a multitude of programs offered in partnership through multiple state agencies.

North Carolina Division of Mental Health, Developmental Disabilities, and Substance Abuse Services

The North Carolina Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS) provides a large number of health services to consumers in need. Persons with mental illness are linked with services in their community through their Local Management Entities/Managed Care Organizations (LME/MCOs), which serve the entire state. LME/MCOs are agencies of local government-area authorities or county programs that are responsible for managing, coordinating, facilitating, and monitoring the provision of mental health, developmental disabilities, and substance abuse services in the catchment area served. LME/MCO's responsibilities include offering consumers daily access to services, developing and overseeing providers, and handling consumer complaints and grievances. The Division provides technical assistance to state-funded LME/MCOs Housing Specialists and coordinates statewide meetings of the Housing Specialists. DMH/DD/SAS maintains collaborative relationships to develop housing resources and residential options with linkage to community-based supportive services.

For persons with intellectual and other developmental disabilities, crisis services, day treatment, employment services, and personal assistance services may be available. North Carolina has two Home and Community Based Medicaid waivers - the Community Alternatives Program (CAP) for individuals with intellectual/developmental disabilities that provides consumers with even more options and enhances their ability to live in the community of their choice, and the Community Alternatives Program for Disabled Adults and Children (CAP DA/C) that serves individuals with disabilities and older adults who require long term supports.

Division of Public Health, North Carolina Health and Human Services

The HOPWA program is administered by the AIDS Care Program in the Division of Public Health, North Carolina Department of Health and Human Services (NC DHHS). HOPWA funds housing and housing-related supportive services for low-income persons with HIV/AIDS and their families. As mandated by HUD, the percentage of HOPWA clients in permanent housing who maintain housing stability will be maintained at 90% or higher. Improved drug therapies have reduced the number of AIDS deaths, so persons living with HIV/AIDS are living longer, resulting in the need for more stable and affordable housing in North Carolina.

North Carolina Housing Finance Agency

NCHFA has a Supportive Housing Development Program that helps fund the development of emergency, transitional, and permanent housing for persons who are homeless and/or with special needs, including disabilities. Eligible populations include non-homeless households that require supportive services, including persons with mental, physical, or developmental disabilities; persons with substance use disorders; persons diagnosed with AIDS and related diseases; and special populations on a case-by-case basis.

NCHFA and NC DHHS have partnered to provide operating assistance and to coordinate services to very low-income persons with disabilities, including people experiencing homelessness and exiting institutions. NCHFA and NC DHHS created a program which sets aside 10% of the total number of Housing Credit apartments, called "Targeted Units", to serve the above groups. The targeted units qualify for operating assistance (Key), which is provided by NCHFA under agreement with NC DHHS. The supportive services are coordinated through NC DHHS and provided locally.

### **Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing**

North Carolina has two state-supported programs that ensure that people returning from mental and physical health institutions receive appropriate supportive housing.

#### **Transitions to Community Living initiative**

The State of North Carolina entered into a settlement agreement with the United States Department of Justice in 2012. The purpose of this agreement was to make sure that persons with mental illness can live in their communities in the least restrictive settings of their choice. The NC Department of Health and Human Services is implementing the agreement through the Transition to Community Living Initiative (TCLI).

The Transition to Community Living Initiative has six primary components:

- In-Reach and Transition - Providing or arranging for frequent education efforts and discharge planning targeted to individuals in adult care homes and state psychiatric hospitals.
- Diversion – Diverting individuals from being admitted to adult care homes.
- Housing – Providing community-based supportive housing with tenancy supports.
- Supported Employment – An evidence-based service assisting individuals in preparing for, identifying, and maintaining integrated, paid, competitive employment.
- Assertive Community Treatment – An evidence-based treatment and support model of services offering intensive customized, community-based services for people with mental illness.
- Quality Management – Using data to evaluate progress and outcomes.

#### **Money Follows the Person**

Money Follows the Person is a state demonstration project that assists Medicaid-eligible North Carolinians living in inpatient facilities move into their own homes and communities with supports.

MFP Program Goals:

- Increase the use of home and community-based services (HCBS) and reduce the use of institutionally based services
- Eliminate barriers in state law, state Medicaid plans, and state budgets that restrict the use of Medicaid funds to let people get long-term care in the settings of their choice
- Strengthen the ability of Medicaid programs to provide HCBS to people who choose to transition out of institutions
- Put procedures in place to provide quality assurance and improvement of HCBS

Currently, North Carolina demonstrates an overreliance on institutional services for people with intellectual and developmental disabilities. Other states have fostered the provision of services in living arrangements that are owned or rented by people with intellectual and developmental disabilities rather than in facilities or sites that are controlled by provider agencies. Nationally 27% of those receiving [Medicaid-funded] residential services own or lease their own home, compared to 16% in North Carolina.

As the state moves forward in its deinstitutionalization efforts, even more affordable accessible housing will be needed. People with intellectual and developmental disabilities and their families continue to be interested in exploring creative community housing options such as participating in the Homeownership Voucher Program and shared living. For these options to be viable, Public Housing Authorities, state regulators and Federal administrators have to demonstrate their support.

**Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)**

The NC Consolidated Plan address the special needs of the non-homeless through the CDBG, HOME, and the NHTF programs. Under the CDBG Neighborhood Revitalization (CDBG-NR) program, local governments may request funding for transitional and permanent supporting housing for special needs populations such as the elderly, frail elderly, youth in and aging out of foster care, persons with disabilities (mental, physical, and developmental), persons with alcohol and substance abuse addictions, and persons with HIV/AIDS. The CDBG-NR program also focuses on the rehabilitation of homeowner-occupied dwellings. Similar options are available through the HOME and the Low-Income Housing Tax Credit programs. North Carolina has also been selected as an eligible jurisdiction for the pilot Recovery Housing Program (RHP) that will fund stable housing for persons with substance abuse disorders. NC will submit its RHP action plan to HUD in the summer of 2022.

**For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))**

Not applicable

## **MA-40 Barriers to Affordable Housing – 91.310(d)**

### **Negative Effects of Public Policies on Affordable Housing and Residential Investment**

This section of the plan explains whether the cost of housing or the incentives to develop, maintain, or improve affordable housing in the State are affected by its policies, including tax policies affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment. These issues are presented based on programmatic experience, previous analyses, and were explored as part of the Analysis of Impediments to Fair Housing (AI) portion of the Consolidated Planning process.

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 to 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.

In sum, housing affordability and availability are the most dominant housing problems experienced by households in NC. This is evident from the demands for emergency shelters, waiting lists for public and assisted housing, low vacancy rates, the Point-In-Time counts across the states, and calls to social service providers and agencies for assistance. As an example, nearly, 90% of NC state HOPWA households earning less than the median income pay more than 30% of their income for housing which means that they are extremely cost-burdened. Local tax rates are becoming significantly higher, especially in the urban areas of the state. Local residents and advocates are exploring funding and legislative options to offset higher taxes, in order to keep housing affordable to LMI households. Also, the cost of building materials and labor have increased due to limited access and production of supplies caused by delays due to the pandemic and NC natural disasters. The NC Plan Partners will continue to review the HUD regulatory barrier clearinghouse to identify and establish strategies to remove barriers to affordable housing during the Annual Action Plan development process.



## MA-45 Non-Housing Community Development Assets -91.315(f)

### Introduction

North Carolina continues to increase its community assets and attract businesses to create a strong and resilient economy. Like most state, NC is recovering from the economic downturn caused by the COVID-19 pandemic. Current trends indicate that NC's unemployment rate is decreasing and is consistently below the nation's rate. This section focuses on the non-housing community development assets in North Carolina. Because NC administers and implement the CDBG program, the NC Consolidated Plan includes a description of the state's priority non-housing community development needs. These priority needs are addressed through the CDBG Economic Development (job creation and retention), Neighborhood Revitalization, and Infrastructure programs, with the primary objective of the CDBG program to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for low-income and moderate-income persons.

In support of these priority needs, NC Commerce produces a four-year comprehensive plan outlining the State's economic development strategy. The 2021-2024 plan, titled *First in Talent*, highlights the importance of developing talent and the workforce, and uses current economic development conditions to direct future policy decisions. Plan updates are available at [www.nccommerce.com](http://www.nccommerce.com).

### Economic Development Market Analysis

#### Business Activity

| Business by Sector                        | Number of Workers | Number of Jobs | Share of Workers % | Share of Jobs % | Jobs less workers % |
|---|-------------------|----------------|--------------------|-----------------|---------------------|
| Agriculture, Mining, Oil & Gas Extraction | 60,469            | 29,459         | 1                  | 1               | 0                   |
| Arts, Entertainment, Accommodations       | 457,584           | 425,893        | 10                 | 10              | 0                   |
| Construction                              | 334,847           | 229,239        | 7                  | 5               | -2                  |
| Education and Health Care Services        | 1,089,814         | 984,202        | 23                 | 23              | 0                   |
| Finance, Insurance, and Real Estate       | 308,904           | 252,069        | 6                  | 6               | 0                   |
| Information                               | 80,477            | 74,439         | 2                  | 2               | 0                   |
| Manufacturing                             | 588,544           | 452,389        | 12                 | 10              | -2                  |
| Other Services                            | 235,036           | 109,066        | 5                  | 3               | -2                  |

| Business by Sector                            | Number of Workers | Number of Jobs | Share of Workers % | Share of Jobs % | Jobs less workers % |
|---|-------------------|----------------|--------------------|-----------------|---------------------|
| Professional, Scientific, Management Services | 518,609           | 642,250        | 11                 | 15              | 4                   |
| Public Administration                         | 199,150           | 248,335        | 4                  | 6               | 2                   |
| Retail Trade                                  | 548,478           | 495,469        | 12                 | 11              | -1                  |
| Transportation and Warehousing                | 222,911           | 195,560        | 5                  | 5               | 0                   |
| Wholesale Trade                               | 119,312           | 182,661        | 3                  | 4               | 1                   |
| Total   | 4,764,135         | 4,321,031      | --                 | --              | --                  |

**Table 43- Business Activity**

**Alternate Data Source Name:**

ACS 2019, table DP03

**Data Source Comments:**

Data Source: Number of workers: ACS 2019, table DP03 and Number of employed: QCEW 2020 provided by the North Carolina Labor & Economic Analysis Division of the North Carolina Department of Commerce

## Labor Force

|  |           |
|--|-----------|
| Total Population in the Civilian Labor Force   | 4,977,000 |
| Civilian Employed Population 16 years and over | 4,623,000 |
| Unemployment Rate                              | 7.10      |
| Unemployment Rate for Ages 16-24               | 13.20     |
| Unemployment Rate for Ages 25-65               | 6.30      |

**Table 44 - Labor Force**

**Data Source Comments:** Data Source: 2020 Expanded State Employment Status Demographic Data, BLS CPS (<https://www.bls.gov/lau/ex14tables.htm>) provided by The Labor & Economic Analysis Division of the North Carolina Department of Commerce

| Occupations by Sector                            | Number of People |
|--|------------------|
| Management, business and financial               | 736,868          |
| Farming, fisheries and forestry occupations      | 736,868          |
| Service  | 814,186          |
| Sales and office                                 | 1,003,016        |
| Construction, extraction, maintenance and repair | 248,364          |
| Production, transportation and material moving   | 693,378          |

**Table 45 – Occupations by Sector**

**Data Source Comments:** Data Source: ACS 2015-2019, table S2401 provided by The Labor & Economic Analysis Division of the North Carolina Department of Commerce

## Travel Time

| Travel Time        | Number           | Percentage  |
|--------------------|------------------|-------------|
| < 30 Minutes       | 2,210,456        | 59%         |
| 30-59 Minutes      | 1,225,252        | 33%         |
| 60 or More Minutes | 282,732          | 8%          |
| <b>Total</b>       | <b>3,718,440</b> | <b>100%</b> |

**Table 46 - Travel Time**

**Data Source Comments:** Data Source: ACS 2015-2019, table B08303 provided by the North Carolina Labor & Economic Analysis Division of the North Carolina Department of Commerce

**Education:**

Educational Attainment by Employment Status (Population 16 and Older)

| Educational Attainment                      | In Labor Force    |            | Not in Labor Force |
|---|-------------------|------------|--------------------|
|   | Civilian Employed | Unemployed |                    |
| Less than high school graduate              | 444,752           | 57,458     | 730,271            |
| High school graduate (includes equivalency) | 1,097,753         | 88,096     | 893,573            |
| Some college or Associate's degree          | 1,598,521         | 89,480     | 882,913            |
| Bachelor's degree or higher                 | 1,622,549         | 44,453     | 593,519            |

**Table 47 - Educational Attainment by Employment Status**

**Data Source Comments:** Data Source: ACS 2015-2019 microdata, which was then processed by North Carolina Labor and Economic Analysis Division of the North Carolina Department of Commerce

Educational Attainment by Age

|   | Age       |           |           |           |         |
|---|-----------|-----------|-----------|-----------|---------|
|   | 18–24 yrs | 25–34 yrs | 35–44 yrs | 45–65 yrs | 65+ yrs |
| Less than 9th grade                       | 13,119    | 43,164    | 60,296    | 102,638   | 108,447 |
| 9th to 12th grade, no diploma             | 113,585   | 93,021    | 92,127    | 194,309   | 159,394 |
| High school graduate, GED, or alternative | 308,119   | 303,635   | 273,845   | 712,078   | 501,974 |
| Some college, no degree                   | 395,600   | 327,368   | 268,116   | 568,767   | 316,682 |
| Associate's degree                        | 52,486    | 132,827   | 134,647   | 287,784   | 119,887 |
| Bachelor's degree                         | 95,602    | 327,386   | 327,386   | 534,929   | 241,232 |
| Graduate or professional degree           | 5,892     | 135,176   | 135,176   | 294,731   | 180,397 |

**Table 48 - Educational Attainment by Age**

**Data Source Comments:** Data Source: ACS 2015-2019, table B15001 provided by North Carolina Labor and Economic Analysis Division of the North Carolina Department of Commerce

Educational Attainment – Median Earnings in the Past 12 Months

| Educational Attainment                      | Median Earnings in the Past 12 Months |
|---|---------------------------------------|
| Less than high school graduate              | 22,459                                |
| High school graduate (includes equivalency) | 29,278                                |
| Some college or Associate's degree          | 33,784                                |
| Bachelor's degree                           | 50,523                                |
| Graduate or professional degree             | 63,845                                |

**Table 49 – Median Earnings in the Past 12 Months**

**Data Source Comments:** Data Source: ACS 2015-2019, table B20004 provided by North Carolina Labor and Economic Analysis Division of the North Carolina Department of Commerce

**Based on the Business Activity table above, what are the major employment sectors within the state?**

The major employment sectors in North Carolina are (1) educational services and healthcare 23%, (2) manufacturing 12%, (3) professional, scientific, and management, and administrative and waste management services 11%; and (4) retail trade 11% .

**Describe the workforce and infrastructure needs of business in the state.**

North Carolina is challenged with a growing population with a growing economy. Although this is a positive trend, it brings challenges for the state's workforce such as housing cost burden, affordable and available childcare, and accessible and affordable healthcare. Additionally, NC is recognizing the changing structure of the economy-in particular the increased importance of services over goods; responding to the disparities and inequality with the state within metros, among metros, and between urban and rural areas; addressing the persistence of low wages and income; developing a skilled workforce for future and current needs, despite demographic changes, changing skill needs, and the implication of automation and artificial intelligence; and adapting to an interconnected global economy being transformed by climate change, pandemics, and changing patterns of international trade.

Infrastructure such as broadband services, water and sewer services, and transportation are greatly needed to support existing, new, and future businesses. Such infrastructure is also essential to support to prepare North Carolina's existing and rising workforce for expanding job and business growth. In the North Carolina Economic Overview, the state's need for water and wastewater infrastructure is cited as fundamental to economic development.

Transportation infrastructure as well as water and wastewater infrastructure have long been recognized as essential to the economy, while available and affordable broadband connectivity is increasingly seen as a necessary infrastructure fundamental. Transportation infrastructure is critical to economic development to connect businesses, communities, and workers. In the state, the mean commute time rose to 25 minutes. North Carolina's large metros also have low rate of public transit use for work relative to other large metros. Addressing the relationships between transportation infrastructure and housing development will be key to better connecting workers to jobs. In addition to physically connecting workers to jobs through transportation infrastructure, high-speed broadband capacity is increasingly seen as a vital economic development asset. However, large portions of the state continue to have low availability and quality, as measured by the NC Broadband Infrastructure Office's composite index including types of technology, number of providers, access to specific speed thresholds, and other factors.

Water and wastewater infrastructure are fundamental to economic development. North Carolina's 2017 Statewide Water and Wastewater Infrastructure Master Plan describes the state's challenges as "a combination of poor water infrastructure condition, the need for modernization and the lack of sufficient revenues that threaten the viability of some water utilities." One issue is the state's large number of small, independent systems, many of which have unique challenges such as small customer bases and limited revenue. According to the Master Plan, of the 2,000 community water systems operating in the state, one-third of these systems have customer bases of 100 people or less. The smallest 1,800 of these systems serve about 10% of the state's population. In contrast, the ten largest water systems serve 30% of the state's population.

**Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.**

The North Carolina Department of Commerce, as the lead agency for economic development in the state, takes responsibility for state-level business development and recruitment. To carry out this work, the Department contracts with a public-private organization, the Economic Development Partnership of North Carolina (EDPNC). The Economic Development Partnership of North Carolina (EDPNC) is a 501(c)(3) nonprofit corporation that oversees the state's efforts in business and job recruitment and retention, international trade, and tourism, film, and sports development. Emphasizing customer service, the Partnership fosters collaboration between businesses and government, local and regional economic development organizations, other businesses, community leadership and the state's universities and community colleges. The partnership also provides access to research, innovative technology and research, and a robust analysis of facilities and sites available for relocation. In addition, the challenges must be addressed holistically and in collaboration with North Carolina's educational and economic development systems. In the July 2021, North Carolina released its new comprehensive strategic economic development plan, titled *First in Talent*, which outlines the state's current conditions and strategies to create a strong and resilient economy. The plan highlights talent and workforce development. A copy is available at <https://www.nccommerce.com/documents/first-talent-strategic-economic-development-plan-state-north-carolina>.

As reported in the State of North Carolina Economic Overview published by the North Carolina Department of Commerce, like the rest of the nation, NC experienced unprecedented disruption to its labor market as a result of the COVID-19 pandemic. While the state has not fully recovered, most facets of the labor market has improved since the onset of the pandemic. Business sectors such as transportation, warehousing, and utilities have peaked above their pre-pandemic employment peaks. The State's strategic economic development plan, First In Talent, focuses on developing talent and workforce in the state. As a part of the strategy, education and training initiatives have been included to prepare and develop workforce to respond to job and business growth.

## **How do the skills and education of the current workforce correspond to employment opportunities in the state?**

As noted in the State's 2021-2024 strategic economic development plan, *First in Talent*, outlines expanded strategies and new approaches are required to ensure an available, diverse, and skilled workforce. As part of the strategy, NC plans to develop its talent and workforce pipeline to align with employment and business opportunities in the state. See the plan at <https://www.nccommerce.com/documents/first-talent-strategic-economic-development-plan-state-north-carolina>.

## **Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.**

The state's workforce training initiatives will support the NC Consolidated Plan by developing talent and a workforce to support the businesses that will receive assistance through the CDBG Economic Development program and all North Carolinians, especially low-and-moderate income residents. Additionally, as the statewide workforce system, NCWorks of the North Carolina Department of Commerce provides free services and programs to businesses in North Carolina. With more than 80 Career Centers across the state, in addition to an online hub, NCWorks' extensive network of workforce professionals understands the specific labor force, training opportunities and challenges in your community.

## **Describe any other state efforts to support economic growth.**

North Carolina has tremendous support for economic growth. The State has dedicated state and federal funds to aid the state's economy's recovery and promote resiliency. One example is the Governor's plan for the new American Rescue Plan funds. In the plan, which is gaining support from the legislative body, the Governor has allocated funds to address infrastructure needs including broadband. North Carolina also has a number of public-private partnership initiatives. See the economic development plan and economic overview for more details at <https://www.nccommerce.com/documents/first-talent-strategic-economic-development-plan-state-north-carolina>.

## **Discussion**

North Carolina is the 9th largest state with nearly 10.5 million people. The state continues to experience job growth also. In order to respond to the economic needs of the state, the NC Consolidated Plan funds will be used to address housing needs and community development needs.

## **MA-50 Needs and Market Analysis Discussion**

### **Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")**

Almost a third of housing units in North Carolina have at least one problem - incomplete kitchen facilities, incomplete plumbing facilities, overcrowding or cost-burden. Renter-occupied housing in particular needs rehabilitation; 40% of rental units have at least one problem and 46% were built before 1980. However, only 1.2% of all occupied units have two or more housing problems.

A concentration of households with multiple housing problems is defined as any county where the share of housing stock with two or more housing problems is greater than the state average of 1.2%. By this definition, 29 counties had a concentration of households with multiple housing problems: Scotland, Yadkin, Stanly, Duplin, Alleghany, Lenoir, Washington, Durham, Halifax, Wayne, Lee, Montgomery, Swain, Cabarrus, Greene, Guilford, Hyde, Alamance, Buncombe, Catawba, Dare, Jackson, Hertford, Jones, Perquimans, Robeson, Rowan, Transylvania, and Wilson.

### **Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")**

Using HUD's definition of "Racially/Ethnically Concentrated Areas of Poverty", North Carolina has 67 census tracts where racial and ethnic minorities and low-income families are concentrated.

HUD defines Racially/Ethnically Concentrated Areas of Poverty (or R/ECAPS) as census tracts with a non-white population of at least 50% (and 20% outside of the metropolitan/micropolitan areas) and a poverty rate that either exceeds 40% or is three times the average tract poverty rate for the metropolitan/micropolitan area, whichever is lower. North Carolina has 67 Racially / Ethnically Concentrated Areas of Poverty (R/ECAPS) across 23 counties. Most of the R/ECAPS are in relatively densely populated areas with urban centers - Forsyth County has the highest number with 11 qualifying census tracts, followed by Guilford County with 7 and Mecklenburg County with 6.

### **What are the characteristics of the market in these areas/neighborhoods?**

Given that most R/ECAPS are in urban areas, there is most likely a shortage of decent and affordable housing in those tracts. The largest increases in housing costs for both owner- and renter-occupied units tended to occur in and around major metropolitan areas including Asheville, Charlotte-Concord-Gastonia, Raleigh-Durham-Cary, Wilmington, and Greenville.

### **Are there any community assets in these areas/neighborhoods?**

Urban areas have the highest concentration of job centers, social services, schools, and other amenities.

**Are there other strategic opportunities in any of these areas?**

The concentrated areas are in or around entitlement jurisdictions, except for one in Duplin County.

## **MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)**

**Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.**

Broadband access is certainly more of a problem outside of North Carolina's major urban areas, but income still plays a central role in shaping digital divides in more rural communities. The North Carolina Justice Center reports that in more rural counties with fewer than 100,000 residents, only 13 percent of households with incomes above \$75,000 lack broadband access, compared to 60 percent of households in these counties that earn less than \$20,000. Broadband is certainly more accessible in the few North Carolina counties with more than 1 million residents, where the majority of households under \$20,000 and virtually every household over \$75,000 has broadband access.

This issue, among others, is addressed in the North Carolina state broadband plan, entitled "Connecting North Carolina," which incorporates a variety of perspectives on North Carolina's broadband challenges and includes recommendations for how the state can encourage broadband deployment and adoption, and leverage broadband in other policy areas. The plan's overarching goal is for every North Carolinian to have affordable access to broadband service—wireline or wireless—if they so choose, by June 2021. The following objectives support these goals:

- Increase the percentage of households with access to fiber optic cable to 50 percent by June 2021
- Increase the percentage of households with access to broadband to 100 percent by June 2021
- Increase household adoption rates to over 60 percent by June 2021
- Affordable access to the internet outside of school for 100 percent of K-12 students by June 2021
- A state-wide model for the development and deployment of local, community-based digital literacy programs

This state broadband plan also identifies five main barriers to broadband adoption that are particularly pronounced among low-income households. The primary barriers are the cost or affordability of service; the real or perceived costs of a computer; laptop or other devices; digital literacy; and the internet's perceived relevancy in a person's daily life. The recommendations to address these barriers include educating low-income households and community leaders on affordable broadband options and publishing best practices for local governments who want to offer subsidies or other adoption programs for low-income households.

**Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.**

According to the website, broadbandnow.com, there are a total of 173 internet providers in North Carolina. The majority of North Carolinians have access to multiple providers; however, 816,000 people only have access to one provider and 118,000 do not have access to any wired Internet providers. This lack of competition tends to affect rural Americans since these individuals reside in areas without access to the most basic broadband services. According to the FCC, an increase in broadband competition could potentially lead to better, faster, and cheaper broadband. The North Carolina League of Municipalities highlights that the broadband gap isn't just an economic or quality of life issue in rural communities, but it has health implications too. Without reliable broadband infrastructure, rural communities can't take full advantage of health innovations, such as telemedicine and tele-dentistry, which could help fill the health care workforce shortage in rural communities.

## **MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)**

### **Describe the jurisdiction's increased natural hazard risks associated with climate change.**

Climate change is already being felt in North Carolina. In recent years, the state has experienced flooding and extreme rainfall from a number of hurricanes – Dorian, Florence, Michael and Matthew – that caused severe damage in communities across the state. According to the North Carolina Climate Science Report, the state can expect to see disruptive sea level rise, rising temperatures leading to dangerous heat, and extreme rainfall as a result of climate. Hurricanes and other weather systems will become more frequent and more intense. Flooding will occur not only on the coast but also farther inland, potentially requiring people to move to higher ground. The North Carolina Department of Environmental Quality has developed the NC Climate Risk and Resiliency Plan to address some of these challenges

### **Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.**

Research shows the climate change disproportionately impacts low-income communities and communities of color. Low and moderate-income households are more likely to live in areas with greater exposure to natural disasters. These communities are also less likely to have the resources and capacity to prepare and recover from climate events. Additionally, climate change will exacerbate existing health conditions in these communities due to degraded air quality, dangerous heat levels, and increased mold.

According to analysis by the NYU Furman Center, 281,881 units (6% of all units) are located in the floodplains of North Carolina. Of those units, 70,665 are occupied by renter households and 4,936 are subsidized rental housing units. The estimated poverty rate in the flood plains is 17.7% which is higher than the statewide average of 14%. Thus, it is likely that many low and moderate-income households in North Carolina are vulnerable to climate change.

# Strategic Plan

## SP-05 Overview

### Strategic Plan Overview

The strategic plan outlines major strategies to be used by the NC Plan Partners to target the priority need groups identified over the next five years. The Strategic Plan is developed using the Housing and Market Analysis and Needs Assessment to create goals and objectives as well as strategies to achieve those goals. Based on the severity of need, the North Carolina Plan Partners assigned priorities to populations differentiated by income, tenure, and homeless/special need status. Priorities are addressed as High, Medium, and Low. The funding partners will deploy its allocations based on priority needs and each agency's target market. This cycle's five-year strategy, called the North Carolina Consolidated Plan 2021-2025, lays out the priority needs for the state, which are based on housing and population information captured from census data special tabulations that yield the incidence of certain housing problems (overcrowding, inadequate plumbing facilities, cost burden, etc.) among the population. The five-year plan also sets the framework from which each year's annual action plan can be drawn. The Annual Action Plan further details how the state will accomplish its five-year goals during annual program cycles.

### Disaster Relief

As noted in the Executive Summary, the destruction caused by hurricanes and flooding greatly exasperated the wide range of housing, infrastructure, and economic issues described throughout the North Carolina Consolidated Plan, especially the strategic goals. The North Carolina Office of Recovery and Resiliency (NCORR) applies CDBG Disaster Relief (CDBG-DR) grant funds in support of the State's Strategic Plan. The disaster relief goals are presented as an attachment to the NC Consolidated Plan 2021-2025.

## SP-10 Geographic Priorities – 91.315(a)(1)

### Geographic Area

Table 50 - Geographic Priority Areas

|          |   |           |
|----------|---|-----------|
| <b>1</b> | <b>Area Name:</b>   | Statewide |
|          | <b>Area Type:</b>   | Statewide |
|          | <b>Other Target Area Description:</b>   | Statewide |
|          | <b>HUD Approval Date:</b>   |           |
|          | <b>% of Low/ Mod:</b>   |           |
|          | <b>Revital Type:</b>  |           |
|          | <b>Other Revital Description:</b>   |           |
|          | <b>Identify the neighborhood boundaries for this target area.</b>   |           |
|          | <b>Include specific housing and commercial characteristics of this target area.</b>   |           |
|          | <b>How did your consultation and citizen participation process help you to identify this neighborhood as a target area?</b> |           |
|          | <b>Identify the needs in this target area.</b>  |           |
|          | <b>What are the opportunities for improvement in this target area?</b>  |           |
|          | <b>Are there barriers to improvement in this target area?</b>   |           |

### General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

Each funding agency determines its geographic priority based on funding availability and information gathered from the Housing and Market Analysis and Needs Assessment. CDBG funds are allocated based on legislative mandate.

The CDBG Program awards across three major funding categories; Economic Development, Neighborhood Revitalization, and Infrastructure. CDBG can serve 96 of the state’s 100 counties.

HOME and HTF funds are allocated by NCHFA to address the need for rental development, rehabilitation, and affordable homeownership across the state.

ESG and HOPWA serve 86 of the 100 counties in NC.

## SP-25 Priority Needs – 91.315(a)(2)

### Priority Needs

Table 51 – Priority Needs Summary

|          |                                  |   |
|----------|----------------------------------|---|
| <b>1</b> | <b>Priority Need Name</b>        | Housing for non-homeless persons w/ special needs   |
|          | <b>Priority Level</b>            | High  |
|          | <b>Population</b>                | Low<br>Moderate<br>Elderly<br>Elderly<br>Frail Elderly<br>Persons with Mental Disabilities<br>Persons with Physical Disabilities<br>Persons with Developmental Disabilities<br>Persons with Alcohol or Other Addictions<br>Persons with HIV/AIDS and their Families<br>Victims of Domestic Violence |
|          | <b>Geographic Areas Affected</b> | Statewide   |
|          | <b>Associated Goals</b>          | Homeowner Housing Rehabilitation<br>Affordable Homeownership<br>Affordable Rental Housing<br>CDBG Neighborhood Revitalization<br>HOPWA-Short-Term Rent and Utilities<br>HOPWA Permanent Housing Placement   |
|          | <b>Description</b>               | This priority focuses on providing housing for non-homeless persons with special needs, including the elderly, disabled, and victims of domestic violence.  |

|                                  |  |   |
|----------------------------------|--|---|
|                                  | <b>Basis for Relative Priority</b>   | <p>This option will assist low-and-moderate-income homeowners who are elderly or have disabilities face serious housing challenges. For seniors, the physical and financial burdens of home maintenance can be overwhelming; more than a third of adults over 50 are housing cost-burdened, meaning they pay more than 30% of their monthly income in housing expenses. Furthermore, most homes are not designed for people with mobility or dexterity limitations. As a result, many low-income homeowners who are elderly or have disabilities cannot safely remain in their homes and must enter institutional care.</p> <p>Roughly 13%, or 1.35 million, of all North Carolinians have one or more disabilities. Persons 65 and older are more affected, with 42% of disabled individuals in this age range. Because people with disabilities are more likely to be low-income or extremely low-income, they are more likely to be cost-burdened. Additional barriers such as accessibility and discrimination further limit their housing options.</p> <p>Domestic violence and living with HIV/AIDS or addiction can precipitate housing insecurity and homelessness.</p> |
| <b>2</b>                         | <b>Priority Need Name</b>  | Housing for households under 30% AMI  |
| <b>Priority Level</b>            | High   |   |
| <b>Population</b>                | Extremely Low<br>Families with Children<br>Elderly<br>Rural<br>Chronic Homelessness<br>Individuals<br>Families with Children<br>Mentally Ill<br>Chronic Substance Abuse<br>veterans<br>Persons with HIV/AIDS<br>Victims of Domestic Violence |   |
| <b>Geographic Areas Affected</b> | Statewide  |   |

|          |                                    |   |
|----------|------------------------------------|---|
|          | <b>Associated Goals</b>            | Homeowner Housing Rehabilitation<br>Affordable Homeownership<br>Affordable Rental Housing<br>CDBG Neighborhood Revitalization<br>CDBG Infrastructure<br>HOPWA-Short-Term Rent and Utilities<br>CDBG Contingency and Urgent Needs<br>HOPWA Supportive Services<br>HOPWA Resource ID<br>HOPWA Permanent Housing Placement<br>ESG Housing Stability<br>ESG Crisis Response<br>HOPWA Tenant-Based Rental Assistance |
|          | <b>Description</b>                 | This priority focuses on increasing affordable housing options for households under 30% AMI.  |
|          | <b>Basis for Relative Priority</b> | The housing needs of extremely low-income households are not being met by the current housing stock in North Carolina. According to the Gap report by the National Low Income Housing Coalition, there is a shortage of over 188,000 homes for renters at 30% AMI and below.  |
| <b>3</b> | <b>Priority Need Name</b>          | Housing for households 31-60% AMI   |
|          | <b>Priority Level</b>              | High  |
|          | <b>Population</b>                  | Low<br>Moderate<br>Large Families<br>Families with Children<br>Elderly<br>Rural<br>Individuals<br>Families with Children<br>Persons with HIV/AIDS<br>Victims of Domestic Violence   |
|          | <b>Geographic Areas Affected</b>   | Statewide   |

|          |                                    |   |
|----------|------------------------------------|---|
|          | <b>Associated Goals</b>            | Homeowner Housing Rehabilitation<br>Affordable Homeownership<br>Affordable Rental Housing<br>CDBG Neighborhood Revitalization<br>CDBG Infrastructure<br>HOPWA-Short-Term Rent and Utilities<br>CDBG Contingency and Urgent Needs<br>HOPWA Supportive Services<br>HOPWA Resource ID<br>HOPWA Permanent Housing Placement<br>ESG Housing Stability<br>ESG Crisis Response<br>HOPWA Tenant-Based Rental Assistance |
|          | <b>Description</b>                 | This priority focuses on affordable housing options for households earning 31-60% of area median income.  |
|          | <b>Basis for Relative Priority</b> | The housing needs of very-low-income households are not being met by the current housing stock in North Carolina. According to the Gap report by the National Low Income Housing Coalition, there is a shortage of 191,310 for renters at 50% AMI and below.  |
| <b>4</b> | <b>Priority Need Name</b>          | Housing for households 61-80% AMI   |
|          | <b>Priority Level</b>              | Low   |
|          | <b>Population</b>                  | Low<br>Moderate<br>Families with Children<br>Elderly<br>Rural<br>Individuals<br>Families with Children  |
|          | <b>Geographic Areas Affected</b>   | Statewide   |

|   |                                    |   |
|---|------------------------------------|---|
|   | <b>Associated Goals</b>            | Homeowner Housing Rehabilitation<br>Affordable Homeownership<br>Affordable Rental Housing<br>CDBG Neighborhood Revitalization<br>CDBG Infrastructure<br>HOPWA-Short-Term Rent and Utilities<br>CDBG Contingency and Urgent Needs<br>HOPWA Supportive Services<br>HOPWA Resource ID<br>HOPWA Permanent Housing Placement<br>ESG Housing Stability<br>ESG Crisis Response<br>HOPWA Tenant-Based Rental Assistance |
|   | <b>Description</b>                 | This priority focuses on affordable housing options for households earning 61-80% of Area Median Income.  |
|   | <b>Basis for Relative Priority</b> | Inadequate market supply and competition for affordable units continue to pose substantial challenges for low-and-moderate income households. Additionally, recent natural disasters have further decreased decent and affordable housing in the state.   |
| 5 | <b>Priority Need Name</b>          | Housing for persons experiencing homelessness   |
|   | <b>Priority Level</b>              | High  |
|   | <b>Population</b>                  | Low   |
|   | <b>Geographic Areas Affected</b>   | Statewide   |
|   | <b>Associated Goals</b>            | Affordable Homeownership<br>Affordable Rental Housing<br>HOPWA Supportive Services<br>HOPWA Permanent Housing Placement<br>ESG Housing Stability<br>ESG Crisis Response   |
|   | <b>Description</b>                 | The priority is to address the immediate, transitional, and permanent housing needs for persons experiencing homelessness. This will be accomplished by increasing the affordable housing stock, collaborating with service agencies to provide supportive services, and including these housing options in the federal funding sources.  |

|   |                                    |   |
|---|------------------------------------|---|
|   | <b>Basis for Relative Priority</b> | An inadequate market supply and competition for affordable housing units continue to pose substantial challenges for households experiencing homelessness. This is evident based on the 2019 HUD CoC AHAR which shows that NC had a gap of nearly 2000 units based on existing year-round beds (emergency shelters, transitional housing, and supportive housing) and those in need. More important, those experiencing homelessness need permanent stable housing options. |
| 6 | <b>Priority Need Name</b>          | Neighborhood Stabilization  |
|   | <b>Priority Level</b>              | High  |
|   | <b>Population</b>                  | Extremely Low<br>Low<br>Moderate<br>Families with Children<br>Elderly<br>Non-housing Community Development  |
|   | <b>Geographic Areas Affected</b>   | Statewide   |
|   | <b>Associated Goals</b>            | Affordable Homeownership<br>Affordable Rental Housing<br>CDBG Neighborhood Revitalization<br>CDBG Economic Development<br>CDBG Infrastructure<br>CDBG Contingency and Urgent Needs  |
|   | <b>Description</b>                 | North Carolina's municipalities and counties, particularly in rural areas and ones with a high number of LMI residents, need improvements in substandard or missing infrastructure, public facilities such as community centers and parks, and resources to support housing development, spur economic development, decrease disparities between these communities and the rest of the state, and mitigate the increased risk of natural disasters.                         |
|   | <b>Basis for Relative Priority</b> | This is a priority due to the need for additional decent and affordable short-term and transitional facilities such as emergency shelters, to address the lack of funding for ongoing infrastructure maintenance and development that has resulted in infrastructure and community facility deficiencies, and the need for more jobs for LMI persons and assistance to small businesses. These issues have greatly impacted mostly rural and low-income areas in the state. |

|   |                                    |   |
|---|------------------------------------|---|
| 7 | <b>Priority Need Name</b>          | Responding to COVID-19  |
|   | <b>Priority Level</b>              | High  |
|   | <b>Population</b>                  | Extremely Low<br>Low<br>Moderate<br>Families with Children<br>Elderly<br>Rural<br>Individuals<br>Families with Children<br>Non-housing Community Development  |
|   | <b>Geographic Areas Affected</b>   | Statewide   |
|   | <b>Associated Goals</b>            | CDBG Neighborhood Revitalization<br>CDBG Economic Development<br>CDBG Contingency and Urgent Needs  |
|   | <b>Description</b>                 | This priority is to used CARES Act funding and other federal funding sources to address community development needs stemming from the COVID-19 pandemic.  |
|   | <b>Basis for Relative Priority</b> | The public health emergency due to the Coronavirus created new and highlighted existing community development needs. During the shelter-in-place requirements, unemployment rose, businesses (especially small and new ones) closed and reduced workforces. To recover, businesses will need assistance to retain and replace jobs. Also, during the pandemic, eviction moratoriums were put in place. As conditions improve, the moratoriums will be lifted creating housing displacement and increasing homelessness. |
| 8 | <b>Priority Need Name</b>          | Non-housing community development needs   |
|   | <b>Priority Level</b>              | High  |

|                                  |   |
|----------------------------------|---|
| <b>Population</b>                | Extremely Low<br>Low<br>Moderate<br>Large Families<br>Families with Children<br>Elderly<br>Rural<br>Chronic Homelessness<br>Individuals<br>Families with Children<br>Mentally Ill<br>Chronic Substance Abuse<br>veterans<br>Persons with HIV/AIDS<br>Victims of Domestic Violence<br>Unaccompanied Youth<br>Elderly<br>Persons with Mental Disabilities<br>Persons with Physical Disabilities<br>Persons with Developmental Disabilities<br>Persons with Alcohol or Other Addictions<br>Persons with HIV/AIDS and their Families<br>Victims of Domestic Violence<br>Non-housing Community Development |
| <b>Geographic Areas Affected</b> | Statewide   |
| <b>Associated Goals</b>          | CDBG Neighborhood Revitalization<br>CDBG Economic Development<br>CDBG Infrastructure<br>CDBG Contingency and Urgent Needs   |

|   |  |
|---|--|
| <p><b>Description</b></p>                 | <p>Through the CDBG Neighborhood Revitalization, Economic Development, Infrastructure, and Contingency programs, the State will address non-housing community development needs. These needs include public facilities, public improvements, and economic development assistance.</p> <p>Public facilities include all improvements and facilities that are either publicly owned or that are traditionally provided by the government, or owned by a nonprofit, and operated so as to be open to the general public. This would include neighborhood facilities, firehouses, public schools, libraries, and non-permanent housing such as shelters and transitional facilities for the homeless and other special needs populations. Public improvements include streets, sidewalks, curbs and gutters, parks, playgrounds, water and sewer lines, flood and drainage improvements, parking lots, utility lines, and aesthetic amenities on public property such as trees, sculptures, pools of water and fountains, and other works of art. These activities are primarily funded through the CDBG Neighborhood Revitalization Program, Economic Development, and Infrastructure programs. Units of local governments identify its needs and provide the documentation in the CDBG application submitted to the State. The Rural Economic Development Division consistently receives requests for funds to build and rehabilitate public facilities for the aging, homeless and low- and moderate-income communities. REDD will also assist businesses with building reuse, infrastructure, tenant improvement and other CDBG eligible activities. In return, the businesses will create and retain jobs, primarily for LMI persons.</p> <p>Recent natural disasters and the COVID-19 pandemic highlighted the needs for public facilities and improvements, especially non-permanent housing, and broadband services. In addition to the Consolidated Plan that addresses housing and community development needs, Governor Cooper has released a statewide broadband plan that address infrastructure, affordability, and equity. The primary funding source to address the broadband needs is the American Rescue Plan Act funds that will be leverage with other state and private resources. ARPA funds will also be used in addition to CDBG, HOME, NHTF, HOPWA, and ESG to address permanent and non-permanent housing needs.</p> |
| <p><b>Basis for Relative Priority</b></p> | <p>The basis for this priority is to increase economic development activity, especially in rural areas; to increase the availability of short-term and transitional housing options, especially to respond public health emergencies and natural disaster response; to create community facilities that will assist special populations including the elderly, disabled (physical, mental, developmental); and to provide public infrastructure to address water and sewer issues, promote health and wellness, and broadband/high-speed internet support. The local need will be identified by the local unit of government and presented to the state during the application process.</p>  |

## **Narrative (Optional)**

North Carolina has established these eight allocation priorities to address the housing and community development needs in the state. The needs reflect the priority to increase affordable housing stock, decrease homelessness, and to help communities become economically sustainable and resilient. The State, through these priorities, also acknowledges its need to help rebuild local economics and replace and increase housing stock impacted by recent natural disasters. Within each priority need, attention has been given in each category to extremely low-income, low-income, and moderate-income households.

North Carolina has also established the CDBG Contingency/Urgent Needs category to address emergency and unforeseen needs. This category will be funded using de-obligated CDBG funds.

## SP-30 Influence of Market Conditions – 91.315(b)

### Influence of Market Conditions

| <b>Affordable Housing Type</b>        | <b>Market Characteristics that will influence the use of funds available for housing type</b>   |
|---------------------------------------|---|
| Tenant Based Rental Assistance (TBRA) | TBRA is a required service in the 82 counties currently covered by NC HOPWA program. Lack of landlord participation in the HOPWA program results in a shortage of available housing stock. The NC HOPWA program staff is requiring all project sponsors to provide Resource ID services to identify more landlord participants and increase housing stock.  |
| TBRA for Non-Homeless Special Needs   | TBRA is a required service in the 82 counties currently covered by NC HOPWA program. Lack of landlord participation in the HOPWA program results in a shortage of available housing stock. The NC HOPWA program staff is requiring all project sponsors to provide Resource ID services to identify more landlord participants and increase housing stock.  |
| New Unit Production                   | New housing units will be constructed in areas with an insufficient stock of affordable rental units and a significant number of low-income households with cost burden.  |
| Rehabilitation                        | <p>There is a high need for rehabilitation of owner-occupied and rental properties serving low and moderate-income households in NC. These needs are caused by a number of factors, including rehabilitation and reconstruction of properties damaged in natural disasters, and properties that need to be modified to meet the needs of an aging population.</p> <p>Rehabilitation will be used in areas where there are a significant number of homeowners who are elderly, have disabilities or are low-income. Rehabilitation will increase the amount of decent, safe, and affordable housing allowing families and individuals to stay in their home.</p> |
| Acquisition, including preservation   | Funds will be used to help low-income households purchase homes in high-cost areas and in rural markets. Under CDBG, acquisition, including preservation funds are also available to create or preserve affordable single-family and multi-family housings.   |

**Table 52 – Influence of Market Conditions**

## SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)

### Introduction

The following table summarizes the anticipated resources for PY 2021, broken down by program type, allocated to the State of North Carolina.

### 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<br>Admin and Planning<br>Economic Development<br>Housing<br>Public Improvements<br>Public Services | 49,393,313                       | 0                  | 0                        | 49,393,313 | 197,513,252                                       | NC Commerce receives CDBG funds for nonentitlement areas. The funds and program income are used primarily for economic development, housing rehabilitation and development support, public facilities, and infrastructure. |

| 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: \$  |   |  |
| HOME    | public - federal | Acquisition<br>Homebuyer assistance<br>Homeowner rehab<br>Multifamily rental new construction<br>Multifamily rental rehab<br>New construction for ownership<br>TBRA | 17,648,420                       | 9,000,000          | 0                        | 26,648,420 | 61,500,000  | NCHFA received HOME funds for the areas outside of local participating jurisdiction. The funds and any program income are used to promote the production, ownership and rehabilitation of housing. |

| 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<br>Permanent housing placement<br>Short term or transitional housing facilities<br>STRMU<br>Supportive services<br>TBRA | 4,053,435                        | 0                  | 0                        | 4,053,435 | 16,213,740  | NC DHHS administers HOPWA funding which assists with housing needs for persons with AIDS and HIV. |

| 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<br>Financial Assistance<br>Overnight shelter<br>Rapid re-housing (rental assistance)<br>Rental Assistance<br>Services<br>Transitional housing | 5,315,950                        | 0                  | 0                        | 5,315,950 | 21,263,800  | ESG funding is administered by NC DHHS and supports housing stabilization and emergency shelter activities. |

| 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<br>Admin and Planning<br>Homebuyer assistance<br>Multifamily rental new construction<br>Multifamily rental rehab<br>New construction for ownership | 17,493,694                       | 0                  | 0                        | 17,493,694 | 31,000,000  | Annual allocations for HTF for FY 2021 were unusually high. Available remainder based on 5 year historical average and assumes the FY21 increase will not be sustained. NCHFA uses HTF funds for the development and rehabilitation of multifamily rental housing, including operating reserves. |

Table 53 - Anticipated Resources

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

The North Carolina General Assembly provides the required 25% match for HOME as a recurring appropriation. HOME provides crucial support for multiple statewide housing programs, ranging from rental financing to home buyer assistance to home rehabilitation. HOME funds used to finance rental development are leveraged in conjunction with Low-Income Housing Tax Credits, state appropriations, as well as private and local funds. HOME funds used for homeownership provide shared mortgage financing used in conjunction with other loan products and funds from nonprofits.

HOME that helps finance loans for NCHFA's RPP program are used in conjunction with Low Income Housing Tax Credits, state-appropriated Workforce Housing Loan Program funds, and other private and local funding. In NCHFA's CPLP program, HOME funds finance second mortgages that are combined with NCHFA's NC Home Advantage Mortgage™ program or a USDA Section 502 Loan. HOME- funded SHLP loans are used to compliment funds from Habitat for Humanity or other sources.

NCHFA will distribute its HTF funds through the Rental Production Program (RPP) and the Integrated Supportive Housing Program (ISHP), which provide long-term financing for Low-Income Housing Tax Credit projects. LITHC developments leverage private, state, and local funds to build and rehabilitate rental housing.

The NC HOPWA program consistently emphasizes the importance of leveraging HOPWA funding with other resources. Our HOPWA Project Sponsors leverage HOPWA funding with other sources such as Ryan White, Shelter Plus Care, city government, grants, private funding, and resident rent payments to landlords. Increased leveraging of HOPWA funding with other sources is one of our primary goals in hopes of reducing staff costs and operating expenses.

CDBG Funds will be used to increase and preserve affordable housing and spur economic development for job creation and retention. The neighborhood revitalization and economic development component of the CDBG Program is administered by the Rural Economic Development Division (REDD) within the North Carolina Department of Commerce. CDBG Infrastructure funds administered by the North Carolina Department of Environmental Quality (DEQ) will be used to help with environmental issues caused due to aging sewer systems and contaminated drinking water and improve the quality of life for many citizens across the state because of improved systems. CDBG funds will be matched with cash from State funds.

The Emergency Solutions Grants Program leverages these funds in concert with the NC Key Program (funded in part with HOME Match) through the provision of grants and loans to develop and operate shelters and, supportive and permanent housing. ESG funding is also leveraged to combat chronic homelessness through the provision of preventive programs and activities by the Supportive Housing Development Program (SHDP) and Housing Opportunities for Persons with AIDS Program (HOPWA). SHDP helps partners develop permanent housing for persons with disabilities; Key provides operating subsidies for housing for persons with disabilities; and HOPWA provides tenant- based rental assistance, short-term mortgage and utility assistance, housing information, supportive services and resource identification to persons with HIV/AIDS.

ESG funding is a dollar- for dollar- match. Local non-profits and units of government use cash, non-cash (in-kind), donated value of a building/materials and or volunteer hours to match ESG funding.

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

HOME -N/A

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 in order to gain buy-in to participating in the HOPWA Tenant-Based Rental Program.

CDBG - N/A

ESG - N/A

**Discussion**

None

## SP-40 Institutional Delivery Structure – 91.315(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

| Responsible Entity                         | Responsible Entity Type | Role   | Geographic Area Served |
|--|-------------------------|--|------------------------|
| NORTH CAROLINA HOUSING FINANCE AGENCY      | Government              | Non-homeless special needs<br>Ownership<br>Rental  | State                  |
| NC Commerce                                | Government              | Economic Development<br>Homelessness<br>Non-homeless special needs<br>Ownership<br>Planning<br>Rental<br>neighborhood improvements<br>public facilities<br>public services | State                  |
| NC Department of Health and Human Services | Government              | Homelessness<br>Non-homeless special needs<br>Rental   | State                  |

**Table 54 - Institutional Delivery Structure**

### Assess of Strengths and Gaps in the Institutional Delivery System

Activities in the Consolidated Plan will be carried out by the three NC Plan Partners - NC Department of Commerce, North Carolina Housing Finance Agency, and NC Department of Health and Human Service. Each entity actively collaborated with private sector partners, non-profit organizations, and local service providers to carry out programs and services. Having a diverse array of partners represented across the state enhances the reach of programs and services and improves accessibility for target populations.

### Availability of services targeted to homeless persons and persons with HIV and mainstream services

| Homelessness Prevention Services        | Available in the Community | Targeted to Homeless | Targeted to People with HIV |
|---|----------------------------|----------------------|-----------------------------|
| <b>Homelessness Prevention Services</b> |                            |                      |                             |
| Counseling/Advocacy                     | X                          | X                    | X                           |

| Homelessness Prevention Services        | Available in the Community | Targeted to Homeless | Targeted to People with HIV |
|---|----------------------------|----------------------|-----------------------------|
| <b>Homelessness Prevention Services</b> |                            |                      |                             |
| Legal Assistance                        | X                          | X                    | X                           |
| Mortgage Assistance                     | X                          | X                    | X                           |
| Rental Assistance                       | X                          | X                    | X                           |
| Utilities Assistance                    | X                          | X                    | X                           |
| <b>Street Outreach Services</b>         |                            |                      |                             |
| Law Enforcement                         | X                          | X                    | X                           |
| Mobile Clinics                          | X                          | X                    | X                           |
| Other Street Outreach Services          | X                          | X                    | X                           |
| <b>Supportive Services</b>              |                            |                      |                             |
| Alcohol & Drug Abuse                    | X                          | X                    | X                           |
| Child Care                              | X                          | X                    | X                           |
| Education                               | X                          | X                    | X                           |
| Employment and Employment Training      | X                          | X                    | X                           |
| Healthcare                              | X                          | X                    | X                           |
| HIV/AIDS                                | X                          | X                    | X                           |
| Life Skills                             | X                          | X                    | X                           |
| Mental Health Counseling                | X                          | X                    | X                           |
| Transportation                          |                            | X                    | X                           |
| <b>Other</b>                            |                            |                      |                             |
|   |                            |                      |                             |

**Table 55 - Homeless Prevention Services Summary**

**Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction**

ESG services are available throughout North Carolina. Each program offers an array of services in local communities that provide homelessness prevention, street outreach and supportive services. Service provision of these programs may include, but are not limited to, health, mental health, employment services for homeless persons, chronically homeless individuals and families, families with children, veterans and their families, unaccompanied youth and persons with HIV/AIDS.

**Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above**

The strength of the Emergency Solutions Grants delivery system is that it allows a broad range of providers to deliver services for the homeless or persons at risk of homelessness. In doing so, persons are often able to access services through multiple non-profits and local units of government that span North Carolina.

A gap in the Emergency Solutions Grants Program service delivery is limited funding. Providers must choose which services they may offer to homeless or persons at risk of homelessness and other special populations.

**Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs**

Administered by the North Carolina Department of Commerce, the CDBG Program provides grants to non-entitlement local governments for projects that enhance the viability of communities by providing decent housing and suitable living environments and by expanding economic opportunities, principally for persons of low- and moderate-income. The state will continue to solicit feedback to determine where gaps are in providing CDBG funding opportunities to local units of government and design programs that help fill some of those gaps. Currently, the North Carolina General Assembly is attempting to address gaps identified by the legislative branch by revising the approved programs for CDBG. The proposed changes include an increase in Economic Development funding, an increase in Neighborhood Revitalization funding, a reduction in the water and sewer infrastructure focus, and addition program to focus on Rural Community Development.

The state leverages funding through Consolidated Planning Programs like ESG, HOME and HTF to further the impact of programs like Key rental assistance, tax credit rental development projects and supportive housing. Local providers are also encouraged to foster opportunities to leverage by requesting funding from local units of government and other non-HUD grant opportunities.

## SP-45 Goals Summary – 91.315(a)(4)

### 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 |                 | Housing for non-homeless persons w/ special needs<br>Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI | HOME:<br>\$14,600,000 | Homeowner Housing Rehabilitated:<br>1000 Household Housing Unit |

| Sort Order | Goal Name                | Start Year | End Year | Category           | Geographic Area | Needs Addressed  | Funding               | Goal Outcome Indicator   |
|------------|--------------------------|------------|----------|--------------------|-----------------|--|-----------------------|--|
| 2          | Affordable Homeownership | 2021       | 2025     | Affordable Housing |                 | Housing for non-homeless persons w/ special needs<br>Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI<br>Housing for persons experiencing homelessness<br>Neighborhood Stabilization | HOME:<br>\$28,000,000 | Direct Financial Assistance to Homebuyers:<br>2000 Households Assisted |

| 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 |                 | Housing for non-homeless persons w/ special needs<br>Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI<br>Housing for persons experiencing homelessness<br>Neighborhood Stabilization | HOME: \$13,000,000<br>HTF: \$43,000,000 | Rental units constructed: 4300 Household Housing Unit |

| Sort Order | Goal Name                        | Start Year | End Year | Category  | Geographic Area | Needs Addressed   | Funding               | Goal Outcome Indicator  |
|------------|----------------------------------|------------|----------|---|-----------------|---|-----------------------|---|
| 4          | CDBG Neighborhood Revitalization | 2021       | 2025     | Affordable Housing<br>Non-Housing Community Development | Statewide       | Housing for non-homeless persons w/ special needs<br>Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI<br>Neighborhood Stabilization Responding to COVID-19<br>non-housing community development needs | CDBG:<br>\$50,000,000 | Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit:<br>12000 Households Assisted<br><br>Public service activities for Low/Moderate Income Housing Benefit:<br>1000 Households Assisted<br><br>Homeowner Housing Added:<br>120 Household Housing Unit<br><br>Homeowner Housing Rehabilitated:<br>1200 Household Housing Unit |
| 5          | CDBG Economic Development        | 2021       | 2025     | Non-Housing Community Development                       | Statewide       | Neighborhood Stabilization Responding to COVID-19<br>non-housing community development needs  | CDBG:<br>\$71,690,480 | Jobs created/retained:<br>1500 Jobs   |

| Sort Order | Goal Name           | Start Year | End Year | Category                          | Geographic Area | Needs Addressed   | Funding                | Goal Outcome Indicator   |
|------------|---------------------|------------|----------|-----------------------------------|-----------------|---|------------------------|--|
| 6          | CDBG Infrastructure | 2021       | 2025     | Non-Housing Community Development | Statewide       | Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI<br>Neighborhood Stabilization<br>non-housing community development needs | CDBG:<br>\$121,690,480 | Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit:<br>12000 Households Assisted |

| Sort Order | Goal Name                           | Start Year | End Year | Category           | Geographic Area | Needs Addressed  | Funding               | Goal Outcome Indicator  |
|------------|-------------------------------------|------------|----------|--------------------|-----------------|--|-----------------------|---|
| 7          | CDBG Contingency and Urgent Needs   | 2021       | 2025     |                    | Statewide       | Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI<br>Neighborhood Stabilization<br>Responding to COVID-19 non-housing community development needs | CDBG:<br>\$1,000,000  | Other:<br>5 Other   |
| 8          | HOPWA-Short-Term Rent and Utilities | 2021       | 2025     | Affordable Housing | Statewide       | Housing for non-homeless persons w/ special needs<br>Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI  | HOPWA:<br>\$3,040,076 | Housing for People with HIV/AIDS added:<br>833 Household Housing Unit |

| 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<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI<br>Housing for persons experiencing homelessness | HOPWA: \$608,015 | Housing for People with HIV/AIDS added:<br>872 Household Housing Unit |
| 10         | HOPWA Resource ID         | 2021       | 2025     | Persons with HIV/AIDS | Statewide       | Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI  | HOPWA: \$608,015 | Housing for People with HIV/AIDS added:<br>833 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<br>Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI<br>Housing for persons experiencing homelessness | HOPWA:<br>\$1,013,355  | Housing for People with HIV/AIDS added:<br>45 Household Housing Unit |
| 12         | HOPWA Tenant-Based Rental Assistance | 2021       | 2025     | Affordable Housing | Statewide       | Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI   | HOPWA:<br>\$12,362,975 | HIV/AIDS Housing Operations:<br>395 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<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI<br>Housing for persons experiencing homelessness | ESG:<br>\$5,315,950  | Housing for Homeless added:<br>1500 Household Housing Unit                               |
| 14         | ESG Crisis Response   | 2021       | 2025     | Homeless | Statewide       | Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI<br>Housing for persons experiencing homelessness | ESG:<br>\$10,631,180 | Homeless Person Overnight Shelter:<br>55000 Persons Assisted<br><br>Other:<br>5750 Other |

Table 56 – Goals Summary

Goal Descriptions

|   |                         |  |
|---|-------------------------|--|
| 1 | <b>Goal Name</b>        | Homeowner Housing Rehabilitation   |
|   | <b>Goal Description</b> | Rehabilitate homes owned by elderly and/or disabled persons through the North Carolina Housing Finance Agency's rehab programs, such as the Essential Single-Family Rehabilitation Loan Pool.  |
| 2 | <b>Goal Name</b>        | Affordable Homeownership   |
|   | <b>Goal Description</b> | Enable households to afford homes through North Carolina Housing Finance Agency's Homeownership programs, such as the Community Partners Loan Pool and the Self-Help Loan Pool   |
| 3 | <b>Goal Name</b>        | Affordable Rental Housing  |
|   | <b>Goal Description</b> | Finance the development of affordable rental units through the North Carolina Housing Finance Agency's Rental Production Program and Integrated Supportive Housing Program. If operating costs and/or reserves are indicated in underwriting or for continued financial viability of a development funded wholly or in part with NHTF, then these funds may also be provided for this use. |
| 4 | <b>Goal Name</b>        | CDBG Neighborhood Revitalization   |
|   | <b>Goal Description</b> | CDBG Neighborhood Revitalization will focus on providing and preserve affordable, decent housing and other non-housing community development through the public facilities and public services eligible activities.  |
| 5 | <b>Goal Name</b>        | CDBG Economic Development  |
|   | <b>Goal Description</b> | CDBG Economic Development will spur economic activity through job creation and retention.  |
| 6 | <b>Goal Name</b>        | CDBG Infrastructure  |
|   | <b>Goal Description</b> | CDBG Infrastructure is designed to make water and sewer improvements, especially for communities that have deteriorated systems.   |

|    |                         |  |
|----|-------------------------|--|
| 7  | <b>Goal Name</b>        | CDBG Contingency and Urgent Needs  |
|    | <b>Goal Description</b> | CDBG de-obligated funds and program income up to \$1 million annually will be used to provide contingency and/or urgent needs funding for CDBG eligible projects. Special consideration will be given to projects that respond to, prevent, or prepare for COVID-19 or other imminent health and safety concerns.  |
| 8  | <b>Goal Name</b>        | HOPWA-Short-Term Rent and Utilities  |
|    | <b>Goal Description</b> | 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  | <b>Goal Name</b>        | HOPWA Supportive Services  |
|    | <b>Goal Description</b> | <div>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. </div>   |
| 10 | <b>Goal Name</b>        | HOPWA Resource ID  |
|    | <b>Goal Description</b> | This section focuses funds used for HOPWA's Resource ID activity. Resource Identification (RI) assists agencies with establishing, coordinating, and developing housing assistance resources for eligible individuals and their families.  |
| 11 | <b>Goal Name</b>        | HOPWA Permanent Housing Placement  |
|    | <b>Goal Description</b> | <div>Permanent Housing Placement (PHP) covers costs associated with locating housing, housing referral, tenant counseling, mediation of disputes, application fees and credit check expenses, first month's rent and security deposits.</div>  |
| 12 | <b>Goal Name</b>        | HOPWA Tenant-Based Rental Assistance   |
|    | <b>Goal Description</b> | This goal focuses on HOPWA funding for Tenant-Based Rental Assistance. TBRA provides an ongoing subsidy to HOPWA-eligible households in a unit of their choice at or below Fair Market Rent (FMR).   |

|           |                         |   |
|-----------|-------------------------|---|
| <b>13</b> | <b>Goal Name</b>        | ESG Housing Stability   |
|           | <b>Goal Description</b> | ESG Housing Stability: ESG is administered by the NC Department of Health and Human Services (NC DHHS). Through its Housing Stability activity, NC DHHS serves homeless populations through Rapid Rehousing and Homelessness Prevention initiatives.                                      |
| <b>14</b> | <b>Goal Name</b>        | ESG Crisis Response   |
|           | <b>Goal Description</b> | ESG Crisis Response is administered by NC Department of Health and Human Services (NC DHHS) and provides temporary, emergency housing, and outreach to unsheltered homeless populations. Goal outcome indicators include shelter and street outreach (i.e., identified as "other" below). |

**Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)**

Based on 5-year estimates from previous years, HOME funding will assist 2,100 extremely low-income households (< 30 AMI) and 2,800 low-income households through homeownership, rental production, housing preservation and supportive housing activities.

**SP-50 Public Housing Accessibility and Involvement – 91.315(c)**

**Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)**

**Activities to Increase Resident Involvements**

**Is the public housing agency designated as troubled under 24 CFR part 902?**

**Plan to remove the ‘troubled’ designation**

## **SP-55 Barriers to affordable housing – 91.315(h)**

### **Barriers to Affordable Housing**

This section of the plan explains whether the cost of housing or the incentives to develop, maintain, or improve affordable housing in the State are affected by its policies, including tax policies affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment. These issues are presented based on programmatic experience, previous analyses, and were explored as part of the Analysis of Impediments to Fair Housing (AI) portion of the Consolidated Planning process.

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 to 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.

In sum, housing affordability and availability are the most dominant housing problems experienced by households in NC. This is evident from the demands for emergency shelters, waiting lists for public and assisted housing, low vacancy rates, the Point-In-Time counts across the states, and calls to social service providers and agencies for assistance. As an example, nearly, 90% of NC state HOPWA households earning less than the median income pay more than 30% of their income for housing which means that they are extremely cost-burdened. Local tax rates are becoming significantly higher, especially in the urban areas of the state. Local residents and advocates are exploring funding and legislative options to offset higher taxes, in order to keep housing affordable to LMI households. Also, the cost of building materials and labor have increased due to limited access and production of supplies caused by delays due to the pandemic and NC natural disasters. The NC Plan Partners will continue to review the HUD regulatory barrier clearinghouse to identify and establish strategies to remove barriers to affordable housing during the Annual Action Plan development process.

### **Strategy to Remove or Ameliorate the Barriers to Affordable Housing**

North Carolina's strategy to remove or ameliorate the barriers to affordable housing overall are to increase and preserve affordable housing. This will be accomplished by directing Consolidated Plan funding for short-term, transitional, and permanent housing for low-to-moderate income households. 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 to program participants on rehabilitation statues 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 and NCDHHS will continue its planning initiative to meet the state's obligation under Olmstead to provide appropriate housing for persons with disabilities.
- 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 [www.nccommerce.com](http://www.nccommerce.com).

## **SP-60 Homelessness Strategy – 91.315(d)**

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

ESG provides Street Outreach services to persons experiencing homelessness, including those who are unsheltered. Street outreach includes engagement, case management, emergency health services, emergency mental health services, transportation, and services for special populations including homeless youth, and homeless persons with HIV/AIDS. Street outreach providers locate, identify, and build relationships with unsheltered homeless people to provide immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs.

### **Addressing the emergency and transitional housing needs of homeless persons**

All the NC Plan Partners have programs that address homeless housing needs.

The CDBG Neighborhood Revitalization programs is a competitive program but allows funding for emergency shelter and transitional housing needs of homeless persons.

In conjunction with the Low-Income Housing Tax Credit and state funds, NCHFA utilizes HOME and HTF to create and preserve affordable rental units. Properties receiving tax credits are required to participate in the Targeting Program, which sets aside between 10% and 20% of units for people with disabilities. NCHFA also offers the Supportive Housing Development Program to help nonprofit organizations and local governments build and rehabilitate emergency and permanent housing for people who are experiencing homelessness or have disabilities or other special needs such as substance use recovery. NCHFA partners with DHHS to provide integrated permanent supportive housing options to North Carolinians across state through the Transitions to Community Living Voucher, the Targeting Program and Key Rental Assistance.

Through ESG, NC DHHS provides emergency shelter operations funding to meet the emergency housing needs of homeless persons. This includes day shelters, mass shelters, and hotel/motel vouchers when no other appropriate shelter is available. ESG also provides shelter services funding for shelter residents to receive essential services such as case management, childcare, education, employment, and life skills services, legal services, mental health and substance abuse services, transportation, and services for special populations. These services are provided to homeless individuals and families to get them housed as quickly as possible while also connecting them to mainstream services that will assist them in obtaining and maintaining their housing.

### **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.**

ESG provides case management services under all programs (street outreach, shelter, rapid rehousing, homelessness prevention) to shorten the period of time that individuals and families experience homelessness and to prevent those recently homeless from becoming homeless again. These services are available to all homeless populations including chronically homeless individuals and families, families with children, veterans, and unaccompanied youth. Each continuum of care in the state sets their service priorities to serve and house the most vulnerable first. Many communities have prioritized families, those that are chronically homeless, veterans, and unaccompanied youth.

**Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs**

ESG does not have an income limit for its street outreach, shelter, or rapid rehousing services. However, communities can prioritize their services to those who are most vulnerable. This often includes those with low, very low, or no income. ESG homelessness prevention services are only available to those who are at or below 30% area median income (AMI). ESG will also extend Rapid Rehousing eligibility to those households receiving rental assistance through other programs as described in HUD's "Waiver and Alternative Requirements for the ESG Program Under the CARES Act" issued on April 14, 2021.

## **SP-65 Lead based paint Hazards – 91.315(i)**

### **Actions to address LBP hazards and increase access to housing without LBP hazards**

**CDBG:** The CDBG Neighborhood Revitalization Program which focuses on housing preservation and development also has lead-based paint policies in place. CDBG-NR enforces the 24 CFR 35 lead paint standards. Additionally, CDBG-NR allows the funding to be used to address LBP hazards as part of rehabilitation for multifamily developments and homeowner-occupied dwellings. During monitoring, staff inspect the property, checks for the LBP assessment, and, if lead was present, verifies a clearance report was prepared.

**ESG:** Lead-based paint policies are in effect for subrecipients utilizing NC ESG funds. Subrecipients must follow HUD’s lead-based paint guidelines and conduct visual assessments on properties as required. ESG funds cannot be utilized on units that do not pass lead-based paint assessments.

**HOME:** Lead-based paint policies in effect for program utilizing HOME funds. The North Carolina Housing Finance Agency operates a number of home rehabilitation programs that adhere to the 24 CFR 35 lead paint standards. Additionally, several programs provide forgivable loans to low-income homeowners for emergency repairs to correct safety hazards that pose an imminent threat to the safety of the household, including lead hazards.

The Agency will continue to participate quarterly in an ad hoc lead hazards advisory group made up of concerned individuals from the public health, environmental protection, affordable housing, and occupational safety sector.

**HOPWA:** The HOPWA program requires that each project sponsor providing TBRA services comply with HOPWA lead-based paint regulations which includes:

- Provision of HUD’s “Protect Your Family from Lead In The Home” pamphlet
- Disclosure notice to occupants: The property owner or lessor of the property is required to disclose the presence of known lead-based paint in the unit to be leased
- Visual assessment: Regulations require that a visual assessment of existing paint surfaces in dwellings constructed before 1978 be included in the HQS inspections before a unit is leased. An on-line training in visual assessment is available and should be completed by project staff.
- Paint stabilization: If a visual assessment reveals problem with paint services, the property owner should undertake paint stabilization before the start of a lease.
- Ongoing lead-based paint maintenance: A visual assessment of the stability of painted services should be conducted as part of the annual recertification and HQS process
- Response to a child with elevated blood lead levels: When a child under the age of 6 living in a HOPWA leased unit is found to have elevated blood levels, a response process must be followed

During project sponsor sub-recipient monitoring site visits, NC HOPWA staff will look for documentation that households received HUD's lead based paint pamphlet, that the landlord disclosed any known lead hazards, that a visual assessment of paint stability was completed prior to occupancy, that paint stabilization was undertaken if necessary, that visual assessments are completed upon recertification, and when necessary there was a proper response to elevated lead levels in children under the age of six.

**How are the actions listed above integrated into housing policies and procedures?**

See above.

## **SP-70 Anti-Poverty Strategy – 91.315(j)**

### **Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families**

The HOME, NHTF and CDBG programs address the needs of extremely low, very low and moderate income families and households across the state.

**HOME:** The HOME Program serves very low and low-income household providing assistance for homeownership, financing for rental development and funds for essential rehabilitation. The Agency's homeownership program allows low-income borrowers to purchase a home which in turn creates a pathway to economic stability and generational wealth building. Rental development efforts result in the creation of more units available at rents affordable to extremely low and very low-income households. Living in an affordable apartment reduces cost burden and allows renters to divert funds toward other essential expenses. The rehabilitation of single-family homes ensures individuals and families can remain in their homes, avoiding costly medical care.

**National Housing Trust Fund:** NHTF provides funding for the production and preservation of affordable rental housing for extremely low-income households and persons with disabilities.

**CDBG:** The NC Department of Commerce, through CDBG programs, believes that the true eradication of poverty means providing a holistic approach to community development. The CDBG-eligible activities are designed within the framework that allows grantees to address housing, infrastructure, economic, human capital, and all other community development needs. CDBG funds are granted to local governments for various types of infrastructure improvements to assist with business expansion or retention. A local funding match is required for every CDBG dollar except in the 25 most distressed counties ranked by the Department of Commerce for the NC Tier System. This helps impact poverty in the most distressed counties of the state.

### **How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan?**

The State of North Carolina's poverty reduction goals, programs and policies are inextricably linked to its affordable housing plan in so far as a lack of affordable housing contributes to poverty. Efforts are coordinated between government agencies to ensure gaps in services and funding are addressed, and resources are used effectively and efficiently. The North Carolina Housing Finance Agency has established partnerships with other government agencies, nonprofits, and private sector organizations to connect housing program participants to job-training, workforce development and other economic development initiatives.

## **SP-80 Monitoring – 91.330**

**Describe the standards and procedures that the state will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

Each of the Consolidated Plan Partners administering a HUD program has developed standards and procedures for monitoring and ensuring compliance. Activities are monitored through site visits, file-reviews, and reporting on federal and state regulations (e.g., Davis-Bacon, Section 3, Fair Housing, etc.) These activities ensure that recipients of program funds are carrying out the objectives of each respective program as described in the five-year Consolidated Plan and annual action plans.

## Expected Resources

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

#### Introduction

The following table summarizes the anticipated resources for PY 2021, broken down by program type, allocated to the State of North Carolina.

#### 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<br>Admin and Planning<br>Economic Development<br>Housing<br>Public Improvements<br>Public Services | 49,393,313                       | 0                  | 0                        | 49,393,313 | 197,513,252                                       | NC Commerce receives CDBG funds for nonentitlement areas. The funds and program income are used primarily for economic development, housing rehabilitation and development support, public facilities, and infrastructure. |

| 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: \$  |   |  |
| HOME    | public - federal | Acquisition<br>Homebuyer assistance<br>Homeowner rehab<br>Multifamily rental new construction<br>Multifamily rental rehab<br>New construction for ownership<br>TBRA | 17,648,420                       | 9,000,000          | 0                        | 26,648,420 | 61,500,000  | NCHFA received HOME funds for the areas outside of local participating jurisdiction. The funds and any program income are used to promote the production, ownership and rehabilitation of housing. |

| 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<br>Permanent housing placement<br>Short term or transitional housing facilities<br>STRMU<br>Supportive services<br>TBRA | 4,053,435                        | 0                  | 0                        | 4,053,435 | 16,213,740  | NC DHHS administers HOPWA funding which assists with housing needs for persons with AIDS and HIV. |

| 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<br>Financial Assistance<br>Overnight shelter<br>Rapid re-housing (rental assistance)<br>Rental Assistance<br>Services<br>Transitional housing | 5,315,950                        | 0                  | 0                        | 5,315,950 | 21,263,800  | ESG funding is administered by NC DHHS and supports housing stabilization and emergency shelter activities. |

| 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<br>Admin and Planning<br>Homebuyer assistance<br>Multifamily rental new construction<br>Multifamily rental rehab<br>New construction for ownership | 17,493,694                       | 0                  | 0                        | 17,493,694 | 31,000,000  | Annual allocations for HTF for FY 2021 were unusually high. Available remainder based on 5-year historical average and assumes the FY21 increase will not be sustained. NCHFA uses HTF funds for the development and rehabilitation of multifamily rental housing, including operating reserves. |

Table 57 - 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**

The North Carolina General Assembly provides the required 25% match for HOME as a recurring appropriation. HOME provides crucial support for multiple statewide housing programs, ranging from rental financing to home buyer assistance to home rehabilitation. HOME funds used to finance rental development are leveraged in conjunction with Low-Income Housing Tax Credits, state appropriations, as well as private and local funds. HOME funds used for homeownership provide shared mortgage financing used in conjunction with other loan products and funds from nonprofits.

HOME that helps finance loans for NCHFA's RPP program are used in conjunction with Low Income Housing Tax Credits, state-appropriated

Workforce Housing Loan Program funds, and other private and local funding. In NCHFA's CPLP program, HOME funds finance second mortgages that are combined with NCHFA's NC Home Advantage Mortgage™ program or a USDA Section 502 Loan. HOME- funded SHLP loans are used to compliment funds from Habitat for Humanity or other sources.

NCHFA will distribute its HTF funds through the Rental Production Program (RPP) and the Integrated Supportive Housing Program (ISHP), which provide long-term financing for Low-Income Housing Tax Credit projects. LITHC developments leverage private, state and local funds to build and rehabilitate rental housing.

The NC HOPWA program consistently emphasizes the importance of leveraging HOPWA funding with other resources. Our HOPWA Project Sponsors leverage HOPWA funding with other sources such as Ryan White, Shelter Plus Care, city government, grants, private funding, and resident rent payments to landlords. Increased leveraging of HOPWA funding with other sources is one of our primary goals in hopes of reducing staff costs and operating expenses.

CDBG Funds will be used to increase and preserve affordable housing and spur economic development for job creation and retention. The neighborhood revitalization and economic development component of the CDBG Program is administered by the Rural Economic Development Division (REDD) within the North Carolina Department of Commerce. CDBG Infrastructure funds administered by the North Carolina Department of Environmental Quality (DEQ) will be used to help with environmental issues caused due to aging sewer systems and contaminated drinking water and improve the quality of life for many citizens across the state because of improved systems. CDBG funds will be matched with cash from State funds.

The Emergency Solutions Grants Program leverages these funds in concert with the NC Key Program (funded in part with HOME Match) through the provision of grants and loans to develop and operate shelters and, supportive and permanent housing. ESG funding is also leveraged to combat chronic homelessness through the provision of preventive programs and activities by the Supportive Housing Development Program (SHDP) and Housing Opportunities for Persons with AIDS Program (HOPWA). SHDP helps partners develop permanent housing for persons with disabilities; Key provides operating subsidies for housing for persons with disabilities; and HOPWA provides tenant- based rental assistance, short-term mortgage and utility assistance, housing information, supportive services, and resource identification to persons with HIV/AIDS.

ESG funding is a dollar- for dollar- match. Local non-profits and units of government use cash, non-cash (in-kind), donated value of a building/materials and or volunteer hours to match ESG funding.

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

HOME -N/A

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 in order to gain buy-in to participating in the HOPWA Tenant-Based Rental Program.

CDBG - N/A

ESG - N/A

**Discussion**

None

## 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<br>Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI | HOME:<br>\$6,300,000  | Homeowner Housing Rehabilitated: 200 Household Housing Unit        |
| 2          | Affordable Homeownership         | 2021       | 2025     | Affordable Housing         | Statewide       | Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI  | HOME:<br>\$12,200,000 | Direct Financial Assistance to Homebuyers: 440 Households Assisted |

| 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 households under 30% AMI<br>Housing for households 31-60% AMI                                      | HOME:<br>\$5,500,000<br>HTF:<br>\$15,930,000 | Rental units constructed: 1465 Household Housing Unit   |
| 4          | CDBG Neighborhood Revitalization | 2021       | 2025     | Affordable Housing<br>Non-Housing<br>Community Development | Statewide       | Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI | CDBG:<br>\$10,000,000                        | Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 30 Households Assisted<br>Facade treatment/business building rehabilitation: 10 Business<br>Homeowner Housing Rehabilitated: 100 Household Housing Unit |
| 5          | CDBG Economic Development        | 2021       | 2025     | Non-Housing<br>Community Development                       | Statewide       | Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI | CDBG:<br>\$14,000,000                        | Jobs created/retained: 600 Jobs   |

| Sort Order | Goal Name                           | Start Year | End Year | Category                          | Geographic Area | Needs Addressed  | Funding               | Goal Outcome Indicator   |
|------------|-------------------------------------|------------|----------|-----------------------------------|-----------------|--|-----------------------|--|
| 6          | CDBG Infrastructure                 | 2021       | 2025     | Non-Housing Community Development |                 |  | CDBG:<br>\$24,000,000 | Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 1000 Households Assisted |
| 7          | CDBG Contingency and Urgent Needs   | 2021       | 2025     |                                   | Statewide       | Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI | CDBG:<br>\$1,000,000  | Other: 2 Other   |
| 8          | HOPWA-Short-Term Rent and Utilities | 2021       | 2025     | Affordable Housing                | Statewide       | Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI | HOPWA:<br>\$1,000     | Housing for People with HIV/AIDS added: 1000 Household Housing Unit  |

| 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<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI | HOPWA: \$200,000 | Housing for People with HIV/AIDS added: 100 Household Housing Unit |
| 10         | HOPWA Resource ID                 | 2021       | 2025     | Persons with HIV/AIDS | Statewide       | Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI | HOPWA: \$750,150 | HIV/AIDS Housing Operations: 75 Household Housing Unit             |
| 11         | HOPWA Permanent Housing Placement | 2021       | 2025     | Affordable Housing    | Statewide       | Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI | HOPWA: \$150,000 | Housing for People with HIV/AIDS added: 60 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<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI | ESG:<br>\$2,126,236 | Homelessness Prevention: 100 Persons Assisted |
| 14         | ESG Crisis Response   | 2021       | 2025     | Homeless | Statewide       | Housing for households under 30% AMI<br>Housing for households 31-60% AMI<br>Housing for households 61-80% AMI | ESG:<br>\$3,189,354 |   |

Table 58 – Goals Summary

**Goal Descriptions**

|   |                         |   |
|---|-------------------------|---|
| 1 | <b>Goal Name</b>        | Homeowner Housing Rehabilitation  |
|   | <b>Goal Description</b> | This goal focuses on assisting existing homeowners with the rehabilitation and reconstruction of their homes, especially elderly, disabled, and low-income persons. |

|   |                         |   |
|---|-------------------------|---|
| 2 | <b>Goal Name</b>        | Affordable Homeownership  |
|   | <b>Goal Description</b> |   |
| 3 | <b>Goal Name</b>        | Affordable Rental Housing   |
|   | <b>Goal Description</b> | Finance the development of affordable rental units through the North Carolina Housing Finance Agency's Rental Production Program and Integrated Supportive Housing Program. If operating costs and/or reserves are indicated in underwriting or for continued financial viability of a development funded wholly or in part with NHTF, then these funds may be provided for this use. |
| 4 | <b>Goal Name</b>        | CDBG Neighborhood Revitalization  |
|   | <b>Goal Description</b> | CDBG-NR funds housing and public facilities including emergency shelters and transitional housing.  |
| 5 | <b>Goal Name</b>        | CDBG Economic Development   |
|   | <b>Goal Description</b> | ED to spur economic development via job creation and retention  |
| 6 | <b>Goal Name</b>        | CDBG Infrastructure   |
|   | <b>Goal Description</b> | infrastructure improvement for deteriorating water and sewer systems  |
| 7 | <b>Goal Name</b>        | CDBG Contingency and Urgent Needs   |
|   | <b>Goal Description</b> | use deobligated funds and program income to address urgent needs and contingency projects   |
| 8 | <b>Goal Name</b>        | HOPWA-Short-Term Rent and Utilities   |
|   | <b>Goal Description</b> | short-term rent, mortgage, and utilities  |

|    |                         |   |
|----|-------------------------|---|
| 9  | <b>Goal Name</b>        | HOPWA Supportive Services   |
|    | <b>Goal Description</b> | supportive services   |
| 10 | <b>Goal Name</b>        | HOPWA Resource ID   |
|    | <b>Goal Description</b> | assist 75 facilities  |
| 11 | <b>Goal Name</b>        | HOPWA Permanent Housing Placement   |
|    | <b>Goal Description</b> | permanent housing placement for persons with HIV/AIDS   |
| 13 | <b>Goal Name</b>        | ESG Housing Stability   |
|    | <b>Goal Description</b> | ESG activities  |
| 14 | <b>Goal Name</b>        | ESG Crisis Response   |
|    | <b>Goal Description</b> | ESG Crisis Response: The ESG program is administered by the North Carolina Department of Health and Human Services (NC DHHS). |

## AP-25 Allocation Priorities – 91.320(d)

### Introduction:

For Program Year 2021, the State of North Carolina's five programs covered by this Action Plan are as follows (in alphabetical order): Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnership (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and the Housing Trust Fund (HTF).

### Funding Allocation Priorities

|       | Homeowner Housing Rehabilitation (%) | Affordable Homeownership (%) | Affordable Rental Housing (%) | CDBG Neighborhood Revitalization (%) | CDBG Economic Development (%) | CDBG Infrastructure (%) | CDBG Contingency and Urgent Needs (%) | HOPWA-Short-Term Rent and Utilities (%) | HOPWA Supportive Services (%) | HOPWA Resource ID (%) | HOPWA Permanent Housing Placement (%) | ESG Housing Stability (%) | ESG Crisis Response (%) | Total (%) |
|-------|--------------------------------------|------------------------------|-------------------------------|--------------------------------------|-------------------------------|-------------------------|---------------------------------------|---|-------------------------------|-----------------------|---------------------------------------|---------------------------|-------------------------|-----------|
| CDBG  | 0                                    | 0                            | 0                             | 24                                   | 24                            | 49                      | 0                                     | 0                                       | 0                             | 0                     | 0                                     | 0                         | 0                       | 97        |
| HOME  | 24                                   | 45                           | 21                            | 0                                    | 0                             | 0                       | 0                                     | 0                                       | 0                             | 0                     | 0                                     | 0                         | 0                       | 90        |
| HOPWA | 0                                    | 0                            | 0                             | 0                                    | 0                             | 0                       | 0                                     | 15                                      | 3                             | 3                     | 5                                     | 0                         | 0                       | 26        |
| ESG   | 0                                    | 0                            | 0                             | 0                                    | 0                             | 0                       | 0                                     | 0                                       | 0                             | 0                     | 0                                     | 100                       | 0                       | 100       |
| HTF   | 0                                    | 0                            | 90                            | 0                                    | 0                             | 0                       | 0                                     | 0                                       | 0                             | 0                     | 0                                     | 0                         | 0                       | 90        |

Table 59 – Funding Allocation Priorities

### Reason for Allocation Priorities

The allocation priorities are determined by legislative and state agencies.

**CDBG:** Distribution of CDBG funds is distributed based on legislative mandate. The funds address needs in some of the most distressed counties in the state. However, projects are selected based on program design and application guidelines. Currently, the CDBG funds are used as follows: 25% for Neighborhood Revitalization (housing and public facilities); 25% for Economic Development (job creation and retention); and 50% for Infrastructure (water and sewer improvements).

**HOPWA:** The table for Funding Allocation Priorities does not include the Tenant-Based Rental Assistance Program. NC DHHS allocates 61% of HOPWA funds for TBRA and 3% for general State administration; therefore, 97% of the HOPWA funds are available for eligible program

activities.

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

**CDBG:** Distribution of CDBG funds is distributed based on legislative mandate. The funds address needs in some of the most distressed counties in the state. However, projects are selected based on program design and application guidelines. Currently, the CDBG funds are used as follows: 25% for Neighborhood Revitalization (housing and public facilities); 25% for Economic Development (job creation and retention); and 50% for Infrastructure (water and sewer improvements).

**ESG:** The NC ESG Program addresses the priority needs and objectives in the consolidated Plan by providing funding that benefit homeless individuals and families with income below 30% of the area median income.

**HOME AND NHTF:** To conduct additional housing-related activities, NCHFA uses nonfederal as well as federal funds. The nonfederal sources offer the NCFHA 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, Hardest Hit Funds, the Low-Income Housing Tax Credit Program, and bond financing.

**HOPWA:** Of the funds HOPWA receives, the NC DHHS will allocate the funds as follows:

Grantee Administration: 3%

Project Sponsor Administration: 7%

STRMU: 15%

TBRA: 61%

Resource ID: 3%

Permanent Housing Placement: 5%

Leasing (Hotel/Motel): 2%

Transitional Housing: .5%

Minor Rehabilitation: .5%

Supportive Services: 3%

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

### Introduction:

Funds will be made available through both competitive and open funding cycles. Funds will be allocated statewide based on housing needs, as documented in the North Carolina Housing Market Analysis & Needs Assessment in the 2021-2025 Strategic Consolidated Plan, as well as on the service-provision infrastructure in the state

### Distribution Methods

Table 60 - Distribution Methods by State Program

|          |   |  |
|----------|---|--|
| <b>1</b> | <b>State Program Name:</b>  | CDBG Economic Development  |
|          | <b>Funding Sources:</b>   | CDBG   |
|          | <b>Describe the state program addressed by the Method of Distribution.</b>  | The Economic Development category has a preliminary application meeting to determine project worthiness based on CDBG ED requirements. Each CDBG ED application is reviewed based on the following criteria, operator capability, project impact, project completion, substantial benefit to LMI, public benefit standard, leverage, compliance with CDBG regulations. In addition, the project is underwritten based on CDBG factors suggested by HUD in the Federal Register of 1/5/1995 to include reasonable costs, funding sources committed, financial feasibility of the project, and whether there is reasonable return on investment. |
|          | <b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b> | Annually, the CDBG economic development section managed by the NC Department of Commerce, Rural Economic Development Division, holds outreach sessions across the state to inform potential applicants of funding opportunities. During the outreach sessions application guidelines and funding accessibility are discussed to include eligible activities and the award process.   |

|  |  |
|--|--|
| <p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>  | <p>NC Commerce prepares program guidelines and applications for each funding round. The information is posted on the website at <a href="http://www.nccommerce.com">www.nccommerce.com</a>. Interested parties may also contact the assigned REDD staff to request information and receive technical assistance.</p> |
| <p><b>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)</b></p> | <p>Not applicable</p>  |

|          |  |  |
|----------|--|--|
|          | <b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b> | Not applicable   |
|          | <b>Describe how resources will be allocated among funding categories.</b>  | The funding categories are identified and allocated by the NC General Assembly. Currently, the NC General Assembly has identified three CDBG categories: economic development to spur economic activity that create and retain jobs; neighborhood revitalization to increase and preserve housing opportunities and support housing through community development; and infrastructure to address water and sewer systems that propose a threat to health and safety. |
|          | <b>Describe threshold factors and grant size limits.</b>   | Economic Development grants can be awarded up to \$1,000,000 and CDBG Infrastructure as much as \$3,000,000.   |
|          | <b>What are the outcome measures expected as a result of the method of distribution?</b>   | The purpose is to spur economic development activity and create and retain jobs, especially for low-to-moderate income persons. The outcome measure is sustainability.   |
| <b>2</b> | <b>State Program Name:</b>   | CDBG Infrastructure  |
|          | <b>Funding Sources:</b>  | CDBG   |

|   |   |
|---|---|
| <p><b>Describe the state program addressed by the Method of Distribution.</b></p>   | <p>The CDBG Infrastructure section of the CDBG Program managed by the NC Department of Environmental Quality (DEQ), sends out notifications of funding availability and holds multiple workshops to discuss the application, review, and award process. The state CDBG program is only eligible to non-entitlement local units of government.</p> |
| <p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>  | <p>The criteria is shared each year of the program funding. All projects must 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><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p> | <p>NC Department of Environmental Quality (DEQ) prepares program guidelines and applications for each funding round. Interested parties may also contact the assigned DEQ staff to request information and receive technical assistance.</p>  |

|  |                       |
|--|-----------------------|
| <p><b>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)</b></p> | <p>Not applicable</p> |
| <p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>  | <p>Not applicable</p> |

|          |  |   |
|----------|--|---|
|          | <b>Describe how resources will be allocated among funding categories.</b>                | The funding categories are identified and allocated by the NC General Assembly. Currently, the NC General Assembly has identified three CDBG categories: economic development to spur economic activity that create and retain jobs; neighborhood revitalization to increase and preserve housing opportunities and support housing through community development; and infrastructure to address water and sewer systems that propose a threat to health and safety.  |
|          | <b>Describe threshold factors and grant size limits.</b>                                 | The maximum funding amount is \$2 million over a three-year period.   |
|          | <b>What are the outcome measures expected as a result of the method of distribution?</b> | The outcome measures for the CDBG Infrastructure program are availability and accessibility. The program targets low-to-moderate income persons.  |
| <b>3</b> | <b>State Program Name:</b>   | CDBG Neighborhood Revitalization  |
|          | <b>Funding Sources:</b>  | CDBG  |
|          | <b>Describe the state program addressed by the Method of Distribution.</b>               | The CDBG Neighborhood Revitalization Program is advertised through a Notice of Funding Availability. The program allocates approximately \$10 million annually for CDBG-eligible projects focused on housing and community development needs. The program may be competitive in instances where the funding requests exceed the amount available. CDBG-NR may exceed the annual set-aside to fund projects by adding de-obligated and recaptured funds for feasible projects. Activities include rehabilitation of multifamily and homeowner-occupied units, acquisition, public infrastructure, and improvements (e.g., community centers, emergency shelters, transitional housing, pedestrian improvements, and parks). The program may also be used to address special and imminent housing and community development needs caused by natural disasters, public health emergencies, financial impact, and other needs identified as urgent or essential by NC Commerce. |

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| <p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>  | <p>Applications are reviewed based on (1) thresholds and completeness, (2) project purpose, design, project readiness, (3) need and treatment, (4) project feasibility and sustainability, and (5) experience and capacity. Additional consideration may be given using bonus points to address special housing and community development needs. As an example, bonus points were provided in the 2020 round for projects that addressed COVID-19.</p> |
| <p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p> | <p>NC Commerce prepares program guidelines and applications for each funding round. The information is posted on the website at <a href="http://www.nccommerce.com">www.nccommerce.com</a>. Interested parties may also contact the assigned REDD staff to receive information and receive technical assistance.</p>   |

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|--|-----------------------|
| <p><b>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)</b></p> | <p>Not applicable</p> |
| <p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>  | <p>Not applicable</p> |

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|   | <b>Describe how resources will be allocated among funding categories.</b>                | The funding categories are identified and allocated by the NC General Assembly. Currently, the NC General Assembly has identified three CDBG categories: economic development to spur economic activity that create and retain jobs; neighborhood revitalization to increase and preserve housing opportunities and support housing through community development; and infrastructure to address water and sewer systems that propose a threat to health and safety. |
|   | <b>Describe threshold factors and grant size limits.</b>                                 | The grant size for CDBG Neighborhood Revitalization may be an amount up to \$750,000. NC Commerce may increase the limit for a funding cycle based on available funds and programmatic needs.<br><br>Threshold factors include ensuring the applicant is eligible for funding, verifying that the applicant is not debarred from federal or state funding, the grantee does not exceed the maximum request amount, and completeness of application.                  |
|   | <b>What are the outcome measures expected as a result of the method of distribution?</b> | The outcome measures are to serve low-to-moderate income persons/households.   |
| 4 | <b>State Program Name:</b>   | ESG  |
|   | <b>Funding Sources:</b>  | ESG  |
|   | <b>Describe the state program addressed by the Method of Distribution.</b>               | ESG distributes funds statewide based on the fair share formula provided by HUD. This formula is based on data obtained by HUD, including point-in-time count, low-income households, and availability of affordable housing. ESG subrecipients provide services with a focus on racial equity to ensure that minority populations are served.   |

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| <p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>  |                       |
| <p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p> | <p>Not applicable</p> |

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| <p><b>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)</b></p> | <p>The ESG office produces a public announcement and sends additional announcements to all ESG and CoC recipients inviting them to apply for ESG funding for the upcoming funding period. Instructions are provided on the ESG/DHHS website along with applications/RFA and application information/RFA. In addition, webinars are provided during the application period. Applications are screened to assure all requested information has been received. Those organizations sending incomplete applications are notified and given a short window of opportunity to make corrections. Applications are then reviewed and scored by a panel made up of department staff, not ESG related, and other stakeholders who did not or could not apply for funding. Each application is scored, and the awardees are notified of the amount to provided. CoC's play an important role in that potential recipient must have the approval of the CoC. Once the awardee accepts the award, contracts for the individual grants are prepared.</p> |
| <p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>  |  |

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|---|--|--|
|   | <b>Describe how resources will be allocated among funding categories.</b>                |  |
|   | <b>Describe threshold factors and grant size limits.</b>                                 |  |
|   | <b>What are the outcome measures expected as a result of the method of distribution?</b> |  |
| 5 | <b>State Program Name:</b>   | HOME: Affordable Homeownership   |
|   | <b>Funding Sources:</b>  | HOME   |
|   | <b>Describe the state program addressed by the Method of Distribution.</b>               | HOME funds are used to increase 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. |

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| <p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p> | <p>For SHLP, eligible homebuyers are those participating in a self-help housing program (i.e., borrower contributes sweat equity 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 or existing homes that pass a home inspection by a licensed inspector and pass a local Minimum Housing Code inspection. To become a loan pool member, the organization must develop affordable housing using sweat equity, provide first or second mortgage financing to eligible home buyers at 0% or below market interest rates, and provide servicing of the first or second SHLP mortgage. They must also have the capacity to prepare eligible home buyers for successful homeownership through homebuyer education and pre-purchase counseling. For more details, visit: <a href="https://www.nchfa.com/sites/default/files/page_attachments/SHLP-ParticipationGuidelines.pdf">https://www.nchfa.com/sites/default/files/page_attachments/SHLP-ParticipationGuidelines.pdf</a></p> <p>For CPLP, eligible home buyers with annual household incomes less than 80% of area median income. Eligible properties are newly constructed homes or existing homes that pass an inspection by a licensed NC Home Inspector and a local Minimum Housing Code inspection. Eligible applicants for CPLP membership include non-profit developers of affordable homes for home buyers, non-profit agencies with a home buyer education and/or counseling program, 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. Applicants are evaluated for years of experience and the absence of unresolved audit, monitoring finding or legal proceedings. For more information, visit: <a href="https://www.nchfa.com/sites/default/files/page_attachments/CPLP-ParticipationGuidelines.pdf">https://www.nchfa.com/sites/default/files/page_attachments/CPLP-ParticipationGuidelines.pdf</a></p> |
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| <p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>  |  |
| <p><b>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)</b></p> |  |

|   |  |
|---|--|
| <p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p> |  |
| <p><b>Describe how resources will be allocated among funding categories.</b></p>  | <p>An estimated 24% of HOME funds will go toward home rehabilitation, 21% toward rental development and 45% for homeownership activities. An estimated 90% of HTF will go towards rental development.</p>  |
| <p><b>Describe threshold factors and grant size limits.</b></p>   | <p>For SHLP, eligible homebuyers can receive up to \$35,000 in the form of a participation loan combined with SHLP member financing to provide a single, interest free amortizing loan.</p> <p>For CPLP, the maximum loan size is \$30,000.</p>  |
| <p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>   | <p>For both homeownership programs, the objectives are to assist qualified households to become homeowners, increase homeownership opportunities in underserved counties, to increase the capacity of housing nonprofits and local governments to produce more affordable homes, and to encourage the production of healthy, energy efficient homes.</p> |
| <p><b>6 State Program Name:</b></p>   | <p>HOME: Owner-Occupied Housing Rehabilitation</p>   |
| <p><b>Funding Sources:</b></p>  | <p>HOME</p>  |

|   |  |
|---|--|
| <p><b>Describe the state program addressed by the Method of Distribution.</b></p>   | <p>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) offers assistance through local governments, regional councils of government, and nonprofit partners in the form of secured, interest-free, deferred loan to eligible recipients. Partners receive at least \$190,000 and may use up to \$30,000 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.</p> |
| <p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>  |  |
| <p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p> |  |

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| <p><b>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)</b></p> |  |
| <p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>  |  |

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| <b>Describe how resources will be allocated among funding categories.</b>                | An estimated 24% of HOME funds will go toward home rehabilitation, 21% toward rental development and 45% for homeownership activities. An estimated 90% of HTF will go towards rental development.  |
| <b>Describe threshold factors and grant size limits.</b>                                 | Partners receive at least \$190,000 and may use up to \$30,000 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. Support costs for the unit which include but are not limited to environmental reviews and testing, inspections for bidding, bidding, project initiation, management and close out are provided in a grant to the homeowner, not to exceed \$10,000. The minimum amount of program funds that can be spent on rehabilitation hard costs for any assisted dwelling unit is \$5000.   |
| <b>What are the outcome measures expected as a result of the method of distribution?</b> | The objectives of the ESFRLP are to assist eligible homeowners across the state, facilitate ageing in place amongst elderly and disabled household members, remove environmental toxins from low-income housing stock and to promote the long-term health, safety, affordability, and energy efficiency of assisted units.  |
| 7  | <b>State Program Name:</b> HOME: Rental Development   |
| <b>Funding Sources:</b>  | HOME<br>HTF   |
| <b>Describe the state program addressed by the Method of Distribution.</b>               | HOME and HTF funds are used to finance construction of new rental units for low-income households and persons with disabilities. 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. The Integrated Supportive Housing Program (ISHP) also provides long-term financing, in the form of interest free, amortizing, or deferred loans, for LIHTC developments that set aside up to 20% of units for people with disabilities. ISHP was designed in collaboration with North Carolina Department of Health and Human Services and is intended to foster relationships between regional LME/MCOs and supportive housing developers. |

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| <p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p> | <p>RPP loans are awarded through an annual competitive cycle that ensures equitable distribution among the three geographic regions of the state and between metropolitan and urban areas. Awards are determined during 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"> <li>• Project location and site suitability.</li> <li>• Market demand and local housing needs.</li> <li>• Ability to serve the lowest-income tenants.</li> <li>• Ability to serve qualified tenants for the longest periods.</li> <li>• Design and quality of construction.</li> <li>• Financial structure and long-term viability.</li> <li>• Experience of development team and management agent(s).</li> <li>• Ability to serve persons with disabilities and the homeless.</li> <li>• Projects that are part of a Community Revitalization Plan</li> </ul> <p>For more information, visit: <a href="https://www.nchfa.com/rental-housing-partners/rental-developers/qualified-allocation-plan">https://www.nchfa.com/rental-housing-partners/rental-developers/qualified-allocation-plan</a></p> <p>ISHP loans are awarded to projects that receive a 4% low-income housing tax credit and are under construction. Projects must meet the following criteria:</p> <ul style="list-style-type: none"> <li>• Located in a DHHS designated high demand county</li> <li>• Has started construction but not 100% occupied</li> <li>• New construction</li> <li>• Available to families</li> <li>• Meet placed in service deadlines</li> </ul> |
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|  | <p>For more information, visit:<br/> <a href="https://www.nchfa.com/sites/default/files/forms_resources/ISHPPProgramGuidelines_0.pdf">https://www.nchfa.com/sites/default/files/forms_resources/ISHPPProgramGuidelines_0.pdf</a></p> |
| <p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>  |  |
| <p><b>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)</b></p> |  |

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|          | <b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b> |   |
|          | <b>Describe how resources will be allocated among funding categories.</b>  | An estimated 24% of HOME funds will go toward home rehabilitation, 21% toward rental development and 45% for homeownership activities. An estimated 90% of HTF will go towards rental development.  |
|          | <b>Describe threshold factors and grant size limits.</b>   | For RPP, developers can receive up to \$800,000 per project with a term of up to 20 years.<br>For ISHP, the maximum loan amount is \$1,500,000 or \$150,000 per ISHP unit, or the maximum HOME per-unit subsidy if funded with Housing Trust Fund.  |
|          | <b>What are the outcome measures expected as a result of the method of distribution?</b>   | The objectives of RPP are to increase the amount of affordable rental units available to low-income households earning up to 60% area median income. The objective of ISHP is to increase the amount of affordable rental units available to households earning below 50% of area median income and create units for persons with disabilities. |
| <b>8</b> | <b>State Program Name:</b>   | HOPWA   |
|          | <b>Funding Sources:</b>  | HOPWA   |

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| <p><b>Describe the state program addressed by the Method of Distribution.</b></p>   | <p>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 n the State of North Carolina. This has historically been done through 10 Regional Networks of Care covering 82 of the 100 North Carolina counties.</p> |
| <p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>  | <p>All Regional Networks of Care are required to provide the following HOPWA eligible activities:</p> <ul style="list-style-type: none"> <li>• Resource Identification (RI)-Assists agencies with establishing, coordinating, and developing housing assistance resources for eligible individuals and their families.</li> </ul>   |
| <p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p> | <p>Program information is available from the NC DHHS staff and website.</p>   |

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| <p><b>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)</b></p> | <p>Not applicable</p>   |
| <p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>  | <p>NC DHHS uses 10 Regional Networks of Care to provide services.</p> |

|  |   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |
|--|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| <p><b>Describe how resources will be allocated among funding categories.</b></p> | <p>HOPWA funds will be allocated as follows:</p> <p>Grant Administration: 3%</p> <p>Project Sponsor Administration: 7%</p> <p>STRMU: 15%</p> <p>TBRA: 61%</p> <p>Resource ID: 3%</p> <p>Permanent Housing Placement: 5%</p> <p>Leasing (Hotel/Motel): 2%</p> <p>Transitional Housing: 5%</p> <p>Minor Rehabilitation: .5%</p> <p>Supportive Services: 3%</p>  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| <p><b>Describe threshold factors and grant size limits.</b></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 expenditure of TBRA and STRMU funds. Current regional funding amounts are:</p> <table data-bbox="577 941 1218 1193"> <tr> <td>Region 1: \$780,281</td> <td>Region 6: \$176,984</td> </tr> <tr> <td>Region 2: \$163,141</td> <td>Region 7: \$298,798</td> </tr> <tr> <td>Region 3: \$641,691</td> <td>Region 8: \$300,405</td> </tr> <tr> <td>Region 4: \$100,644</td> <td>Region 9: \$166,223</td> </tr> <tr> <td>Region 5: \$629,268</td> <td>Region 10: \$370,763</td> </tr> </table> <p>In addition to regional Network allocations, additional one-time funding is made available to the Network regions when available.</p> | Region 1: \$780,281 | Region 6: \$176,984 | Region 2: \$163,141 | Region 7: \$298,798 | Region 3: \$641,691 | Region 8: \$300,405 | Region 4: \$100,644 | Region 9: \$166,223 | Region 5: \$629,268 | Region 10: \$370,763 |
| Region 1: \$780,281  | Region 6: \$176,984   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| Region 2: \$163,141  | Region 7: \$298,798   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| Region 3: \$641,691  | Region 8: \$300,405   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| Region 4: \$100,644  | Region 9: \$166,223   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |
| Region 5: \$629,268  | Region 10: \$370,763  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |

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| <p><b>What are the outcome measures expected as a result of the method of distribution?</b></p> | <p>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.</p> <p>As a long-term goal, the HIV Care Program works to:</p> <ul style="list-style-type: none"> <li>• Improve the quality, availability and coordination of health resources and support services for eligible low-income individuals and families living with HIV in North Carolina.</li> <li>• Provide eligible low-income residents of North Carolina, persons living with HIV/AIDS (PLWHA) who are homeless or unstably housed, with a cadre of resources to address challenges that present unique barriers to accessing housing, care, and services.</li> <li>• Improve treatment adherence and health outcomes by providing housing support and fiscal resources.</li> </ul> <p>Ending the Epidemic through housing stabilization which can lead to reduced risk behaviors and transmission by stably housing PLWHA, as demonstrated by reduced viral loads</p> |
|---|---|

**Discussion:**

In response to the COVID-19 Epidemic the U.S. Department of Housing and Urban Development allocated \$54,371,413 to the NC State ESG Program. A portion, 10% or \$5,437,141 is for admin costs incurred by the State or subrecipients that are units of local government. The remaining funds, \$48,934,272 has been distributed to current ESG subrecipients and/or eligible organizations who may apply for CARES Act Funding. ESG-CV funds are to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance. The funds will also support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.

86 out the 100 counties in North Carolina receive funding having applied for the RFA. Nearly 80 organizations currently receive ESG funding as well as ESG-CV dollars. A few organizations not applying for the annual grant receive ESG-CV funds.

## AP-35 Projects – (Optional)

### Introduction:

tbd

| # | Project Name |
|---|--------------|
|   |              |

Table 61 – Project Information

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

**AP-38 Project Summary**  
**Project Summary Information**

**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**

**Acceptance process of applications**

**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**

## **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**

CDBG funds are available to all non-entitlement areas throughout North Carolina. Per the program requirements, the areas are counties with populations of 200,000 or less and municipalities with population of 50,000 or less. Based on current population, this enables NC Commerce to assist low-to-moderate income persons in 96 of the state's 100 counties. Through supplemental CDBG funds such as the CDBG Coronavirus Programs, NC Commerce can also assist entitlement areas.

ESG distributes funds statewide based on the fair share formula provided by HUD. This formula is based on data obtained by HUD, including point-in-time count, low-income households, and availability of affordable housing. ESG subrecipients provide services with a focus on racial equity to ensure that minority populations are served.

### **Geographic Distribution**

| <b>Target Area</b> | <b>Percentage of Funds</b> |
|--------------------|----------------------------|
| Statewide          | 100                        |

**Table 62 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

This is not applicable. North Carolina uses its funding sources to assist all permissible areas of the state.

### **Discussion**

The North Carolina Department of Commerce annually ranks the state's 100 counties based on economic well-being and assigns each a Tier designation. This Tier system is incorporated into various state programs to encourage economic activity in the less prosperous areas of the state.

The 40 most distressed counties are designated as Tier 1, the next 40 as Tier 2 and the 20 least

distressed as Tier 3.

County Tiers are calculated using four factors:

- Average unemployment rate
- Median household income
- Percentage growth in population
- Adjusted property tax base per capita

The county tier designations are located on the NC Commerce website at [www.nccommerce.com](http://www.nccommerce.com).

## Affordable Housing

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

#### Introduction:

In Program Year 2021, the five North Carolina CPD Block Grant programs (Community Development Block Grant (CDBG), Home Investment Partnerships program (HOME), National Housing Trust Fund (NHTF), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons With AIDS (HOPWA)) plan to assist low-to-moderate income households to access or maintain housing. The number of households in the table below are *estimates* based on previous performance, available funding, and current market and other impacts such as recovery from the public health emergency, weather events, and natural disasters.

| <b>One Year Goals for the Number of Households to be Supported</b> |       |
|--|-------|
| Homeless   | 100   |
| Non-Homeless   | 1,990 |
| Special-Needs  | 55    |
| Total  | 2,145 |

**Table 63 - One Year Goals for Affordable Housing by Support Requirement**

| <b>One Year Goals for the Number of Households Supported Through</b> |       |
|--|-------|
| Rental Assistance  | 155   |
| The Production of New Units  | 1,400 |
| Rehab of Existing Units  | 230   |
| Acquisition of Existing Units  | 360   |
| Total  | 2,145 |

**Table 64 - One Year Goals for Affordable Housing by Support Type**

#### Discussion:

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

**Introduction:**

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

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

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

**Discussion:**

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

### **Introduction**

**Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

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

ESG has increased the number of street outreach subrecipients to increase engagement and services to the unsheltered homeless population. With this increase in providers, it is expected that 1,150 persons experiencing homelessness will be engaged and provided with services to meet their individual needs for housing, employment, education, and mental and physical health services.

**Addressing the emergency shelter and transitional housing needs of homeless persons**

ESG has increased the number of subrecipients who provide emergency shelter to persons experiencing literal homelessness. With this increase, it is expected that 11,000 persons experiencing homelessness will be provided temporary shelter and the services they need to meet their individual needs in the areas of housing, employment, education, and mental and physical health services.

Also, through the CDBG Neighborhood Revitalization Program (CDBG-NR), local governments can apply for funds to rehabilitate, adapt spaces, and build emergency shelters and transitional housing

**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**

ESG subrecipients are expected to coordinate services between programs. Street outreach and emergency shelter providers should relate to rapid rehousing programs and vice versa. This is designed to ensure that persons experiencing homelessness have continuous and collaborative services across the continuum. It also shortens the time that persons experience homelessness and facilitates access to affordable housing. It is expected that 2,250 persons will be served by rapid rehousing subrecipients, and 100 persons will be served by homelessness prevention subrecipients.

**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**

ESG homelessness prevention funds are expected to assist 100 individuals to prevent them from experiencing homelessness. They will receive financial assistance to help them obtain or maintain their housing as well as essential services to connect them with any additional mainstream services needed to meet their health, mental health, employment, education, and other social service's needs.

## **Discussion**

**AP-70 HOPWA Goals – 91.320(k)(4)**

| <b>One-year goals for the number of households to be provided housing through the use of HOPWA for:</b>      |              |
|--|--------------|
| Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family        | 833          |
| Tenant-based rental assistance   | 395          |
| Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds               | 45           |
| Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds | 36           |
| <b>Total</b>   | <b>1,309</b> |

## **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 to 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 it 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 PY 2021, North Carolina will begin to address its strategies identified in the Strategic Plan of the 2021-2025 Consolidated Plan and begin to implement 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 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 and NCDHHS will continue its planning initiative to meet the state's obligation under Olmstead to provide appropriate housing for persons with disabilities.
- 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 [www.nccommerce.com](http://www.nccommerce.com).

**Discussion:**

## **AP-85 Other Actions – 91.320(j)**

### **Introduction:**

In PY 2021, North Carolina will use funding for the Community Development Block Grant Program (CDBG), HOME Investments Partnerships Program (HOME), National Housing Trust Fund (NHTF), Emergency Solutions Grants Program (ESG), and Housing Opportunities for Persons With AIDS Program (HOPWA) will address the goal of improving the living conditions of the State's extremely low, very low, and low-and-moderate income citizens in all areas of the State, especially underserved small cities and rural areas.

**CDBG: CDBG funds will consist of four programs:** Neighborhood Revitalization, Economic Development, Infrastructure, and Contingency. Through these CDBG programs, infrastructure improvements will improve the quality of life of all of the beneficiaries. Additionally, CDBG monies will spur economic opportunities with the primary purpose of creating and retaining jobs which are accessible to low-and-moderate income persons. Funds are also available for local governments to use to make public improvements including emergency shelters, transitional housing, senior center, and neighborhood centers.

**NHTF:** The NHTF is statutorily targeted to primarily assist extremely low-income and very low-income households. NHTF will reduce the housing costs of extremely low and very low-income families and increase the resources available to meet other consumer needs.

**HOPWA:** HOPWA is specifically dedicated to preventing homelessness among low-income persons who are living with HIV. These individuals struggle with the stigma of their medical condition when seeking medical care, housing, employment, and supportive services, in addition to the challenges that come with poverty. HOPWA is an integral component of preventing homelessness in this target population.

**ALL HOUSING FUNDING:** The CDBG, HOME, NHTF, ESG, and HOPWA programs will assist in the provision of decent housing by improving existing housing units as well as expanding the availability of safe, decent, and affordable housing.

### **Actions planned to address obstacles to meeting underserved needs**

The State plans to address obstacles to meet underserved needs which are primarily affordable housing and jobs for LMI persons, as described in the introduction section above.

### **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 promote 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. Due to the ongoing Coronavirus pandemic, 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.

### **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.

### **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 19% 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.

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

Consolidated planning partners foster relationship above and beyond the five 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.

**Discussion:**

None

# Program Specific Requirements

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

### Introduction:

North Carolina's Consolidated Plan 2021-2025 primarily focuses on five programs: CDBG, HOME, NHTF, ESG, and HOPWA. Below are the program specific requirements requested by HUD for each. The HOPWA element is missing from the template, so the response appears in the discussion section below.

### 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  | 0        |
| 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        |
| <b>Total Program Income:</b>   | <b>0</b> |

### 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. | 75.00% |

**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, federal funds and the private market. The nonfederal sources offer the NCFHA 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 Low-Income Housing Tax Credit Program, bond financing, and Mortgage Credit Certificates.

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 ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are 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:

HOME funds are not used for refinancing of existing debt, even in developments rehabilitated with HOME funds.

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

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

ESG Desk Guide attached. Each of the 12 Continuums of Care have established their own written standards for their community.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

There are 12 CoC's in the state of North Carolina; each CoC has designed its own coordinated assessment system that meets HUD requirements.

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 ESG office publishes an RFA each year. The RFA is posted on our website, emailed to each CoC, and emailed to other stakeholders throughout the state in order to encourage applications from all eligible subrecipients including community and faith-based organizations. Applicants submit their application to their CoC. The CoC reviews all applications submitted and provides funding recommendations to the NC ESG office. The NC ESG office reviews recommended applicants and makes the final funding determination.

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.

Each ESG subrecipient is required to have participation on their board by persons who are homeless or formerly homeless. CoC's are also encouraged to have homeless or formerly homeless individuals involved in their review process and general CoC operations.

5. Describe performance standards for evaluating ESG.

Measure 3: 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.

**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 the Rental Production Program (RPP) and Integrated Supportive Housing Program (ISHP), which both provide long-term financing for the construction of new, affordable rental housing projects. 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.

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".

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.

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".

The 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 to 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/rental-housing-partners/rental-developers/qualified-allocation-plan/2020-qualified-allocation-plan-qap>.

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".

HTF will be made available to eligible applicants in either high-income counties or LME/MCO catchment areas in North Carolina. Doing so will allow the units to be made affordable to people earning 30 percent or less of AMI. Many of North Carolina's high-income counties are also counties that have the highest demand for people transitioning out of adult care homes to achieve community integration pursuant to North Carolina's 2012 Olmstead settlement agreement with the U.S. Department of Justice.

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 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 2016 must be placed in service no later than December 31, 2018. 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

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 is defined as families not paying 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 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 projects eligible for HTF will be eligible for project-based rental assistance. Applicants who have other types of project-based rental assistance 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. In the event of a tie in QAP scoring among projects seeking HTF funding, the percentage of units receiving project-based rental assistance will be used as the first tie breaker

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. A statement is included in QAP Appendix J to indicate that it is a threshold requirement for projects requesting HTF to have a minimum 30-year affordability period.

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 Con Plan. The State’s Con 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. The QAP does not provide points for leveraging, but it does award points for the efficient use of tax credits in Section IV(F)(2) and provides state funding through the state Housing Trust Fund and the Workforce Housing Loan Program to encourage leveraging. In the event of tie scores, the third tiebreaker is the project requesting the least amount of credits per unit (see QAP section IV(F)(7)(c)). Appendix J 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.

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 NHTF 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. Current subsidy limits are available at HUD Exchange.

**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).

The State will not use HTF for rehabilitation of housing.

**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".

The grantee has determined its own affordable homeownership limits using the methodology described in § 93.305(a)(2) and the limits are attached.

<TYPE=[section 3 end]>

N/A

**11. Grantee Limited Beneficiaries or Preferences.** Describe how the grantee will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the grantee will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, 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."

N/A

**Discussion:**

**Selection of HOPWA Project Sponsors**

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 process, 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.

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.

**Attachments**

## Citizen Participation Comments

### **Citizen Participation Outreach Summary for the NC Consolidated Plan 2021-2025 and 2021 Annual Action Plan (Submitted April 30, 2021)**

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The State of North Carolina NC Plan Partners held one virtual public hearing to receive public input on the North Carolina Consolidated Plan 2021-2025 which includes the 2021 Annual Action Plan (AAP).

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

- **CDBG:** North Carolina Commerce, Rural Economic Development Division
- **ESG:** North Carolina Department of Health and Human Services (NC DHHS), Department of Aging and Adult Services
- **HOPWA:** NCDHHS HIV Care Program and
- **HOME and HTF:** North Carolina Housing Finance Agency, Policy and Research

**April 22, 2021 Public Hearing:** The April 22, 2021 Public Hearing for the North Carolina Consolidated Plan 2021-2025 was held as a virtual meeting using the Go-to-Meeting web platform. 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 Plan Partners posted the notice of the hearing, the draft NC Consolidated Plan 2021-2025, and the Citizen Participation Plan on the NC Commerce website, posted the information on the City/County Manager ListServ, advertised in three major newspapers, and emailed the notices to stakeholders and other interested parties. Approximately 20 persons participated of which about 12 were not NC Plan Partners. Documentation is attached including the North Carolina Consolidated Plan 2021-2025 PowerPoint presentation.

**Public Comments:** The public comment period began on March 26, 2021 and ended on Thursday, April 29, 2021. Valerie D. Moore of NC Commerce served as the public comment coordinator and received three comments on the NC Consolidated Plan 2021-2025. The comments from the following are attached for review:

- **Maegan Zielinski**, Homeless Continuum of Care Director, Cape Fear Council of Governments submitted on April 12, 2021 at 1:46 PM. The comments focused on missing content in the document. The comments were considered by NC DHHS and most were addressed in the final version.
- **Tanya Wolfram**, Director of Programs, Reinvestment Partners submitted on April 29, 2021 at 11:03 AM. The comments were reviewed by the NCHFA with the following message: "We appreciate the comment submitted by Reinvestment Partners on the 2021-2025 North Carolina Consolidated Plan and the Analysis of Impediments to Fair Housing Choice.

We will consider these comments, policy recommendations and the associated references supplied as we plan for the additional HOME funds in the American Rescue Plan. Per the statute and HUD's early communication regarding these funds, the HOME-ARP funds are to help create affordable housing and services for people experiencing homelessness or at risk of experiencing homelessness. Further response to the commenter, if applicable, will be provided via writing within 15 days of receipt of the comment."

- **Laura Hogshead**, North Carolina Office of Recovery and Resiliency (NCORR), submitted on April 29, 2021 at 12:50:53 PM to Kenny Flowers, Assistant Secretary of Commerce and emailed to Valerie D. Moore, Public Comment Coordinator the same day at 1:23 PM by Iris C. Payne, CDBG Program Director. Portions of the comments were included in the final version of the plan. The goals summary items require additional review by the NC Plan Partners. A full copy of the submission appears with the public comment section of this document and is entitled "Disaster Relief Supplement to the NC Consolidated Plan 2021-2025.

**Attachments:** The Citizen Participation attachments are:

- NC Citizen Participation Plan [www.nccommerce.com](http://www.nccommerce.com)
- Notices of Public Hearings
- NC Consolidated Plan PowerPoint presentation
- NC Analysis of Impediments PowerPoint presentation
- Public Comments which include the Disaster Relief Supplement received on 4.29.2021

**STATE OF NORTH CAROLINA CONSOLIDATED PLAN  
CITIZEN PARTICIPATION PLAN**  
*Amended June 8, 2020*

The U.S. Department of Housing and Urban Development (HUD) has consolidated the planning, application, reporting and citizen participation processes of formula grant programs: Community Development Block Grants (CDBG), Home Investment Partnerships (HOME), Emergency Shelter Grants (ESG) and Housing Trust Fund (HTF). The Consolidated Plan is designed to help states and local jurisdictions to assess their affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions. 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 formula block grant programs.

The State of North Carolina, in compliance with the requirements of 24 CFR, Part 91, et al., Consolidated Submissions for Community Planning and Development Programs, which sets forth the final rule providing for a consolidated plan and a single consolidated performance report for all U. S. Department of Housing and Urban Development community planning and development formula grant programs, has established the following policies and procedures for citizen participation (referred to as the Citizen Participation Plan) and will abide by this Plan.

The Citizen Participation Plan will be distributed at in-person public hearing(s) on housing and community development needs in addition to being available on the North Carolina Department of Commerce website [www.nccommerce.com](http://www.nccommerce.com). For virtual public hearings, the public will be directed to the NC Commerce website to review the plan. Citizens and units of general local government will be advised at this time of the opportunity to comment on the Citizen Participation Plan and on any substantial amendments to the Citizen Participation Plan. The State will consider any comments or views received in writing or expressed orally at the public hearing on the original Citizen Participation Plan or amended Citizen Participation Plan.

For those unable to attend the public hearing(s), views and comments may be submitted to the address shown below or by email to [Valerie.Moore@nccommerce.com](mailto:Valerie.Moore@nccommerce.com). The Citizen Participation Plan will be made accessible to persons with disabilities upon request by telephone or written request to the following address:

Rural Economic Development Division  
North Carolina Department of Commerce  
301 N. Wilmington Street, 4<sup>th</sup> Floor  
4346 Mail Service Center  
Raleigh, N. C. 27699-4346  
Telephone: (919) 814-4600  
Fax: (919) 715-0567  
TDD: 1 (800) 735-2962

**STATE OF NORTH CAROLINA CONSOLIDATED PLAN  
CITIZEN PARTICIPATION PLAN  
*Amended June 8, 2020***

**Purpose:** 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.

**General:** Citizens may make comments or request information regarding the Consolidated Plan by telephone, mail, email, or facsimile transmission to the Consolidated Planning Coordinator, State CDBG Program, 4346 Mail Service Center, Raleigh, North Carolina 27699-4346, Tel. (919) 814-4600 (office), TDD 1-800-735-2962, Fax (919) 715-0567 or by email to [Valerie.Moore@nccommerce.com](mailto:Valerie.Moore@nccommerce.com). The State will respond in the Consolidated Plan or performance report, as appropriate, to written comments received.

**Meetings and Public Hearings:** During the development of the plan, during the development of any substantial amendments, and prior to submission of the annual performance report to HUD, the State will solicit the views and proposals of citizens and interested groups and agencies at meetings and public hearings.

Notices for meetings and public hearing shall include:

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 the case where extensive information will be the subject of comment, where the information is available for inspection;
5. Time and location of the meeting;
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.
9. A telephone number for constituents to call in to the public meeting if they are unable to travel.

**Notices:** Adequate advance notice of meetings will be given. Notices will be published in newspapers of general circulation no less than ten days and no more than twenty-five days prior to the beginning of any series of hearings or meetings. Notices will be posted on the websites of the NC Department of Commerce ([www.nccommerce.com](http://www.nccommerce.com)), State CDBG Program and the NC Housing Finance Agency ([www.ncdfa.com](http://www.ncdfa.com)). Notices will also be mailed and/or emailed to local governments, advocacy groups, nonprofit housing organizations, housing-related service providers, for-profit developers, professional organizations, other known constituency groups, and citizens who have requested notification.

*Format:* Meetings will be designed to allow the most opportunity and encouragement for citizens to express their views. At least one meeting *whether in person or virtual* will follow the format of a formal public hearing, while the State is identifying its housing and community development needs prior to writing the consolidated plan.

*Accessibility:* Meetings will be held at times and locations convenient to potential and actual beneficiaries. All meeting places will be handicapped accessible. Auxiliary aids, such as interpreters, will be provided upon request.

**Development of the Consolidated Plan:** The State will develop a complete consolidated plan submission, including needs assessment, strategic plan, action plan, and certifications every five years. The State will hold a series of meetings to solicit citizen views and proposals on housing and community development needs before the proposed consolidated plan is published for comment. The State will publicize and conduct these meetings as described above in the section "**Meetings and Public Hearings.**"

The State will publish its proposed consolidated plan for comment prior to submitting it to HUD. A summary of the proposed plan will be published in newspapers of general circulation, along with a list of places where the entire proposed plan may be examined. The summary will also be mailed to local governments, advocacy groups, nonprofit housing organizations, housing-related service providers, for-profit developers, professional organizations, other known constituency groups, and citizens who have requested notification. The entire plan will be available on the websites of the Rural Development Division and the NC Housing Finance Agency. A copy of the plan, in reasonable numbers, will also be provided to citizens or groups that request it. The proposed plan will contain information including the amount of assistance the State expects to receive and the range of activities that may be undertaken, including the estimated amount that will benefit persons of low- and moderate-income and the plans to minimize displacement of persons and to assist any persons displaced. At least one meeting or hearing will be held on the draft, publicized and conducted as described above in the section "**Meetings and Public Hearings.**"

The State will receive comments from citizens and units of general local government on the proposed consolidated plan for a period of not less than 30 days. The comment period will be publicized in the notices published in the newspaper and mailed to interested parties. Any comments received in writing or orally at the public hearings will be considered in preparing the final consolidated plan. The final consolidated plan will include a summary of these comments or views and the reasons for not accepting any comments received.

**Action Plan:** The State will develop an action plan annually for the use of its funds and submit this plan with certifications. In the years in which the action plan is directed by the five-year needs assessment and strategic plan, the State will hold hearings or meetings, publicized and conducted as described above in the "**Meetings and Public Hearings**" section. The State will receive comments from citizens and units of general local government on the proposed action plan for a period of not less than 30 days from the date when the draft is available to the public. The comment period will be publicized in the notices published in the newspaper and mailed to interested parties. Any comments received in writing or orally

at the public hearings will be considered in preparing the final submission. The final action plan will include a summary of these comments or views and the reasons for not accepting any comments received.

**Amendments:** The State will amend its consolidated plan prior to making any of the following decisions:

1. To change the method of distributing funds or the priorities for allocation;
2. To carry out an activity, using funds from any program covered by the consolidated plan (including program income), not previously described in the action plan;
3. To change the purpose, scope, location, or beneficiaries of an activity from what was proposed in the original plan; or
4. To change the amount of funds reserved for a particular funding category or activity, unless the change is made in accordance with conditions and procedures specified in the original consolidated plan.

The State will receive comments from citizens and units of general local government on the proposed substantial amendment for a period of not less than 30 days, unless waived by HUD during disasters, public health emergencies, or other federally designated emergencies. The opportunity to comment will be publicized and posted on the NC Commerce website and emailed to interested parties. The notice will include a summary of the proposed changes and information on how to request a copy of the entire proposed amendment. Any comments received in writing will be considered in preparing the substantial amendment. The final substantial amendment will be submitted with a summary of these comments or views and the reasons for not accepting any comments received.

**Waivers to Citizen Participation Consolidated Plan Requirements Due to Spread of COVID-19:** In accordance with 24 CFR 5.110, HUD may, upon a determination of good cause and subject to statutory limitations, waive regulatory provisions. Additional regulatory waiver authority is provided in 24 CFR 91.600. In December 2019, a new coronavirus known as COVID-19 was first detected in Wuhan, People's Republic of China, causing outbreaks of the coronavirus disease that has now spread globally. In March 2020, the World Health Organization declared the coronavirus outbreak a pandemic and President Trump declared the outbreak a national emergency. The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) makes available \$5 billion in supplemental CDBG funding for grants to prevent, prepare for, and respond to coronavirus (CDBG-CV grants). A memorandum dated April 9, 2020, from John Gibbs, Acting Assistant Secretary for HUD's Office of Community Planning and Development (CPD), provides that grantees may amend citizen participation plans to incorporate certain waivers that establish expedited procedures to draft, propose, or amend consolidated plans and annual action plans with respect to CDBG-CV grants and FY 2019 and 2020 grants. Specifically, the waivers authorize an accelerated **public notice and comment period of five days**; further, the five-day period for comments on consolidated plans and amended citizen participation plans may run concurrently. The

following waivers to Consolidated Plan and Action Plan requirements for CDHG-CV grants and FY 2019 and 2020 grants have been authorized by HUD to expedite CDBG response to the coronavirus pandemic:

1. **Citizen Participation Public Comment Period** - Given the need to expedite actions to respond to COVID-19, HUD has waived 24 CFR 91.115(c)(2) and (i) in order to balance the need to respond quickly to the growing spread of COVID-19 with the statutory requirement to provide reasonable notice and opportunity for citizens to comment on new consolidated plans, annual action plans, and/or substantial amendments. The standard 30-day minimum notice and comment period is waived, provided that no less than 5 days are allowed for public comments on each consolidated plan, action plan, or substantial amendment. This waiver is available through the end of the State's 2020 program year.

2. **Citizen Participation Reasonable Notice and Opportunity to Comment** - In recognition that efforts to contain COVID-19 require limiting public gatherings, such as those often used to obtain citizen participation, HUD further waives 24 CFR 91.115(c)(2) and (i) to allow grantees to determine what constitutes reasonable notice and opportunity to comment given their circumstances. This authority is in effect through the end of the State's 2020 program year. Aside from the expedited 5-day public comment period, procedures for substantial amendments will also be modified. Citizens and units of general local government will be provided with notice and an opportunity to comment on proposed substantial amendments by way of the City/County Manager ListServ, email distribution lists, and posting on the NC Commerce website. A summary of each proposed substantial amendment will be included in the public notice. The State will identify a deadline for the submittal of written comments on the proposed substantial amendment; that timeframe will allow no less than five calendar days. Written comments may be submitted via email to [Valerie.Moore@nccommerce.com](mailto:Valerie.Moore@nccommerce.com). A summary of all comments received will be attached to the substantial amendment to the Consolidated Plan.

**Performance Reports:** The State will publish its annual performance report for public comment and will conduct at least one hearing on the proposed report. The hearing or meetings will be publicized and held as described in the above section "**Meetings and Public Hearings.**" The published notice will include a summary of the report, along with a list of places where the entire proposed plan may be examined. The summary will also be mailed to local governments, advocacy groups, nonprofit housing organizations, housing-related service providers, for-profit developers, professional organizations, other known constituency groups, and citizens who have requested notification. The entire report will be available for inspection at the regional offices of the Rural Economic Development Division and of the Division of Business and Industry and at the main branches of public libraries. A copy of the report, in reasonable numbers, will also be provided to citizens or groups that request it.

The State will receive comments from citizens and units of general local government on the proposed consolidated plan for a period of not less than 15 days. The comment period will be publicized in the notices published in the newspaper and mailed to interested parties. Any comments received in writing or orally at the public hearings will be considered in

preparing the final report. The final report will include a summary of these comments or views.

**Citizen Participation Requirements for Local Governments:** Units of general local government that receive Community Development Block Grant Funds under the North Carolina Small Cities program must follow the citizen participation requirements of the *North Carolina Community Development Block Grant Regulations, 4 NCAC 191.1002*.

**Availability and Access:** The consolidated plan, as adopted, any substantial amendments, and the performance report will be available to the public. Availability for the general public is described in the above sections of this plan dealing with each document.

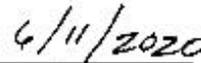
**Non-English Speaking and Handicapped Residents Public Hearing/Meeting Accommodation:** All public meetings, workshops, and hearings are held in facilities that are accessible to people with disabilities. Upon reasonable request, State will provide translators at public hearings and meetings. Furthermore, meeting notices will be sent to organizations representing non-English speaking residents of the State. The information will be made available in a form accessible to persons with disabilities upon request to the Consolidated Planning Coordinator, State CDGB Program, 4313 Mail Service Center, Raleigh, North Carolina 27699-4313, Tel. (919) 814-4600, TDD 1-800-735-2962, Fax (919) 715-0567.

Citizens, public agencies, and other interested parties will have reasonable and timely access to information and records relating to the consolidated plan. These records include the State's use of assistance under the programs covered during the preceding five years. All records that are public under G.S. 132 will be made accessible to interested individuals and groups during normal working hours.

**Complaints:** At any time, citizens may submit complaints related to the consolidated plan, any amendments, and the performance report by writing the Consolidated Planning Coordinator, State CDGB Program, 4313 Mail Service Center, Raleigh, North Carolina 27699-4313, Tel. (919) 814-4600, TDD 1-800-735-2962, Fax (919) 715-0567. The State will provide a written response to every written citizen complaint that relates to the consolidated plan, action plan or substantial amendments within 15 working days.



George Sherrill, Chief of Staff  
North Carolina Department of Commerce



Date

## NOTICE OF VIRTUAL PUBLIC HEARINGS

**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 2020 North Carolina Consolidated Annual Performance Evaluation Report (CAPER), the North Carolina Analysis of Impediments to Fair Housing (AI), the 2021-2025 North Carolina Consolidated Plan, and the 2021 Annual Action Plan (AAP) have been drafted by the North Carolina Department of Commerce, Rural Economic Development Division. The drafts may receive several updates prior to submission to the U. S. Department of Housing and Urban Development.

**SUMMARY:** The 2020 North Carolina Consolidated Annual Performance Evaluation Report (CAPER), the 2021-2025 North Carolina Consolidated Plan, and the 2021 Annual Action Plan summarize the 2020 accomplishments, the 2021-2025 plans, and the 2021 AAP 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), Emergency Solutions Grants (ESG), Housing Opportunities for Persons with AIDS (HOPWA) programs.

**AVAILABILITY OF REVIEW MATERIALS:** A copy of the State's 2020 CAPER, the Analysis of Impediments to Fair Housing, the 2021-2025 Consolidated Plan which includes the 2021 Annual Action Plan will be available for public review on **March 29, 2021-April 29, 2021**. All documents are available on the web sites of the North Carolina Department of Commerce (<http://www.nccommerce.com>) 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 Valerie D. Moore at (919) 814-4673 or [valerie.moore@nccommerce.com](mailto:valerie.moore@nccommerce.com) to receive a copy.

**PUBLIC HEARING:** Three official virtual public hearings will be held on **April 22, 2021**. A hearing will be held from 10:00 am to 10:55 a.m. for the 2020 CAPER, one will be held from 11:00 am to noon for the Analysis of Impediments to Fair Housing, and one will be held from 1:00 pm to 2:30 pm. for the 2021-2025 North Carolina Consolidated Plan. Please join the meeting from your computer, tablet, or smartphone at <https://global.gotomeeting.com/join/825577373>. You can also dial in using your phone at +1 (669) 224-3412. The access code is 825 577 373. Persons with disabilities or who otherwise need assistance should contact Ella Limehouse at [ellalimehouse@nccommerce.com](mailto:ellalimehouse@nccommerce.com) in advance of the hearing. Accommodations will be made for all who request assistance with participating in the virtual public hearing by 5:00 PM, **Thursday, April 15, 2020**.

**COMMENT PERIOD:** Comments concerning the documents stated in this notice should be made during the required comment period. The comment period for all documents is from March 29, 2021 to April 29, 2021. Written comments will be accepted until 11:59 p.m. on the closing comment date and may be made via email to [valerie.moore@nccommerce.com](mailto:valerie.moore@nccommerce.com), fax (919) 715-0567, or mailed to Valerie D. Moore, Attn: Public Comment, Rural Economic Development Division, 4346 Mail Service Center, Raleigh, NC 27699-4346. All mailed comments must be postmarked no later than April 29, 2021.

Si necesita esta información en español, por favor póngase en contacto con Valerie Moore 919-814-4673.



**Moore, Valerie D**

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**From:** Rhoades, David E  
**Sent:** Wednesday, April 7, 2021 6:34 PM  
**To:** Moore, Valerie D  
**Cc:** Payne, Iris C  
**Subject:** RE: Request to Post Notice of Virtual Public Hearings for 2020 CAPER, AI, and 2021-2025 Consolidated Plan

OK Valerie – I've added the public hearing info to these pages:

- [NC Commerce: Criteria or Guidelines | North Carolina's Consolidated Plan for Community Development Block Grants \(CDBG\), 2021-2025](#)
- [NC Commerce: DRAFT | 2020 CDBG Consolidated Annual Performance and Evaluation Report \(CAPER\)](#)
- [NC Commerce: Current Initiatives](#)

Best,  
David

**David Rhoades**  
Communications Director  
North Carolina Department of Commerce



NORTH CAROLINA  
**DEPARTMENT of  
COMMERCE**

919 814 4811 office  
919 218 0542 mobile  
[drhoades@nccommerce.com](mailto:drhoades@nccommerce.com)

301 North Wilmington Street  
4301 Mail Service Center  
Raleigh, NC 27899-4301

*Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties.*

**From:** Moore, Valerie D <[valerie.moore@nccommerce.com](mailto:valerie.moore@nccommerce.com)>  
**Sent:** Wednesday, April 7, 2021 2:40 PM  
**To:** Rhoades, David E <[drhoades@nccommerce.com](mailto:drhoades@nccommerce.com)>  
**Cc:** Payne, Iris C <[ipayne@nccommerce.com](mailto:ipayne@nccommerce.com)>  
**Subject:** Request to Post Notice of Virtual Public Hearings for 2020 CAPER, AI, and 2021-2025 Consolidated Plan

David:

By noon tomorrow, please post the attached notice of virtual public hearings for the State of North Carolina's 2020 Consolidated Annual Performance and Evaluation Report (CAPER), the Analysis of Impediments to Fair Housing (AI), and

the 2021-2025 Consolidated Plan which includes the 2021 Annual Action Plan (AAP). I have provide the notice as a Word and PDF document. You posted each of them on the NC Commerce website last week.

The three virtual public hearings will be held on **Thursday, April 22, 2021** as follows:

**10:00 am** CAPER (55 minutes)

**11:00 am** Analysis of Impediments to Fair Housing (1 hour)

**1:00 pm** Consolidated Plan (1.5 hour).

**Join each of the public hearings from your computer, tablet or smartphone at <https://global.gotomeeting.com/join/825577373>.**

**You can also dial in using your phone.**

United States: [+1 \(669\) 224-3412](tel:+16692243412)

**Access Code:** 825 577 373

Please direct all inquiries and public comments to me, Valerie D. Moore, at [Valerie.moore@nccommerce.com](mailto:Valerie.moore@nccommerce.com) or (919) 814-4573.

Thanks for your help.

Valerie

**Valerie D. Moore, CDBG Section Chief**  
North Carolina Department of Commerce



**NC DEPARTMENT**  
**of COMMERCE**  
RURAL ECONOMIC  
DEVELOPMENT

(919) 814-4673 (Office)

(919) 414-7864 (Mobile)

[valerie.moore@nccommerce.com](mailto:valerie.moore@nccommerce.com)

301 N. Wilmington Street  
4346 Mail Service Center  
Raleigh, NC 27699-4346

**Moore, Valerie D**

---

**From:** Moore, Valerie D  
**Sent:** Wednesday, April 7, 2021 2:23 PM  
**To:** Annie Baumann-Mitchell; Bettie Teasley; Chris Battle (Chris.Battle@chhs.nc.gov); Joseph M Breen MS (joseph.breen@dhhs.nc.gov); Lettsome, Leone R; Lucia Constantine; Patricia Amend; Payne, Iris C; Robert H. Winstead (robert.winstead@dhhs.nc.gov); Stacy Lewis; Worth, Liss  
**Subject:** Notice of Virtual Public Hearings for the 2020 CAPER, AI, and 2021-2025 Consolidated Plan  
**Attachments:** 2021 Notice of Public Hearings 2020 CAPER AI 2025 CONPLAN\_2021 AAP\_FINAL.pdf

Attached is the notice of virtual public hearings for the State of North Carolina's 2020 Consolidated Annual Performance and Evaluation Report (CAPER), the Analysis of Impediments to Fair Housing, and the 2021-2025 Consolidated Plan which includes the 2021 Annual Action Plan (AAP). The documents are available for review on the NC Commerce website at [www.nccommerce.com](http://www.nccommerce.com) and the NC Housing Finance Agency website at [www.nchfa.com](http://www.nchfa.com). The three virtual public hearings will be held on **Thursday, April 22, 2021 as follows:**

**10:00 am** CAPER (55 minutes)

**11:00 am** Analysis of Impediments to Fair Housing (1 hour)

**1:00 pm** Consolidated Plan (1.5 hour).

Join each of the public hearings from your computer, tablet or smartphone at <https://global.gotomeeting.com/join/825577373>.

You can also dial in using your phone.  
United States: [+1 \(669\) 224-3412](tel:+16692243412)

**Access Code:** 825-577-373

Please direct all inquiries and public comments to Valerie D. Moore at [valerie.moore@nccommerce.com](mailto:valerie.moore@nccommerce.com) or (919) 814-4673.

**Valerie D. Moore, CDBG Section Chief**  
North Carolina Department of Commerce



**NC DEPARTMENT**  
*of* **COMMERCE**  
RURAL ECONOMIC  
DEVELOPMENT

(919) 814-4673 (Office)  
(919) 414-7884 (Mobile)  
[valerie.moore@nccommerce.com](mailto:valerie.moore@nccommerce.com)

301 N. Wilmington Street  
4346 Mail Service Center

Raleigh, NC 27699-4346

# CITIZEN-TIMES

MEMORANDUM NETWORK

## Classified Ad Receipt (For Info Only - NOT A BILL)

**Customer:** NC DEPT OF COMMERCE  
**Address:** 301 N WILMINGTON ST FL 5  
RALEIGH NC 27601  
USA

**Ad No.:** 0024690743  
**Print Method:** Invoice  
**Net Amt:** \$316.92

**Run Times:** 1  
**Run Dates:** 04/09/21

**No. of Affidavits:** 1

### Text of Ad:

**NOTICE OF PUBLIC HEARINGS**  
AGRICULTURE, with a copy of a copy of  
of Commerce, and Economic Development  
more 2020  
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, Life Care Program  
ACTION: Notice is hereby given that the  
2020 North Carolina Consolidated Annual  
Performance  
Review of Agency Plans, the North  
Carolina Budget of Appropriations to the  
General Fund, the 2021-2022 North  
Carolina Consolidated Plan, and the 2021  
Annual Action Plan have been  
developed by the North Carolina Department  
of Commerce, Rural Economic Develop-  
ment Division. The documents include  
and address only to submit to the U.  
S. Department of Housing and Urban De-  
velopment.  
AGRICULTURE, the 2020 North Carolina  
Budget of Appropriations to the General  
Fund (CAFRR), the 2021-2022 North  
Carolina Consolidated Plan, and the 2021  
Annual Action Plan summarize the 2020  
accomplishments, the 2021-2022 plan,  
and the 2021-2022 proposed actions of  
various of the U.S. Consolidated Plan  
funding agencies. Each of the documents  
include the following programs funded by  
the U.S. Department of Housing and Ur-  
ban Development: HUD-2020-2021  
Community Development Block Grant  
(CDBG), HOME Investment Partnerships  
(HOME), Emergency Solutions Grants  
(ESG), Housing Development for Seniors  
with Disabilities (HSDS)  
**AVAILABILITY OF REVIEW MATERIALS:** A  
copy of the 2020 CAFRR, the 2021-2022  
North Carolina Budget of Appropriations to  
the General Fund, the 2021-2022 North  
Carolina Consolidated Plan, and the 2021  
Annual Action Plan will be available for  
public review on March  
23, 2021-April 29, 2021. All documents are  
available on the web site of the North  
Carolina Department of Commerce, Rural  
Economic Development Division at  
[www.ncdhhs.gov](http://www.ncdhhs.gov). Copies are also avail-  
able by request from the North Carolina  
Department of Commerce, Rural Economic  
Development Division, Central Valley  
Office of the U.S. Department of Housing  
and Urban Development, 1000  
Public Hearing: These critical annual  
public hearings will be held on April 22,  
2021. A hearing will be held from 10:00  
am to 11:30 am for the 2020 CAFRR, and  
will be held from 1:00 pm to 3:00 pm for  
the annual of 2020-2021 North Carolina  
Budget and will be held from 10:00 am to  
1:00 pm for the 2021-2022 North Carolina  
Consolidated Plan. Please see the meet-  
ing from your computer, tablet, or  
cell phone. The meeting will be held on  
April 22, 2021, from 10:00 am to 11:30 am.  
The agenda is 025-275-272. Persons  
with disabilities or who otherwise need  
assistance should contact the Department  
of Commerce, Rural Economic Develop-  
ment Division at 1-800-243-2412.  
The agenda is 025-275-272. Persons  
with disabilities or who otherwise need  
assistance should contact the Department  
of Commerce, Rural Economic Develop-  
ment Division at 1-800-243-2412.  
**COMMENT PERIOD:** Comments concern-  
ing the documents posted in this notice  
should be made during the required com-  
ment period. The comment period for all  
documents is from March 23, 2021 to April  
29, 2021. Written comments will be ac-  
cepted until 11:59 pm on the closing  
comment date and may be made in person  
to [publichearing@ncdhhs.gov](mailto:publichearing@ncdhhs.gov) or  
by mail. The date of closing is April 29,  
2021. Comments should be submitted to  
the Rural Economic Development Division,  
3001 Mail Service Center, Raleigh, NC 27699-2402.  
All written comments must be postmarked  
no later than April 29, 2021.  
If you have any questions, please  
call 1-800-243-2412 or email [publichearing@ncdhhs.gov](mailto:publichearing@ncdhhs.gov).  
MUC 918416-024

14 O. J. Ferry Avenue Asheville, NC 28801

# The Triangle Tribune

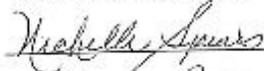
*Affidavit of Publication*  
Mecklenburg County  
North Carolina

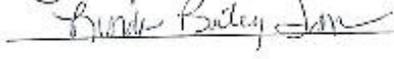
Before undersigned a Notary Public of said County and State, duly commissioned, authorized by law to administer oaths, personally appeared: **Nichelle Spears**, of **The Triangle Tribune** a newspaper published, issued, and entered as second class mail in Durham County, North Carolina, that she is authorized to make this affidavit and sworn statement, that advertisement of:

**Re: Legal Notice -Public Hearing**  
**NC Dept of Commerce**  
**Notice of Virtual Public Hearing**

A true copy of which is attached here to, was published in **The Triangle Tribune** on the following date(s): **April 9, 2021**  
In addition, the said newspaper in which such notice/paper document of legal advertisement was published at the time of each and every such publication, a newspaper meeting all the requirements and qualifications of **Section 1-596-1-601** of the General Statutes of North Carolina.

This 9<sup>th</sup> day of April, 2021

 \_\_\_\_\_ (Nichelle Spears)

 \_\_\_\_\_ (Notary Public)  
Linda Bailey Johnson

Sworn to and subscribed before me,  
Notary Public for the County of Mecklenburg, North Carolina  
My Commission Expires



# The Think TRIBUNE Classifieds

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SUNDAY, APRIL 11, 2021 PAGE 4A

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# The Charlotte Post

## *Affidavit of Publication*

Mecklenburg County  
North Carolina

Before undersigned a Notary Public of said County and State, duly commissioned, authorized by law to administer oaths, personally appeared: **Nichelle Spears**, of The Charlotte Post a newspaper online website posted in Mecklenburg County, North Carolina, that she is authorized to make this affidavit and sworn statement, that advertisement of:

**Re: Legal Notice -Public Hearing  
NC Dept of Commerce  
Notice of Virtual Public Hearing**

A true copy of which is attached here to, was published in **The Charlotte Post** on the following date(s): **April 9, 2021**

In addition, the said newspaper in which such notice/paper document of legal advertisement was published at the time of each and every such publication, a newspaper meeting all the requirements and qualifications of Section 1-596-1-601 of the General Statutes of North Carolina.

This 9<sup>th</sup> day of April, 2021

Nichelle Spears (Nichelle Spears)

Linda Bailey Johnson (Notary Public)  
Linda Bailey Johnson

Sworn to and subscribed before me,

Notary Public for the County of Mecklenburg, North Carolina

My Commission Expires



MARKETING

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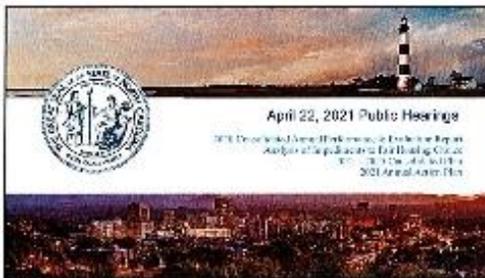
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**NOTICE OF VIRTUAL PUBLIC HEARINGS**

**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 2020 North Carolina Consolidated Annual Performance Evaluation Report (CAPER), the North Carolina Analysis of Impediments to Fair Housing (AI), the 2021-2025 North Carolina Consolidated Plan, and the 2021 Annual Action Plan (AAP) have been drafted by the North Carolina Department of Commerce, Rural Economic Development Division. These drafts may receive several updates prior to submission to the U. S. Department of Housing and Urban Development.

Created on: 1/20/2020 10:00 AM



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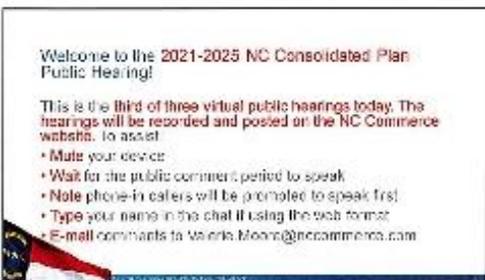
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**Introduction of Presenters**

- **Victoria D. Moore** | NC Department of Commerce, Rural Economic Development Division
- **Luca Corradini** | NC Institute of Economic Research, Policy and Research
- **Joseph Breen** | NC Department of Health and Human Services, Division of Aging and Adult Services
- **Leanne R. Lott** | NC Department of Health and Human Services, HIV Care Program



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*Consolidated Planning Process*  
 Victoria Moore, Director, Rural  
 Economic Development Division



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*Consolidated Planning Process*

- **The Consolidated Plan** is a package of federal and state funds used to address the most significant needs of the community and to address the needs of the most vulnerable populations in the community.
- **Consolidated and Other Funds** include: Through the Consolidated Plan, the State of North Carolina provides funding to local governments for the development of the Consolidated Plan. The Consolidated Plan is a package of federal and state funds used to address the most significant needs of the community and to address the needs of the most vulnerable populations in the community.
- **The Annual Action Plan**. The Consolidated Plan is a package of federal and state funds used to address the most significant needs of the community and to address the needs of the most vulnerable populations in the community.
- **Consolidated Annual Performance Report or Report Card**. The Consolidated Plan is a package of federal and state funds used to address the most significant needs of the community and to address the needs of the most vulnerable populations in the community.



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*Consolidated Planning Process (continued)*

- The consolidated planning process involves the following for a community-wide dialogue to identify housing and community development priorities that align and receive funding from the **five** HUD federal block grant programs:
  - **CCDBG:** Community Development Block Grant
  - **HOME:** HOME Investment Partnerships
  - **HTF:** National Housing Trust Fund
  - **ESD:** Emergency Shelter and Grants
  - **HOPWA:** Housing Opportunities for People with Disabilities



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*Consolidated Planning Process (continued)*

- The four agencies called the **NC Plan Partners** that administer these funds are:
  - NC Department of Community and Economic Development
  - NC Department of Agriculture
  - NC Department of Health and Human Services (Division of Aging and Adult Services)
  - NC Department of Transportation (Division of Transportation Planning)
- These four agencies and their HUD-funded programs are working together to meet three goals for the good of North Carolinians. Those three goals are:
  - ✓ Provide a choice of housing and affordable to rent
  - ✓ Provide a choice of housing and affordable to own
  - ✓ Ensure a choice of housing opportunity



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*Purpose of the Public Hearing*

Purpose: To present and receive comments on the **2021-2025 Consolidated Plan**.

The State of North Carolina has assigned the **2021-2025 Consolidated Plan** pursuant to the provisions of 24 CFR, Part 51 and will conduct a hearing on the plan, as described in the North Carolina Citizen Participation Plan.

Please A copy of the North Carolina Citizen Participation Plan is available for review at <https://ncdm.org> and [www.ncdhhs.gov](https://www.ncdhhs.gov).



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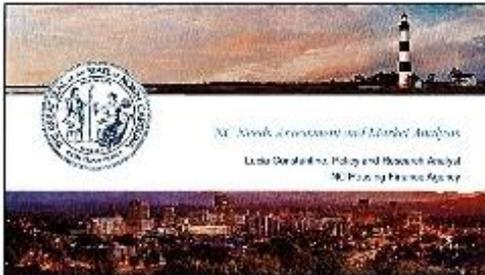
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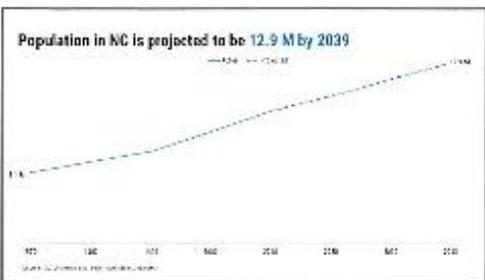
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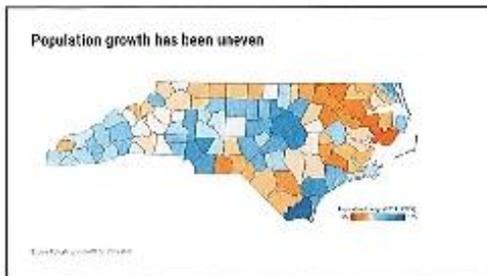
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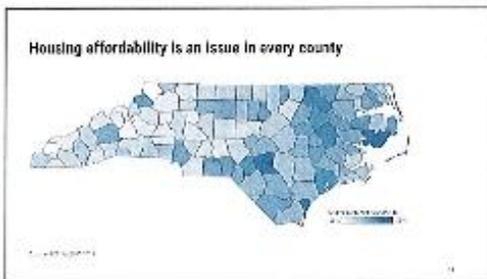
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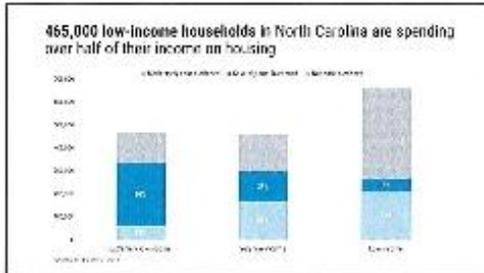
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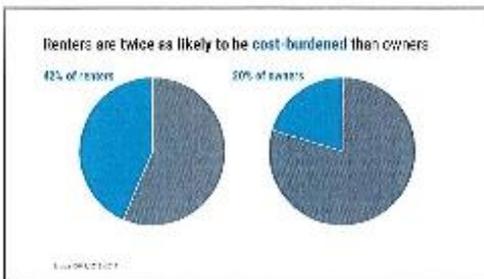
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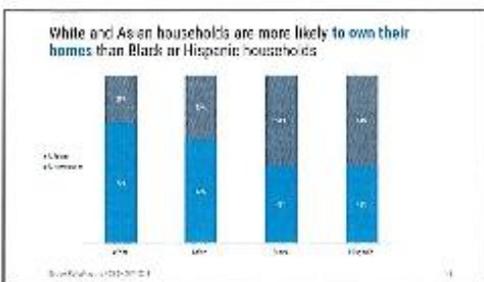
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Homelessness has **decreased 24%** since 2010 but remains a challenge and may be worsening due to pandemic

**9,314 people** experienced homelessness in North Carolina a year ago during the last week of January 2019

**27,900 people** were reported to experience homelessness in 2019

NC COALITION FOR HOMELESSNESS

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### Impact of COVID on Housing Instability

**370,000** North Carolinians were not caught up on rent as of March 1

**83,000** 2-1-1 calls requesting assistance with housing and shelter

**48,000** homeowners are behind on their mortgage as of Q3 2020

Source: 2020 Homeless Shelter Census, NC State Center for Community and Economic Research

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*MARKET ANALYSIS*

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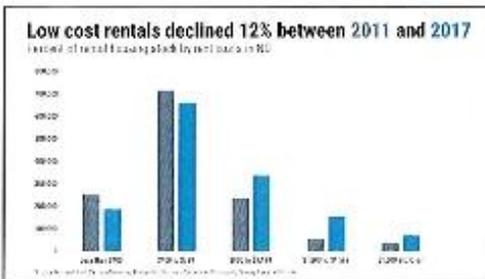
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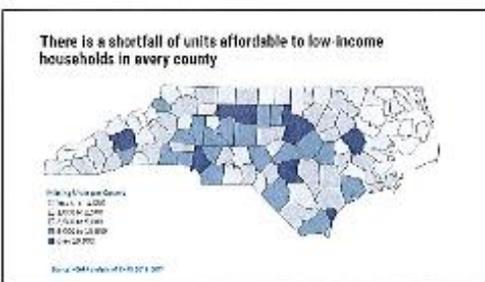
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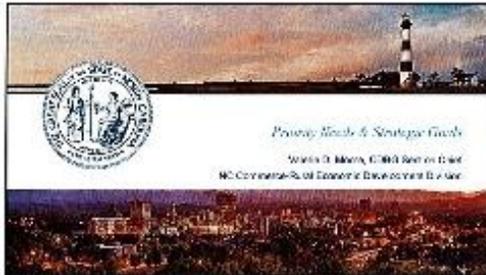
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| Priority Needs   | Associated Goals   |
|--|--|
| <ul style="list-style-type: none"> <li>• Having the most favorable business and regulatory climate</li> </ul>  | <ul style="list-style-type: none"> <li>• 100% Satisfaction for regulatory</li> <li>• 100% Regulatory compliance</li> <li>• 100% Regulatory satisfaction</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Having the most skilled workforce (more than 30% of AMI)</li> </ul>   | <ul style="list-style-type: none"> <li>• 100% of workforce is highly skilled/educated/available for recruitment</li> <li>• 100% of workforce is highly skilled/educated/available for recruitment</li> <li>• 100% of workforce is highly skilled/educated/available for recruitment</li> <li>• 100% of workforce is highly skilled/educated/available for recruitment</li> <li>• 100% of workforce is highly skilled/educated/available for recruitment</li> </ul> |
| <ul style="list-style-type: none"> <li>• Having the most stable economy (between 1% and 4% of AMI)</li> </ul>  | <ul style="list-style-type: none"> <li>• 100% of economic activity is stable</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Having the most vibrant economy (between 1% and 6% of AMI)</li> </ul> | <ul style="list-style-type: none"> <li>• 100% of economic activity is vibrant</li> </ul>   |

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*New in 2021: Recovery Housing Program*

North Carolina will receive \$298.876 in Recovery Housing Program (RHP) funds in 2021.

RHP funds is a pilot program to help individuals in recovery from substance-use disorders become stably housed.

The program was authorized under Section 2071 of the Support for Patients and Communities (Support) Act.

NC Commerce will serve as the lead State agency and will begin program development for RHP during the summer of 2021.



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*NC Community Development Block Grant (CDBG) Program*

Walter D. Moore, CDBG Section Chief  
 NC Department of Economic and Community Development



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*CDDBG: 2021-2023 Goals and Objectives*

The state expects to receive approximately \$415 million in CDDBG funds each year between 2021 and 2023.

CDDBG funds will be used:

- to spur **economic development** for job creation and retention;
- for **neighborhood revitalization** for housing and community facilities, including emergency and transitional housing activities;
- to invest in **infrastructure** to help with environmental and health issues due to aging sewer/water systems.

CDDBG will also provide a **contingency program** using de-obligated funds to address urgent and special community needs throughout the NC.



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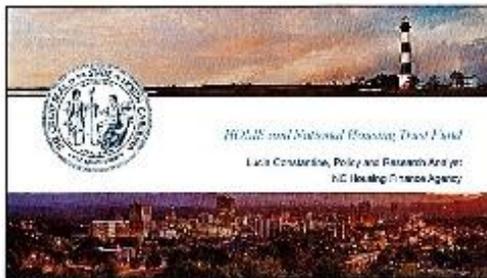
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*HOME and HTF Five Year Strategic Goals*

| Activity                         | Funding Source | Effort                                  | FY17 Measure | Five Year Goal |
|----------------------------------|----------------|---|--------------|----------------|
| Affordable Rental Housing        | HOME and HTF   | Rehabilitate, construct                 | Homeless     | 4,000          |
| Affordable Homeownership         | HOME           | Direct Branch, all states to low income | Homeless     | 2,000          |
| Homeowner Housing Rehabilitation | HOME           | Homeless, all states                    | Homeless     | 1,000          |
| <b>Total</b>                     |                |   |              | <b>7,000</b>   |

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*HOME: 2021 Annual Action Plan*

In 2021, MCHFA will receive \$17,686,426 in HOME and \$17,463,694 in HTF funds.

| Use of funds                     | Program                                 |
|----------------------------------|---|
| Affordable Rental Housing        | Rental Production Program               |
|                                  | Integrated Supportive Housing Program   |
| Affordable Homeownership         | Guaranteed Income Loan Pool             |
|                                  | Self-Help Loan Pool                     |
| Homeowner Housing Rehabilitation | Essential Single-Family Rehab Loan Pool |

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*NCHFA, 2021 Annual Allocation Plan*

| Activity                         | Funding Source      | Amount              | Percent of Total  | Goal         |
|----------------------------------|---------------------|---------------------|-------------------|--------------|
| Affordable Homeownership         | HOME and HTF        | \$17,463,694        | 21% (HOME)        | 1,400        |
| Affordable Homeownership         | HOME                | \$1,494             | 4% (HOME)         | 400          |
| Homeowner Housing Rehabilitation | HOME                | \$4,224             | 2% (HOME)         | 200          |
| <b>Total</b>                     | <b>HOME and HTF</b> | <b>\$17,463,694</b> | <b>27% (HOME)</b> | <b>2,000</b> |

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*NC-DHHS- HIV Care Program – HOPWA*

**Leane R. Lettsome, HOPWA Program Administrator**  
Telephone Number: (919) 756-3134  
Email Address: Leane.Lettsome@dhs.nc.gov



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*Emergency Solutions Grant (ESG)*

**Joseph Breen, Section Chief**  
Planning, ESG and Service Support Section  
NC DHHS-Planning, ESG and Service Support Section

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

**Joseph Breen, Section Chief**  
Planning, ESG and Service Support Section  
**Lisa Worth, ESG Homeless Program Coordinator**  
**Chris Battle, ESG Homeless Program Coordinator**  
**Alessa Pritchett, ESG Homeless Program Coordinator**  
NC DHHS- Emergency Solutions Grant (ESG)



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**Emergency Solutions Grant**

In 1989, Congress established the Emergency Solutions Grant program (ESG) as part of the Department of Housing and Urban Development's (HUD) Division of Aging and Adult Services (DAAS) in partnership with the NC Department of Community Development.

The ESG program is part of the larger NC Home and Community Care Grant administered by the Department of Community Development, which is a Federally funded program.

For more information, contact the DAAS at 1-800-368-7262 or visit the DAAS website at [www.ncdaas.com](http://www.ncdaas.com).

General information can be found on the program's website at [www.ncdaas.com/esg](http://www.ncdaas.com/esg).



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**ESG Eligible Activities**

- Emergency Response activities include:
  - Eviction prevention
  - Emergency shelter
- System Coordination activities include:
  - Case management
- Housing Stability activities include prevention and rapid re-housing through:
  - Financial counseling
  - Job training

**Eligible Activities:**  
The ESG Program does not allow funding for other activities.



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**ESG Goals**

- Reduce the number of people who are homeless or at risk of homelessness
- Reduce the number and quality of emergency shelter beds used
- Reduce the number of people who are homeless or at risk of homelessness
- Reduce the number of people who are homeless or at risk of homelessness
- Reduce the number of people who are homeless or at risk of homelessness
- Reduce the number of people who are homeless or at risk of homelessness



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*ESG Eligible Activities*

- **Emergency Response activities include:**
  - Rent Relief
  - Emergency Shelter (Covers and Services)
- **Housing Stabilization**
  - Rapid Rehousing (Financial Assistance and Services)
  - Long-Term Housing Preservation (Financial Assistance and Services)
- **System Coordination activities include:**
  - HUD & TANF Collaborative Initiatives

**Key Message:**  
The NC ESG Program does not allow funding for shelter or food.

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*ESG Funding Priorities*

- Funding priorities for the NC ESG Program are Housing and Rental Assistance
- NC ESG Program will accept funds and grants that use a minimum of 40% of ESG dollars for housing stabilization and preservation (HUD and Emergency Shelter)
- The NC ESG Program will maintain a no-fee first LMI (LIHTC) for rental assistance between 2021 and 2023

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*ESG Eligible Grantees (Sub-recipients)*

- Apply as part of a regional application that is submitted to the State ESG Office up one of the Local Planning Areas within the State of NC.
- Be able to document client progress withing the 11111 criteria of "homeless" or "at risk of homelessness"
- Operate a program that includes eligible emergency response, housing stability and/or HHS activities
- Have the goal to meet homeless persons' permanent housing as quickly as possible

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*ESG: 2021 Annual Action Plan*

In FY 2021 ESG will receive **\$5,316,850**  
The funds will be used for:

- Crisis Response approximately **\$2.9 million**
- Housing Stability approximately **\$1.9 million** and
- Administration approximately **\$398,000.**



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*ESG: Comments for the NC 2021-2025  
Consolidated Plan and 2021 Annual Action Plan*

**Wade D. Moore, ODIG Section Chief**  
ODIG Compliance Plans, Corporate Development Division

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*Public Comment Period*

**2021-2025 North Carolina Consolidated Plan  
and 2021 Annual Action Plan**



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*Public Comment Period*

- All comments will be received until **11:59 PM on April 29, 2021**.
- Any comments received after the beginning of the public hearing will be considered in preparing the final report.
- Please speak clearly so that we can understand your comments and discuss them with you during the public hearing.
- We will document your comment and provide you this response within 15 working days.
- All records that are public under G.S. 100 will be made available to the public at [www.ncpublicworks.gov/record/2021/04/29](http://www.ncpublicworks.gov/record/2021/04/29).



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*Opening of Public Comment Period*

The public hearing is now open for comments. Please assist us if you can.

- **Arrive** if you wish to speak.
- **Wait** until you are called and acknowledged to comment.
- **Add your name** if you are a new speaker that is not to speak.
- **Speak clearly** so that we can capture your comment.
- **Limit your comment** to no longer than 5 minutes.

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



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*Closing of Public Comment Period*

The 2021-2025 Consolidated Plan and 2021 Annual Action Plan Public Hearing comment period has now ended.



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*Closing of the Public Comment Period (Continued)*

- All comments will be received until **11:59 PM on April 29, 2021**.
- Any comments received in writing or orally at the public hearings will be considered in preparing the final report.
- We will document your comment and provide a written response within 15 working days.
- All records that are public under G.S. 132 will be made accessible to interested individuals and groups during normal working hours.



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*Other Ways to Submit Comments*

- Email: [Valerie.Morris@ncsl.com](mailto:Valerie.Morris@ncsl.com)
- Phone: 919-814-4675
- FAX: 919-715-0557
- Mail:  
 North Carolina Department of Commerce  
 7000 Valero Dr., Moore, P.O. Box Comment  
 Rural Economic Development Division  
 4500 Mail Service Center  
 Raleigh, NC 27699-0548



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*The NC Plug Partners Thank You for Your Participation*




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**State of North Carolina  
Analysis of Impediments to  
Fair Housing Choice**

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PUBLIC HEARING  
APRIL 22, 2021



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*What is Fair Housing?*

- An individual's right, established by federal law more than 50 years ago, to choose housing free from unlawful discrimination based on personal characteristics that have nothing to do with housing
- Fair housing laws are intended to ensure access to housing for everyone

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*Fair Housing Laws*

- Federal, state, and local laws protect people from discrimination in housing transactions such as rentals, sales, mortgage lending, and insurance
- The Federal Fair Housing Act makes it illegal to discriminate on the basis of a person's race, familial status (presence of children under age 18), color of their skin, national origin, religion, disability (physical or mental) or sex (including gender identity)
- These characteristics are referred to as **protected classes**
- In addition, North Carolina law prohibits discrimination in the siting of affordable housing

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**Obligation of North Carolina**

- Fair housing laws apply to everyone
  - Individuals
  - Lending institutions
  - Real estate
  - Landlords
  - Housing providers
  - Social service providers
  - Units of government (towns, cities, counties, states)
- NC has a special obligation because it receives funds from the U.S. Department of Housing & Urban Development (HUD)
- As a result, NC must ensure it is not contributing to discrimination and it is taking proactive steps to address patterns of segregation

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**Analysis of Impediments to Fair Housing Choice (AI)**

- NC Department of Commerce collaborated with other state agencies to prepare the AI:
  - Housing Finance Agency, Health and Human Services, Human Relations Commission, Environmental Quality
- The AI will:
  - Identify barriers to fair housing
  - Develop ways to eliminate the barriers, and
  - Document its progress in working against housing discrimination

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**Trends & Conditions**

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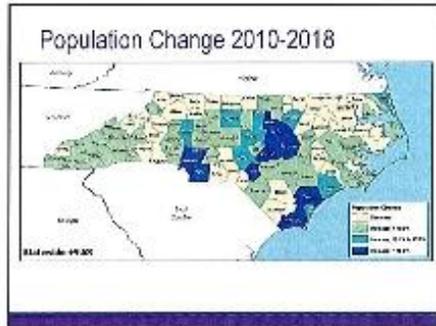
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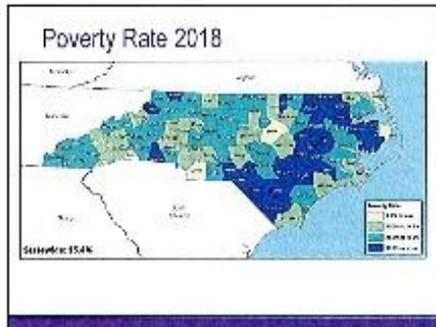
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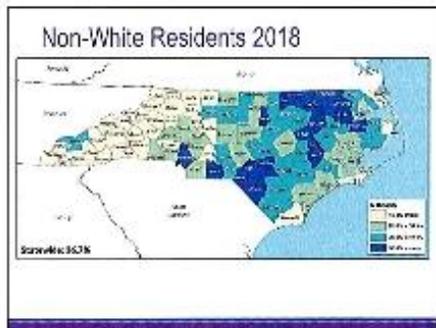
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## Highlights of Public Input

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"What if a low price for ML has been used/expected by certain users which will cause the market recovery to be a problem for ML?"

"Thinking about what the value of ML should be in the market and how it should be used."

"The market price is too low and it is not clear how to get it back up."

"The market price is too low and it is not clear how to get it back up."

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"Market price of ML is very low. Looking at the market price of ML, it is very low. It is not clear how to get it back up. It is not clear how to get it back up. It is not clear how to get it back up."

"Need better and more consistent data and information on ML."

"There is a need for more consistent data and information on ML. It is not clear how to get it back up. It is not clear how to get it back up. It is not clear how to get it back up."

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**Fair Housing Action Plan**

- 6 impediments to fair housing choice identified
- 5 goals developed to address the impediments
- 9 actions that, if implemented, would work toward eliminating or decreasing the impact of the impediments

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**Goal A: Expand fair housing choice awareness and compliance to preserve and expand housing choice for members of the protected classes**

**Impediment 1:** Discrimination in the rental housing market persists with disability and race as the two most often cited alleged bases of discrimination

**Action:** Expand fair housing education and enforcement under the guidance of the NC Human Relations Commission with emphasis on the rental market.

**Measurable Outcomes:** number of trainings, county locations, participants, topics, number of cases filed (an increase can indicate a more informed citizenry)

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**Goal A: Expand fair housing choice awareness and compliance to preserve and expand housing choice for members of the protected classes**

**Impediment 2:** A lack of awareness and knowledge of fair housing laws in rural areas among both consumers and providers restricts housing choice where income and resources are the most limited but where housing is more affordable

**Action:** Target fair housing resources to rural areas on the fringes of growing communities

**Measurable Outcomes:** number of trainings, county locations, participants, topics, number of cases filed (an increase can indicate a more informed citizenry)

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**Goal B:** Expand inventory of affordable housing for members of the protected classes

**Impediment 1:** An inadequate supply of rental housing that is affordable, as well as accessible to persons with disabilities, severely limits housing choice

**Action 1:** NCHFA will continue expanding new rental housing production through the federal HOME, LIHTC and HTF programs and state programs

**Measurable Outcomes:** Number of new affordable rental units constructed, number of existing rental units rehabilitated

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**Goal B:** Expand inventory of affordable housing for members of the protected classes

**Impediment 1:** An inadequate supply of rental housing that is affordable, as well as accessible to persons with disabilities, severely limits housing choice

**Action 2:** NCHFA will continue to prioritize the preservation of rental housing with existing subsidies over the next five years

**Measurable Outcomes:** Mitigation of the ways that affordable rental housing can lose its affordability requirements

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**Goal B:** Expand inventory of affordable housing for members of the protected classes

**Impediment 1:** An inadequate supply of rental housing that is affordable, as well as accessible to persons with disabilities, severely limits housing choice

**Action 3:** NCHFA and NCDHHS will continue its planning initiative to meet NC's obligation under the ADA to provide appropriate housing for persons with disabilities

**Measurable Outcome 1:** Completion and approval of a Strategic Housing Plan under Governor by March 2022

**Measurable Outcome 2:** Provision of community-based services and supportive housing for persons with disabilities in accordance with the Strategic Housing Plan

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**Goal C:** Increase homeownership among disenfranchised households, specifically Black and Hispanic households

**Impediment:** Homeownership among Black households and Hispanic households is less than 50% for each group

**Action:** Provide funding for homeownership counseling and economic development initiatives aimed at improving the financial stability of disenfranchised households and communities

**Measurable Outcomes:** The number of homebuyers assisted, number of jobs created, number of small businesses created/retained/expanded in marginalized communities

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**Goal D:** Increase knowledge and implementation of obligation to affirmatively further fair housing among HUD program small town subrecipients

**Impediment:** Turnover among public officials in small towns makes it imperative to maintain the education efforts regarding affirmatively furthering fair housing

**Action 1:** DEQ's Division of Water Infrastructure will continue to ensure compliance with each CDBG community's Fair Housing Plan

**Measurable Outcomes:** Number of new CDBG small town applicants adopting the Fair Housing Plan, number of non-compliant applicants

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**Goal D:** Increase knowledge and implementation of obligation to affirmatively further fair housing among HUD program small town subrecipients

**Impediment:** Turnover among public officials in small towns makes it imperative to maintain the education efforts regarding affirmatively furthering fair housing

**Action 2:** DDC and its AI partner agencies will duplicate DEQ's Fair Housing Plan, where appropriate, among their respective agency programs' community subrecipients

**Measurable Outcomes:** Number of new program applicants adopting the Fair Housing Plan, number of non-compliant applicants

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**Goal E: Ensure access to housing and other services to persons with limited English proficiency**

**Impediment:** There are over 30 language programs in RL that meet or exceed the safe harbor threshold for translation of vital documents as required by Title VI of the Civil Rights Act of 1964.

**Action:** DDC and its 31 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.

**Measurable Outcomes:** Verification of annual review of each agency's LAP, revised LAPs upon release of new Census data, number of persons with LEP served by each agency or program, number of complaints filed under the LAPs, number of LAP trainings provided to agency staff.

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### Questions?

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### Public Comment Period

- All comments will be received until **11:59 PM on April 29, 2021**.
- All comments received in writing or orally at the public hearings will be considered in preparing the final report.
- Please speak clearly so that we can capture your comment, and please limit your speaking time to one minute.
- We will document your comment and provide a written response within 10 working days.
- All records that are public under G.S. 137 will be made accessible to interested individuals and groups during normal working hours.

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### Opening of Public Comment Period

The public hearing is now open for comments. Please assist us as follows:

- **Unmute** if you wish to speak
- **Wait** until previous callers are acknowledged to comment.
- **Add your name** if you are a new participant and wish to speak.
- **Speak clearly** so that we can capture your comment.
- **Limit your comment** to no longer than 1 minute.

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

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### Closing of Public Comment Period

The 2021-2025 AI Public Hearing comment period has now ended.

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### Other Ways to Submit Comments

- Email: [Walter.Moore@nccommerce.com](mailto:Walter.Moore@nccommerce.com)
- Phone: 919-414-4640 (toll-free) 919-414-2084 (local)
- Fax: 919-713-0567

Mail  
North Carolina Department of Commerce  
Attn: Walter D. Moore, Public Comment  
Rural Economic Development Division  
4340 Mail Service Center  
Raleigh, NC 27699-4340

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**Thank You For Your Participation!**

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

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**Public Comments Pertaining to the NC Consolidated Plan 2021-2025**

**Moore, Valerie D**

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**From:** Maegan Zielinski <maeganz@capefearcog.org>  
**Sent:** Monday, April 12, 2021 1:46 PM  
**To:** Moore, Valerie D  
**Subject:** [External] Comments for NC Consolidated Plan 2025

**CAUTION:** External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to [Report Spam](#).

Good Afternoon,

Below are my public comments for the NC 2025 Consolidated Plan/CAPER.

**CAPER**

1. Consider extending the end date of expenditure for ESG funds. CoCs have not seen this much funding before and while we can expend it, 24 months is not enough time to expend almost 2 million dollars for our community alone.
2. Missing information on homelessness PG 16

**CONSOLIDATED PLAN**

3. Increase tenant-based vouchers, specifically for those who are homeless. Only 60 were homeless at admission compared to 8,603 and 13,785 (elderly/disabled)
4. PG 34 missing narratives
5. No data or need discussion for HOPWA PG 40
6. "Homeless Strategy" on PG 97, what are the specific strategies for aiding the homeless – the plan states how it hopes to house homeless but does not provide tangible solutions. For example, "shortening the period of time that individuals and families experience homelessness" but how exactly will the plan shorten the period that homeless individuals/families experience homelessness?
7. PG 97 "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" How exactly? Providing case management and housing retention funds?
8. PG 97 "Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs" how exactly will this population be helped? Connecting to mainstream services? Increase in prevention funds? Landlord advocacy? Eviction prevention funding?
9. PG 97: "Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs" but how? Via additional street outreach efforts/staff/funds? What assessment? VISPDAT/another assessment? Day shelter?
10. PG 122: Chart is blank and at 0 for all projected 1-year affordable housing goals
11. PG 124: narratives not filled out

Best,

*Maegan Zielinski, MPH*

**Moore, Valerie D**

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**From:** Tanya Wolfram <tanya@reinvestmentpartners.org>  
**Sent:** Thursday, April 29, 2021 11:03 AM  
**To:** Moore, Valerie D  
**Subject:** [External] Comments on 2021-2025 North Carolina Consolidated Plan and 2021 North Carolina Annual Action Plan.  
**Attachments:** Comments on NCHFA draft Consolidated Plan.pdf

**CAUTION:** External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to [Report Spam](#).

Please find Reinvestment Partners' comments on 2021-2025 North Carolina Consolidated Plan and 2021 North Carolina Annual Action Plan attached.

Please let me know if you have any questions.

Thank you,  
Tanya

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**Tanya Wolfram**

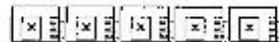
Director of Programs, Reinvestment Partners

A 110 East Geer St, PO Box 1929, Durham, NC 27702

P (919) 687-1000 Ext. 34 M 919-819-6889

F (919) 688-0082 E [tanya@reinvestmentpartners.org](mailto:tanya@reinvestmentpartners.org)

W [reinvestmentpartners.org](http://reinvestmentpartners.org)





**Reinvestment**  
**PARTNERS**  
PEOPLE • PLACES • POLICY

Ms. Valerie D. Moore  
Attn: Public Comment  
Rural Economic Development Division, NC Commerce  
4346 Mail Service Center  
Raleigh, NC 27699-4346

April 29, 2021

Sent via email to [valerie.moore@nccommerce.com](mailto:valerie.moore@nccommerce.com)

Dear Ms. Moore:

Reinvestment Partners respectfully submits the following comments on the 2021-2025 North Carolina Consolidated Plan and 2021 North Carolina Annual Action Plan. Reinvestment Partners is a 501(c)3 nonprofit based in Durham, North Carolina with more than 20 years of experience in creating healthy and just communities. Reinvestment Partners develops and owns affordable multifamily rental units, including supportive housing rental units.

In North Carolina, highly vulnerable individuals living with chronic medical conditions and behavioral health challenges have critical, unmet housing needs.<sup>1</sup> In its analysis of supportive housing in North Carolina, CSH estimates that the state needs approximately 22,250 supportive housing units to address unmet need in the community.<sup>2</sup> Reinvestment Partners requests that NCHFA include the provision of therapeutic bridge housing as a priority to help these individuals successfully transition to independent living and permanent supportive housing in its 2021-21 Consolidated Plan and 2021 North Carolina Annual Action Plan.

According to the draft Consolidated plan, "Currently, North Carolina demonstrates an overreliance on institutional services for people with intellectual and developmental disabilities" (p59). As CSH notes, North Carolina has been challenged to create sufficient capacity to address the needs of the Olmstead target population.<sup>3</sup> The 2017 North Carolina Permanent Supportive Housing Assessment with Recommendations to Comply with the Olmstead Settlement report acknowledged that the state has fallen short of its requirements for housing placement under the Olmstead Act.<sup>4</sup> While the need for more permanent supportive housing continues, the COVID-19 crisis has demonstrated the need for

<sup>1</sup> "Medicaid Supportive Housing Services Crosswalk: North Carolina, 2020", CSH, 2020, p5. Available at <https://www.csh.org/resources/north-carolina-medicaid-supportive-housing-services-crosswalk/>

<sup>2</sup> "Medicaid Supportive Housing Services Crosswalk: North Carolina, 2020", p8.

<sup>3</sup> "Medicaid Supportive Housing Services Crosswalk: North Carolina, 2020", p5.

<sup>4</sup> "The 2017 North Carolina Permanent Supportive Housing Assessment with Recommendations to Comply with the Olmstead Settlement", Technical Assistance Collaborative, 7/25/2017, p7. Available at <https://www.nchfa.com/about-us/policy-research/consolidated-plan>

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110 EAST GEER STREET, DURHAM NC 27701 • POST OFFICE BOX 1929, DURHAM NC 27702  
TEL (919) 667-1000 • FAX (919) 688-0082 • [WWW.REINVESTMENTPARTNERS.ORG](http://WWW.REINVESTMENTPARTNERS.ORG)

supportive bridge housing which can help special needs populations successfully transition into permanent supportive housing. However, the draft section on addressing the emergency shelter and transitional housing needs and special needs housing is blank. We recommend that one of the goals be the creation of additional supportive transitional housing units that help meet the needs of the homeless transitioning out of homelessness and for those with intellectual and developmental disabilities that are transitioning out of institutions or hospitals.

As part of the COVID-19 response, local governments and nonprofits used CARES Act and FEMA funds to rent hotel rooms to provide safe shelter and bridge housing for the homeless and special needs populations. In the short term during the COVID-19 public health crisis, the hotel bridge housing model has successfully provided temporary housing for medically fragile homeless individuals or families in need of greater social distancing, quarantine, and/or isolation as a result of the pandemic. Reinvestment Partners sees an opportunity to expand the model.

Due to the success of the model, Reinvestment Partners recommends that the acquisition of hotels, motels, and other similar properties for the creation of one bedroom and efficiency apartments be included as a priority in the consolidated plan to provide supportive transitional housing and permanent housing to special needs populations. North Carolina will receive additional HOME funding through the American Recovery Plan (ARP). The ARP provides an opportunity for capital funding for hotel acquisitions or other acquisitions for properties that can be used to provide supportive bridge housing to help those experiencing homelessness or coming out of institutions or hospitals prepare for independent living in permanent housing. We request that a portion of the HOME funds be set aside as capital grants for the acquisition of hotels to provide stable housing. In the short term, it provides housing during the public health crisis. In the long term, the acquisition of these hotels can increase the stock of very affordable housing to be used as bridge housing or as permanent housing.

The 2017 Permanent Supportive Housing Assessment acknowledged the need for NCHFA and DHHS to continue to make efforts and enhance strategies to create or increase access to one-bedroom units.<sup>5</sup> With capital grants for acquisitions these one bedroom and efficiency units can be provided at lower costs for those experiencing homelessness or with other physical and behavioral health issues that may require additional support during the transition to permanent housing. On-site therapeutic services that provide case management for physical and behavioral health issues, as well as permanent housing navigation, and independent living skills practice and support could be offered. These units would be bridge or transitional in nature, providing short term housing (1-6 months) in a supportive environment in preparation for the move to permanent housing. The residents will be living independently but have access to wraparound on-site supportive services, including independent living skills, employment training, crisis supports, counseling, care coordination, and peer supports.

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<sup>5</sup> "The 2017 North Carolina Permanent Supportive Housing Assessment with Recommendations to Comply with the Olmstead Settlement", p15.

The Hotel to Home model provides the following benefits:

- **Much needed private housing for vulnerable populations.** Congregate housing for high-risk homeless populations does not provide the opportunity to quarantine or social distance, nor does it provide a place to practice independent living skills.
- **Lower costs to payers because they are paying for operating costs and not debt service.** Although there will be operating costs related to providing hotel rooms, the use of ARP funding for capital costs allows payers (health systems, Medicaid, state and local governments) to pay a lower rate per night because they are paying the operating expenses rather than the acquisition financing costs.
- **More services for those residing in hotels.** In addition to the case management provided by the referring agency, supportive housing providers can provide on-site project management, care coordination, and resident advocate services for residents.
- **Increasing the stock of permanent affordable housing.** Under nonprofit ownership, the hotel units become part of the permanent affordable housing stock, converting to affordable supportive bridge housing, single room occupancy units, or affordable efficiency units. There is a lack of affordable one-bedroom units in both the Targeting/Key Program portfolio and the private rental market.<sup>6</sup>

Thank you for the work of NCHFA to support the development of affordable housing. Reinvestment Partners requests that the creation of supportive transitional housing units be included as a priority in the 2021-2025 Consolidated Plan and that a capital acquisition grant fund be set up for such a purpose using ARP HOME funds.

Sincerely,



Peter Skillern  
Executive Director

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<sup>6</sup> "The 2017 North Carolina Permanent Supportive Housing Assessment with Recommendations to Comply with the Cinstead Settlement", p15.

## Disaster Relief Supplement to the NC Consolidated Plan 2021-2025

To comply with specific waivers granted in 81 FR 83254, 85 FR 4681, and 84 FR 45855 following Hurricanes Matthew and Florence, NCORR proposes adding content to the Consolidated Plan draft to support how it will align with the State's Strategic Plan as well as the goals outlined in its current Consolidated Plan draft. The latest waiver language in 85 FR 4687 states, "HUD is temporarily waiving the requirement for consistency with the consolidated plan (requirements at 42 U.S.C. 12706, 24 CFR 91.325(a)(5) and 91.225(a)(5)), because the effects of a major disaster alter a grantee's priorities for meeting housing, employment, and infrastructure needs. In conjunction, 42 U.S.C. 5304(e), to the extent that it would require HUD to annually review grantee performance under the consistency criteria, is also waived. Grantees are encouraged to incorporate disaster-recovery needs into their consolidated plan updates as soon as practicable, but any unmet disaster-related needs and associated priorities must be incorporated into the grantee's next consolidated plan update no later than its Fiscal Year 2020 update for 2017 disasters and Fiscal Year 2022 for 2018 and 2019 disasters."

The destruction caused by hurricanes and flooding greatly exasperated the wide range of housing, infrastructure, and economic issues described throughout the North Carolina Consolidated Plan. Post disaster, FEMA, HUD, and partner State agencies generated a detailed disaster recovery and mitigation unmet needs assessments. Those assessments, as well as how the state will apply federal dollars to the unmet needs are reflected in the substantial actions plans supporting each of the three grants created by Public Laws 114-254 and 115-31 (Hurricane Matthew, \$236,529,000); Public Laws 115-254 and 116-20 (Hurricane Florence, \$542,644,000); and Public Laws 115-123 and 116-20 (Hurricane Matthew Mitigation, \$168,067,000 with a supplemental allocation expected for \$34,619,000 for Hurricane Florence Mitigation). All action plans are available on the ReBuild NC website at <https://www.rebuild.nc.gov/action-plans> and are available in English and in Spanish. Each Action Plan was subject to its own public comment period before finalization and approval by HUD.

### Disaster Relief Supplement to PR-05, Lead & Responsible Agencies 24 CFR 91.300(b)

| Agency Role                      | Name           | Department/Agency                            |
|----------------------------------|----------------|--|
| CDBG-DR & CDBG-MIT Administrator | North Carolina | NC Office of Recovery and Resiliency (NCORR) |

#### NCORR Program Contacts

Laura Hogshead  
984.833.5401  
[laura.hogshead@ncdps.gov](mailto:laura.hogshead@ncdps.gov)

Ryan Flynn  
919.302.2279  
[Ryan.Flynn@ncdps.gov](mailto:Ryan.Flynn@ncdps.gov)

Matt Arlyn  
984.232.3234  
[Matthew.Arlyn@ncdps.gov](mailto:Matthew.Arlyn@ncdps.gov)

**Disaster Relief Supplement to SP-45 Goals Summary Tables**

NCORR applies CDBG-DR grant funds in support of the State’s Strategic Plan and the following Consolidated Plan goals:

|          | Goal Name                        | Start Year | End Year | Category   | Geographic Area             | Needs Addressed  | Funding   | Goal Outcome Indicator  |
|----------|----------------------------------|------------|----------|--|-----------------------------|--|---|---|
| <b>1</b> | Homeowner Housing Rehabilitation | 2021       | 2025     | Non-Homeless Disaster Recovery   | Minimum 80% in MID Counties | Restoring damaged housing units with a minimum 70% of the funds used for LMI households  | CDBG-DR \$503,553,998   | Rehabilitation, Reconstruction, Elevation, MHU Replacement while also abating Lead and Asbestos and mitigating against future disasters   |
| <b>2</b> | Affordable Home Ownership        | 2021       | 2025     | Affordable Housing and Housing Counseling                                      | Minimum 80% in MID Counties | Housing education and assistance with purchase with a minimum 70% of the funds used for LMI applicants   | CDBG-DR Ownership Assistance (Down Payment) \$3,000,000<br>Education (Housing Counseling) \$1,500,000   | Direct Financial and Education Assistance to LMI Homebuyers:  |
| <b>3</b> | Affordable Rental Housing        | 2021       | 2025     | Rental Assistance Program, Affordable Housing, Program, Infrastructure Program | Minimum 80% in MID Counties | Restoring damaged rental and Public Housing Units, adding affordable housing units, with a minimum or 70% of the funds used for LMI tenant rental properties | CDBG-DR<br>Small Rental \$42,548,251<br>Public Housing \$29,686,228<br>Affordable Housing \$124,171,627 | Repairing damaged rental and Public Housing units while also abating Lead and Asbestos and mitigating against future disasters. Working with FHA to create new affordable multifamily housing facilities. |

|    | 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 | Minimum 80% in MID Counties | Minimum of 70% of funds for restoring storm damaged business employing or servicing a LMI communities, funding trades programs for LMI communities | CDBG-DR Small Business Recovery \$4,500,000<br>Construction Trades Training \$5,426,440<br>Code Enforcement Support \$5,426,440 | Restoring damaged business to create/retain jobs and provide funds for training opportunities for long-term high paying trades jobs. |
| 6  | CDBG Infrastructure               | 2021       | 2025     | Non-Housing Community Development | Minimum 80% in MID Counties | Minimum of 70% of funds to repair storm damaged Infrastructure servicing LMI communities   | CDBG-DR: \$11,794,928   | Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 1000 Households Assisted                       |
| 10 | CDBG Contingency and Urgent Needs | 2021       | 2025     |                                   | Minimum 50% in MID Counties | Minimum 70% of funds to LMI homeowners in flood prone areas with repetitive or severe repetitive losses.   | CDRG-MIT: Strategic Buyout \$151,260,300<br>Anticipated \$31,157,100 in Florence CDBG-MIT                                       | Buyout homes in flooded areas to relocate homeowners, remove damaged property, and create green spaces.                              |

**Grantee Unique Appendices**



**NC DEPARTMENT OF  
HEALTH AND HUMAN SERVICES**

Division of Aging and  
Adult Services

**EMERGENCY SOLUTIONS GRANT**

**DESK GUIDE 2021**



North Carolina Department of Health and Human Services

Division of Aging and Adult Services

2101 Mail Service Center Raleigh, NC 27699-2101

[NCESG@DHHS.NC.GOV](mailto:NCESG@DHHS.NC.GOV)

Last Updated September 2020

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ESG-CV ADDENDUM

## **SECTION 1: PROGRAM OVERVIEW AND OBJECTIVES**

### ***Background Information***

This NC ESG Desk Guide is provided by the North Carolina Department of Health and Human Services Division of Aging and Adult Services (NC DHHS DAAS), for the purpose of informing NC ESG subrecipients on grant management and administration as required by the NC ESG program.

Included in this guide are the procedures and process each grant subrecipient must follow to be in compliance with the federal, state and local NC ESG standards and regulations. The NC DHHS DAAS encourages each grant subrecipient to share this guide with their employees and members of the organization involved in administering or overseeing the NC ESG funded programs. This NC ESG Desk Guide does not supersede federal regulations related to the NC ESG grant or homeless programs.

On an average night, roughly 9,000 people in North Carolina are experiencing homelessness. This includes more than 500 families with children. The programs NC DHHS DAAS funds through the NC ESG program provide critical services to families and individuals experiencing homelessness or at risk of becoming homeless. The NC 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 Emergency Solutions Grant (NC ESG) Program for providing assistance to persons and families who are homeless or at risk of homelessness.

These programs and services are carried out by community organizations that apply for, and are awarded, NC ESG funds. These funds are a formula grant appropriated by Congress to the United States Department of Housing and Urban Development with the intention to: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents, (5) rapidly rehouse homeless individuals and families, and (6) prevent families and individuals from becoming homeless. NC 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 non-recurring.

The NC ESG program is further broken down into two primary functions: (1) Emergency Response Activities, including emergency shelter operations and services as well as street outreach; (2) Housing Stability Activities including Rapid Rehousing and Homelessness Prevention. NC ESG funds can also be used for Homeless Management Information System (HMIS)/DV comparable database participation and administration.

### ***Purpose***

The NC 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 North Carolina Department of Health and Human Services (DHHS), Division of Aging and Adult Services (DAAS) is responsible for administering North Carolina's Statewide annual allocation of funds, herein referred to as NC ESG, from the United States Department of Housing and Urban Development (HUD).

NC 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. Activities can include:

- Engaging homeless individuals and families living on the street;
- Improving the number and quality of emergency shelters for homeless individuals and families;
- Helping operate emergency shelters;
- Providing essential services to emergency shelter residents,
- Rapidly rehouse homeless individuals and families, and
- Preventing families and individuals from becoming homeless.

### ***Funding Priorities***

- **Emergency Response**

The NC ESG Program requires subrecipients support the Housing First model that prioritizes rapid placement and stabilization in permanent housing that does not have service participation requirements or preconditions (such as sobriety or a minimum income threshold).

The State strongly encourages use of emergency shelter funds to support facilities linked to rapid rehousing programs within a CoC.

Applicants that request Emergency Response funds may allocate all dollars for Emergency Shelter Operations or allocate no less than 60% of the funding for Shelter Operations and no more than 40% for Shelter Services.

- **Housing Stabilization**

For the purpose of this grant, the NC ESG priority for Housing Stabilization funds is rapid rehousing. Rapid Rehousing Services and Rapid Rehousing Financial Assistance should be linked to an emergency shelter or street outreach program to ensure coordination/prioritization of clients in obtaining and maintaining permanent housing.

Applicants that request Rapid Rehousing funds may allocate all stabilization dollars for Rapid Rehousing Financial Assistance or allocate no less than 60% of the funding for financial assistance and no more than 40% for services.

### ***NC ESG Program Contacts***

Below are the NC ESG contacts. Please direct all questions, concerns, updates, and submission of documents to the NC ESG Homeless Programs Coordinators, except for requisition requests. Requisition requests must be submitted electronically to the NC ESG email ([NCESG@dhhs.nc.gov](mailto:NCESG@dhhs.nc.gov)).

|  |  |
|--|--|
| <b>Chris Battle</b><br>NC ESG Homeless Programs Coordinator<br>Division of Aging and Adult Services<br>North Carolina Department of Health and Human Services<br>919-855-4984 office<br><a href="mailto:Chris.battle@dhhs.nc.gov">Chris.battle@dhhs.nc.gov</a><br>2101 Mail Service Center Raleigh, NC<br>27699-2101 | <b>Lisa Worth</b><br>NC ESG Homeless Programs Coordinator<br>Division of Aging and Adult Services<br>North Carolina Department of Health and Human Services<br>919-855-4993 office<br><a href="mailto:Lisa.Worth@dhhs.nc.gov">Lisa.Worth@dhhs.nc.gov</a><br>2101 Mail Service Center Raleigh, NC<br>27699-2101 |
|--|--|

All information, updates, news and forms pertaining to NC ESG’s program can be found on the following website: <https://www.ncdhhs.gov/divisions/aging-and-adult-services/nc-emergency-solutions-grant/nc-emergency-solutions-grant-%E2%80%93>

### ***NC ESG 2021 Timeline***

The following timeline lists the key dates for the 2021 grant year, which are also detailed in the grant agreement. Subrecipients are responsible for knowing these dates as well as communicating them to all applicable staff.

|  |                                   |
|--|-----------------------------------|
| <b><u>Grant Year Begins:</u></b>                     | <b><u>January 01, 2021</u></b>    |
| Quarter 1 (Q1):                                      | January 01, 2021 – March 31, 2021 |
| <b>Quarter 1 Reports Deadline:</b>                   | April 30, 2021, 12:00pm           |
| Quarter 2 (Q2):                                      | April 01, 2021 – June 30, 2021    |
| <b>Quarter 2 Reports Deadline:</b>                   | July 31, 2021, 12:00pm            |
| Quarter 3 (Q3):                                      | July 01, 2021 – Sept. 30, 2021    |
| <b>Quarter 3 Reports Deadline:</b>                   | October 30, 2021, 12:00pm         |
| Quarter 4 (Q4):                                      | October 1, 2021 – Dec. 31, 2021   |
| Last Day to Expend Funds:                            | December 31, 2021                 |
| <b>Quarter 4 Report Deadline:</b>                    | January 29, 2022, 12:00pm         |
| Final Payment Request Deadline:                      | February 15, 2022, 12:00pm (noon) |
| 2021 CAPER submission by NC ESG                      | February 15, 2022, 12:00pm (noon) |
| Subrecipients via SAGE                               |                                   |
| <b>2021 NC ESG Office CAPER Submission Deadline:</b> | March 31, 2022                    |

### ***State Governing Authority***

NC DHHS DAAS has audit oversight, with respect to grant funds received by the subrecipient, pursuant to Article 5A of Chapter 147 of the General Statutes, of every subrecipient that receives, uses, or expends grant funds. A subrecipient must, upon request, furnish to the State for audit all books, records, and other information necessary for the State to account fully for the use and expenditure of grant funds received by the subrecipient. The subrecipient must furnish any additional financial or budgetary information requested by the State, including audit work papers in the possession of any auditor of a subrecipient directly related to the use and expenditure of grant funds. (§ 143C-6-23. State grant funds: administration; oversight and reporting requirements, DAAS\_NCAC 190PQ).

In addition to the Federal regulations governing the NC ESG program, subrecipients must familiarize themselves with the State NC ESG guidelines including The Desk Guide and Performance Standards, RFA and application materials, which can be found at <https://www.ncdhhs.gov/divisions/aging-and-adult-services/nc-emergency-solutions-grant/nc-emergency-solutions-grant-%E2%80%93>

### ***Federal Governing Authority***

The Emergency Solutions Grant (ESG) program is a HUD funded program administered by the Department of Health and Human Services (DHHS) Division of Aging and Adult Services (DAAS). The funds are part of a larger entitlement disbursement from HUD, overseen by the NC Department of Commerce. DHHS receives approximately \$5,000,000. per year in ESG funding.

Each year there is a competitive grant process to award funds. After funds are awarded NC DHHS DAAS administers the grant, including monitoring fiscal and programmatic responsibilities of each subrecipient. HUD regulations allow the State flexibility in administering the NC ESG program.

All subrecipients are expected to use NC ESG funds in accordance with HUD guidelines (including, but not limited to: 24 CFR 576, 24 CFR 578, 2 CFR Part 200, 24 CFR 84 & 85, OMB Circular A-133). These regulations can be found on the HUD Exchange web site: <https://www.hudexchange.info/programs/esg/esg-law-regulations-and-notices/>

The following are key federal requirements of the NC ESG program. This list is not all inclusive of the required regulations and authority.

- **Written Standards**

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. 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.

- **Centralized Coordinated Entry**

HUD requires (24 CFR 576.400) that all CoC's establish and operate a fully functional Centralized Coordinated Entry system that all NC ESG funded activities and subrecipients must utilize. This system must serve all homeless and at risk of homeless populations and subpopulations. All NC ESG funded organizations are required to follow the Coordinated Entry process adopted by their CoC. All housing referrals received by the ESG funded organization, must come from the Coordinated Entry process, regardless of what funding source the organization chooses to utilize (ESG, CoC, private funds, etc.)

NC ESG funded subrecipients must be able to provide the NC ESG Office with a report of the referrals received through the Coordinated Entry system adopted by their CoC.

- **Coordination with Other Targeted Homeless Services**

HUD requires (24 CFR 576.400) Subrecipients, to the maximum extent practicable to coordinate and integrate NC ESG activities with mainstream housing, health, social services, employment, education, and youth programs, as well as programs targeted to homeless people in its service area to provide a strategic, community-wide system to prevent and end homelessness.

- **Data Collection**

HUD requires (24 CFR 575.500(n)) Subrecipients to use a Homeless Management Information System (HMIS), to ensure that all required data elements are collected and required reports are available for review at any time during the program year. Failure to do so may result in suspension of funding or payback of NC ESG funds.

- Agencies that are exempt from the HMIS participation requirement (i.e. Domestic Violence / Victim Service Provider agencies) must meet the same reporting requirements, using a comparable database, that produces electronic reports including, but not limited to, the Consolidated Annual Performance Evaluation Report (CAPER), as well as other data request for all State and Federal reporting and evaluations.

- **Environmental Reviews**

Per 24 CFR 576.407(d), HUD-assisted projects are required to comply with the National Environmental Policy Act (NEPA) by conducting an environmental review to determine the potential environmental impacts of a project or, if applicable, by documenting its categorical exclusion or exemption from this requirement.

The NC ESG Office will provide each Subrecipient with an Environmental Review form prior to awarding funds. The Subrecipient must complete and return the form to the NC ESG Office before the contract can be executed and funds can be awarded. This is the only action the Subrecipient is required to take in order to be in compliance with the Environmental Review requirement.

- **Homeless Participation**

HUD requires (24 CFR 576.405) 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.

- **Matching Funds**

Not required for the FY2020-21 grant cycle

- **Faith-Based Activities**

The provisions listed under 24 CFR 576.406. Faith-based organizations are eligible, on the same basis as any other organization, to participate in HUD programs and activities. Provided that the organization does not use ESG funds to support or engage in any explicitly religious activities (including activities that involve overt religious content such as worship, religious instruction, or proselytization), or in any other manner prohibited by law.

If an organization engages in explicitly religious activities (including activities that involve overt religious content such as worship, religious instruction, or proselytization), the explicitly religious activities must be offered separately, in time or location, from the programs or activities supported by direct Federal financial assistance and participation must be voluntary for the beneficiaries of the programs or activities that receive direct Federal financial assistance.

- **Involuntary Family Separation**

The provisions listed under 24 CFR 576.102 4(b). Prohibition against involuntary family separation. The age, of a child under age 18 must not be used as a basis for denying any family's admission to an emergency shelter that uses ESG funding or services and provides shelter to families with children under age 18.

- **Violence Against Women Reauthorization Act of 2013 (“VAWA”):**

On November 16, 2016, the U.S. Department of Housing and Urban Development published the Violence Against Women Act (VAWA) final rule regarding housing protections for victims of domestic violence, dating violence, sexual assault, or stalking (Federal Register Document #2016- 25888). This final rule prohibits an applicant for assistance or tenant assisted with NC ESG from being denied assistance under, denied admission to, terminated from participation in, or evicted from housing on the basis or as a direct result of the fact that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault or stalking, so long as the applicant otherwise qualifies for admission, assistance, participation or occupation (24 CFR 5.2005 (b)(1)).

In addition, the VAWA Final Rule requires that each housing provider produce a detailed emergency transfer plan, which ensures that a tenant receiving rental assistance through or residing in a unit subsidized under an NC ESG housing program who is a victim of domestic violence, dating violence, sexual assault, or stalking qualifies for an emergency transfer within the criteria stated in 24 CFR 5.2005 (e)(2). All NC ESG housing providers must maintain records on emergency transfers requested under 24 CFR 5.2005(e). Data must include the outcomes of each request and must be provided to the NC ESG Office upon request.

All NC ESG RRH activities must provide applicants and participants the following HUD forms, or a comparable form developed by the CoCs:

- HUD Form 5380
- HUD Form 5381
- HUD Form 5382
- HUD Form 5383

Rental assistance programs must provide copies of the HUD Forms to the property owner or manager at the time of lease-up and every re-certification as part of the lease renewal.

Any contract between the subrecipient and a Landlord must include:

- The requirement to comply with VAWA provisions in 24 CFR part 5, subpart L;
- A commitment from the Landlord to provide the HUD Forms 5380 and 5382 or comparable forms, to the program participant with any notification of eviction and

- comply with VAWA's confidentiality requirements;
- The requirement on the Landlord to include
  - (1) a lease provision that includes all requirements that apply to tenants, the owner or the lease under VAWA, including the prohibited bases for eviction and restrictions on construing lease terms under 24 CFR 5.2005(b) and (c), and
  - (2) language in the lease that permits the program participant to terminate the lease, sublease or occupancy agreement without penalty if the program participant qualifies for an emergency transfer.

### ***Training***

NC ESG subrecipient project staff, including housing stability managers, case management supervisors, grant managers, emergency services case managers, HMIS data entry, and financial processors must attend all relevant NC ESG trainings, tutorials and webinars provided during the program year. Trainings will be conducted via webinar and/or conference call when feasible. Some trainings may require face to face participation.

## **SECTION 2: PROGRAM OPERATIONS MANUAL**

Subrecipients are required (24 CFR 576.500) to maintain a separate NC ESG Program Operation Manual that details how the NC ESG program operates and, outlines the NC ESG program specific rules and policies provided to program participants. **Note: this operations manual is not the organization's personnel manual or employee handbook. These operations are component specific, although there is a possibility of overlap.**

The program operations manual must address all the NC ESG program elements below. **Subrecipients should have one manual for all NC ESG program activities; this document should not contain information on other grants, programs, or operations.**

- HUD continues to encourage Continuums of Care (CoCs) and providers to implement and strengthen Housing First. This is the commitment to end homelessness and is the most effective approach to ending chronic homelessness. Housing First offers individuals and families experiencing homelessness immediate access to permanent affordable or supportive housing. This model of housing assistance prioritizes rapid placement and stabilization in permanent housing that does not have service participation requirements or preconditions (such as sobriety or a minimum income threshold).
- Low-Barrier policies where a minimum number of expectations are placed on people who wish to enter the program.
- Fair Housing Policy: This must include the following language. Flyers or posters do not constitute a policy.

*It is illegal to discriminate in the sale or rental of housing, including against individuals seeking a mortgage or housing assistance, or in other housing-related activities. The Fair Housing Act prohibits this discrimination because of race, color, national origin, religion, sex, familial status, and disability. A variety of other federal civil rights laws, including Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act, and the Americans with Disabilities Act, prohibit discrimination in housing and community development programs and activities, particularly those that are assisted with HUD funding. These civil rights laws include obligations such as taking reasonable steps to ensure meaningful access to their programs and activities for persons with limited English proficiency (LEP) and taking appropriate steps to ensure effective communication with individuals with disabilities through the provision of appropriate auxiliary aids and services. Various federal fair housing and civil rights laws require*

*HUD and its program participants to affirmatively further the purposes of the Fair Housing Act.*

- **Anti-Discrimination Policy:** This must ensure equal participation opportunity in homeless programs, without discrimination or harassment on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, marital status, citizenship, genetic information, or any other characteristic protected. Flyers or posters do not constitute a policy.  
*It is illegal to discriminate in the sale or rental of housing, including against individuals seeking a mortgage or housing assistance, or in other housing-related activities. The Fair Housing Act prohibits this discrimination because of race, color, national origin, religion, sex, familial status, and disability.*
- **Termination of Assistance Policy.** Per 24 CFR 576.402, if a program participant violates program requirements, their NC ESG assistance may be terminated in accordance with a formal process established by the Subrecipient, that recognizes the rights of the individuals affected and allows for due process. The Termination of Assistance policy must include a **grievance** and **appeals process** clearly outlined. This must include with who, how and when the appeal can be filed.
- **Confidentiality:** The subrecipient must have written procedures to ensure all records containing personally identifying information (as defined in HUD's standards for participation, data collection, and reporting in a local HMIS and 24 CFR 576.500) of any individual or family who applies for and/or receives NC ESG assistance will be kept secure and confidential.
- **Program overview,** including the program design, intake procedures, the assistance time limit, program eligibility and the specific population served.
- **Habitability Standards:** Subrecipients of Housing Stabilization, are required (24 CFR 576.403) to conduct a habitability standards inspection on any unit that a participant will be receiving ANY NC ESG financial assistance such as any rental assistance, security deposit, last month's deposit, utility deposit, moving costs. Subrecipients must certify that the unit has passed habitability standards before any NC ESG funds may be released. In addition, an annual habitability standards inspection must be conducted for any unit in which NC ESG funds are being used.

Subrecipients of Emergency Shelter Operations, are required to conduct a habitability standards inspection no less than quarterly. The shelter must pass habitability standards before any NC ESG funds may be released.

Below is a table of contents for the NC ESG Programs Operations Manual. All of the items listed in the table of contents must be included for ***each funded component in the specified order***:

**Table of Contents:**

**Overall Organization NC ESG Program Design**

- Organization Mission
- Housing Focus Policy (include Housing First / Low Barrier Policies)
- Fair Housing Policy (Affirmatively Furthering Fair Housing Policy)
- Anti-Discrimination Policy
- Appeals, Grievance Policy and Process
- Termination of Assistance Policy
- Confidentiality Policy

**Program Design / NC ESG Component Policies**

Tab 1 - Street Outreach

- Program Design or Program Overview (Type of NC ESG Assistance Offered)
- Intake Procedures
- Assistance Time Limit
- Eligibility Requirements for Assistance
- Specific Populations Served
- Program Rules for the Participant

Tab 2 - Emergency Shelter

- Program Design or Program Overview (Type of NC ESG Assistance Offered)
- Intake Procedures
- Assistance Time Limit
- Eligibility Requirements for Assistance
- Specific Populations Served
- Minimum Habitability Standards
- Program Rules for the Participant

Tab 3 - Rapid Rehousing

- Program Design or Program Overview (Type of NC ESG Assistance Offered)
- Intake Procedures
- Assistance Time Limit
- Eligibility Requirements for Assistance
- Specific Populations Served
- Minimum Habitability Standards

- Program Rules for the Participant

Tab 4 - Prevention

- Program Design or Program Overview (Type of NC ESG Assistance Offered)
- Intake Procedures
- Assistance Time Limit
- Eligibility Requirements for Assistance
- Specific Populations Served
- Minimum Habitability Standards
- Program Rules for the Participant

Tab 5 - HMIS

- Program Design or Program Overview (Type of NC ESG Assistance Offered)

## **SECTION 3: NC ESG COMPONENTS AND PARTICIPANT ELIGIBILITY**

### **Street Outreach**

Meet the immediate needs of unsheltered homeless people by connecting them with emergency shelter, housing, and/or critical health services. (See Street Outreach section of this desk guide for more detail)

#### **Activities:**

- Contact
- Case Management
- Emergency Health Services
- Emergency Mental Health services
- Transportation Costs
- Services for special populations (homeless youth, homeless persons with HIV/AIDS, etc.)

### **Emergency Shelter**

Intended to increase the quantity and quality of temporary emergency shelters provided to homeless people by supporting the shelters operating expenses and essential services. (See Emergency Shelter section of this desk guide for more detail)

#### **Shelter Operations**

- Minor or routine maintenance
- Rent
- Security
- Fuel
- Insurance
- Utilities
- Food for shelter residents (*not to exceed \$1500, unless prior approval has been obtained from the NC ESG Office*)
- Furnishings (*under \$500 per item, unless prior approval has been obtained from the NC ESG Office*)
- Equipment (*under \$500 per item, unless prior approval has been obtained from the NC ESG Office*)
- Hotel or motel vouchers when no appropriate emergency shelter is available

#### **Essential Services**

- Case management
- Childcare, education, employment, and life skills services
- Legal services
- Mental health,
- Substance abuse services
- Transportation

- Services for special populations

## **Rapid Rehousing**

Move homeless individuals and families quickly into permanent housing through rental assistance and housing relocation and stabilization services. (See Rapid Rehousing section of this desk guide for more detail)

### **Housing Relocation and Stabilization Services include:**

- Housing stability case management
- Housing search and placement
- Mediation
- Legal services
- Credit repair

### **Financial Assistance includes:**

- Rent application fees
- Security and utility deposits
- Last month's rent
- Utility payments
- Moving costs
- Short Term Rental Assistance
- Medium Term Rental Assistance
- Rental and Utility Arrears

## **Homelessness Prevention**

Prevent households from becoming homeless through rental assistance, and housing relocation and stabilization services. (See Homeless Prevention section of this desk guide for more detail)

### **Housing Relocation and Stabilization Services include:**

- Housing stability case management
- Housing search and placement
- Mediation
- Legal services
- Credit repair

### **Financial Assistance includes:**

- Rent application fees
- Security and utility deposits
- Last month's rent
- Utility payments
- Short Term Rental Assistance
- Long Term Rental Assistance
- Rental and Utility Arrears

## **HMIS / Domestic Violence Comparable Database**

Subrecipients will participate in HMIS or DV Comparable Database. Federal law requires that Domestic Violence / Victim Service Provider agencies use systems comparable to HMIS. (See HMIS/DV Database section of this desk guide for more detail)

- Equipment/Hardware and Software
- Service Provider Agency Staff Costs
- License Fees
- Continuum of Care Staff Cost
- HMIS Lead Agency Costs
- HMIS Local System Administrator Costs

### ***Program Participant Eligibility***

Subrecipients must conduct an initial evaluation of eligibility to determine:

- Homeless status under the definition of 24 CFR 576.2 (outlined in the chart below)
- Total household income is below 30 percent AMI (**Homelessness Prevention only**)
- The applicant has not already received more than 24 months of NC ESG assistance within the past three years (**Rapid Rehousing and Homelessness Prevention, only**)

Evaluations must be conducted in accordance with the organization’s operations guidelines, local coordinated entry process and the CoC’s written standards (24 CFR 576.400). Where possible, agencies should attempt to divert households from homelessness, including those seeking shelter who are currently housed but at imminent risk. Households seeking shelter, that are fleeing, or are attempting to flee, domestic violence dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions, that relate to violence against the individual or a family member, should not be diverted.

### ***Eligible Homeless Definitions***

Per 24 CFR 576.2, the following chart summarizes the homeless definitions able to be used, by the NC ESG program, to determine program participants eligibility.

|   |   |
|---|---|
| Literally Homeless<br>(Category 1)            | Individual or family who lacks a fixed, regular, and adequate nighttime residence: <ul style="list-style-type: none"><li>• Has a primary nighttime residence that is a public or private place not meant for human habitation;</li><li>• Is living in a publicly or privately-operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, hotels/motels paid for by charitable organizations or federal, state, and local government programs; or</li><li>• Is exiting an institution where (s)he has resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution</li></ul> |
| Imminent Risk of Homelessness<br>(Category 2) | Individual or family who will imminently lose their primary residence, provided that: <ul style="list-style-type: none"><li>• Residence will be lost within 14 days of the date of application for homeless assistance;</li><li>• No subsequent residence has been identified; and</li><li>• Lacks resources or support networks needed to obtain other permanent housing</li></ul>   |

|   |  |
|---|--|
| Homeless Under Other Federal Statutes (Category 3)        | <p>Unaccompanied youth under age 25, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:</p> <ul style="list-style-type: none"> <li>• Are defined as homeless under other listed federal statutes;</li> <li>• Have not had a lease, ownership, or occupancy agreement in permanent housing during the 60 days prior to the date of homeless assistance application;</li> <li>• Have moved two or more times in the preceding 60 days; and</li> <li>• Can be expected to continue in such status for an extended period of time due to special needs or barriers</li> </ul> |
| Fleeing/Attempting to Flee Domestic Violence (Category 4) | <p>Individual or family who:</p> <ul style="list-style-type: none"> <li>• Is fleeing/attempting to flee Domestic Violence / Victim Service Provider;</li> <li>• Has no other residence; and</li> <li>• Lacks resources or support networks needed to obtain other permanent housing</li> </ul>   |

***Documenting Homeless Status***

Per 24 CFR 576.500(b), the Subrecipient must maintain and follow written intake procedures to ensure compliance with homeless definitions and, must include documentation required at intake to verify homeless status in order of HUD preference (1. Third-party observation, 2. Intake worker observation, 3. Self-certification from client seeking assistance). Appropriate homeless status documentation for intake files will vary depending on type of assistance provided and the circumstances of each participant (see Section on Records to Maintain of this desk guide). Lack of third-party documentation should not prevent a household from being immediately admitted to shelter, receiving street outreach services, or from receiving victims’ services.

The following chart summarizes which homeless definition each component may serve:

| Component                  | Serving                                     |   |
|----------------------------|---|---|
|                            | Literally Homeless Individuals and Families | Homeless Individuals and Families at Risk of Homelessness |
| <b>Street Outreach</b>     | X   |   |
| <b>Emergency Shelter</b>   | X   |   |
| <b>Rapid Rehousing</b>     | X   |   |
| <b>Homeless Prevention</b> |   | X   |

## **SECTION 4: STREET OUTREACH**

NC ESG funds may be used for the costs of providing essential services to unsheltered homeless people (24 CFR Part 576.101); connect them with emergency shelter, housing, or critical services; and provide urgent non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. NC ESG funds may also be used for no more than 15% overhead.

Costs are considered ‘reasonable’ if they do not exceed what a prudent person would incur under similar circumstances. All costs must pass the ‘rational person’ test by meeting all of the following criteria (2 CFR 200.400):

- The cost would be recognized as ordinary and necessary for the operation of the organization and/or project.
- The cost is in accordance with market prices for comparable goods or services as evidenced by cost estimates and documentation.
- The individuals responsible for incurring the cost acted with prudence and for the benefit of the organization and its activities.
- The cost has been incurred after following the established practices of the organization, in accordance with the terms and conditions of the award.

Eligible Activities:

- Contact (Engagement)
- Housing Focused Case Management
- Emergency Health Services
- Emergency Mental Health services
- Transportation Costs
- Services for special populations (homeless youth, homeless persons with HIV/AIDS, etc.)

**The following services require an HMIS / DV Client identifying number:**

### ***Contact/Engagement***

Activities designed to locate, identify, and build relationships with unsheltered homeless people to provide immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs, including:

- Making initial assessments of needs and eligibility
- Providing crisis counseling
- Addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries
- Providing information and referrals to programs targeted to homeless people, mainstream social services and housing programs (including emergency shelter, transitional housing, community-based services, permanent supportive housing and

## Rapid Rehousing.

When reporting the number of individuals served under the engagement activity, the Subrecipient is required to report unduplicated participants. 24 CFR 580.31(c)

### ***Housing-Focused Case Management***

Assessment of the housing and service needs of unsheltered homeless persons, and the arrangement for, coordination of, and monitoring of delivery of services to those persons, including:

- Participation in the centralized or coordinated assessment system of the local CoC
- Initial evaluation, verification and documentation of eligibility
- Counseling
- Developing, securing, and coordinating services
- Helping obtain Federal, state, and local benefits
- Monitoring and evaluating participant progress
- Providing information and referrals to other service providers
- Developing individualized housing and service plans

### ***Emergency Health Services***

Direct outpatient treatment of medical conditions by licensed professionals in community-based settings where unsheltered homeless people are living, including:

- Assessing participants' health problems and developing treatment plans
- Assisting participants in understanding their health needs
- Providing or helping participants obtain appropriate emergency medical treatment
- Providing medication and follow-up services

### ***Emergency Mental Health Services***

Direct outpatient treatment of mental health conditions by licensed professionals in community-based settings where unsheltered homeless people are living, including:

- Crisis interventions
- Prescription of psychotropic medications
- Explanation for the use and management of medications
- Combinations of therapeutic approaches to address multiple problems

### ***Transportation Services***

Travel by outreach workers, social workers, medical professionals, or other service providers during the provision of eligible street outreach services, including:

- Transporting unsheltered homeless individuals and families to emergency shelters or other service facilities
- Cost of a participant's travel on public transit
- Mileage allowance for outreach workers to visit participants
- Cost of staff to accompany or assist participants to use public transportation Costs associated with purchasing or leasing a vehicle are ineligible.

### ***Services for Special Populations***

Any of the essential services listed above that have been tailored to address the special needs of homeless youth, victims of Domestic Violence and related crimes/threats, and/or people living with HIV/AIDS who are literally homeless.

## **SECTION 5: EMERGENCY SHELTER**

Emergency shelter means any appropriate facility that has the primary use of providing temporary shelter for the homeless in general or for specific populations of the homeless and the use of which does not require occupants to sign leases or occupancy agreements. NC ESG funds may be used for the costs of operating an emergency shelter and providing essential services to sheltered homeless people (24 CFR Part 576.102).

Costs are considered ‘reasonable’ if they do not exceed what a prudent person would incur under similar circumstances. All costs must pass the ‘rational person’ test by meeting all of the following criteria (2 CFR 200.400):

- The cost would be recognized as ordinary and necessary for the operation of the organization and/or project.
- The cost is in accordance with market prices for comparable goods or services as evidenced by cost estimates and documentation.
- The individuals responsible for incurring the cost acted with prudence and for the benefit of the organization and its activities.
- The cost has been incurred after following the established practices of the organization, in accordance with the terms and conditions of the award.

Emergency shelter types may include:

- **Day Shelters:** temporary daytime accommodations and services for individuals and families who meet the definition of literally homeless as described under Client Eligibility and are sleeping on the streets, lack a fixed, regular and adequate nighttime shelter and/or are living in an emergency shelter.
- **Mass Shelters:** high volume, high turnover, emergency shelters where multiple individuals and/or family households sleep in a large room with multiple beds.
- **Hotel/Motel Vouchers:** used as emergency shelter in those areas and times when no emergency shelter is available.

**All Emergency Shelter activities require an HMIS / DV Client identifying number.**

### *Shelter Operations*

Per 24 CFR part 576.403, emergency shelters must meet minimum safety, sanitation, and privacy standards related to the following topics. For a full description of the shelter standards, refer to NC ESG Minimum Habitability Standards for Emergency Shelters. In addition:

- **Shelter staff must conduct quarterly on-site inspections to ensure compliance with minimum habitability standards.**

- The shelter must meet all standards for the entire period during which NC ESG funds are provided for operating the emergency shelter.
- If the shelter fails to meet the minimum standards, NC ESG funds may be suspended until the shelter is in compliance with minimum habitability standards.
- If the subrecipient moves the shelter to a new site or structure, that new site or structure must meet all emergency shelter standards (the NC ESG Office must be made aware of the move and the inspection must be provided, before NC ESG funds will be released).

Shelter operations are costs that are used to operate and maintain emergency shelters. They may also provide other emergency shelter lodging when appropriate. Eligible Costs include:

- Minor or routine maintenance
- Rent
- Security
- Fuel
- Insurance
- Utilities
- Food for shelter residents only (not to exceed \$1,500 per requisition, unless prior approval has been obtained from the NC ESG Office.)
- Furnishings (under \$500 per item, *unless prior approval has been obtained from the NC ESG Office*)
- Equipment (under \$500 per item, *unless prior approval has been obtained from the NC ESG Office*)
- Hotel or motel vouchers when no appropriate emergency shelter is available

*\*The State of North Carolina's NC ESG program does not allow NC ESG funds to be used to pay for shelter renovation, conversion, or rehabilitation.*

*\*The State of North Carolina's NC ESG program does not allow NC ESG funds to be used to pay for cable television.*

**The following services require an HMIS / DV Client identifying number:**

***Emergency Shelter Essential Services***

Emergency shelter essential services are services to homeless families and individuals in emergency shelters. Program applicants meeting the definition of homeless in Categories 1, 2, 3, and 4 are eligible for emergency shelter services. Costs associated with providing services to individuals and families, including:

- Case management
- Childcare, education, employment, and life skills services

- Legal services
- Mental health,
- Substance abuse services
- Transportation
- Services for special populations

**Case Management** of assessing, arranging, coordinating and monitoring the delivery of individualized eligible services of:

- Using a centralized or coordinated assessment system
- Conducting the initial evaluation including verifying and documenting eligibility
- Counseling
- Developing, securing and coordinating services
- Obtaining Federal, State and local benefits
- Monitoring evaluating program participant progress
- Providing information and referral to other providers
- Providing ongoing risk assessment and safety planning with victims of Domestic Violence, dating violence, sexual assault, and stalking
- Developing an individualized housing and service plan, including planning a path to permanent housing stability

**Child Care** is an allowable cost for children under the age of 13 unless the child is disabled. Disabled children must be under the age of 18. The child care must be licensed by the jurisdiction in which it operates to be eligible.

**Educational Services:** Education is instruction or training to enhance participants' ability to obtain and maintain housing, consumer education, health education, substance abuse prevention, literacy, ESL, GED preparation and various life skills.

**Employment Assistance and Job Training:** Job Assistance services help participants to secure employment and placement in job training programs.

**Legal Services:** Legal advice and representation are eligible activities to the extent that other appropriate services and treatment are unavailable or inaccessible within the community. This would include necessary legal services regarding matters that interfere with the program participant's ability to obtain and retain housing. Legal issues would include child support, guardianship, paternity, emancipation, legal separation, orders of protection and other civil remedies for victims of Domestic Violence / Victim Service Provider, dating violence, sexual assault, and stalking, appeal of veterans and public benefit claim denials, and resolution of outstanding criminal warrants.

**Mental Health Services** are eligible activities to the extent that other appropriate services and treatment are unavailable or inaccessible within the community. Services are direct outpatient treatment of mental health conditions by licensed professionals.

**Substance Abuse Treatment** is an eligible component to the extent that other appropriate

services and treatment are unavailable or inaccessible within the community. Services must be provided by licensed or certified professionals, and be designed to prevent, reduce, eliminate or deter relapse of substance abuse or addictive behaviors. Inpatient detoxification and other inpatient drug or alcohol treatment are not eligible costs.

**Transportation** for costs of travel by program participants to and from medical care, employment, child care, or other eligible essential services facilities.

**Services for Special Populations** to provide services for homeless youth, victim services (assisting program participants who are victims of Domestic Violence, dating violence, sexual assault, or stalking) and for people living with HIV/AIDS, so long as the costs of providing these services are eligible. Victim Services include services offered by rape crisis centers and Domestic Violence / Victim Service Provider shelters and other organizations with a documented history of effective work concerning Domestic Violence, dating violence, sexual assault, or stalking.

## SECTION 6: RAPID REHOUSING (RRH) & HOMELESS PREVENTION (HP)

**Rapid Rehousing** is to move literally homeless individuals and families (24 CFR 576.104) quickly into permanent housing and achieve stability in that housing. Participants must meet Category 1 or 4 of the homeless definition, at initial evaluation. During reassessment of the participant, which must occur at least every 12 months; at that time the participant must have an annual income at or below 30 percent of the area median income.

**Homelessness Prevention** (24 CFR 576.103) prevents households from becoming literally homeless. Participants must meet Category 2, 3, or 4 of the homeless definitions at initial evaluation and have an annual income below 30 % of area median income. During reassessment of the participant, which must occur at least every 3 months, the participant must have an annual income at or below 30 percent of the area median income. Households may only be assisted under this component as long as the assistance is necessary to regain stability in permanent housing.

|                       | <b>Rapid Rehousing</b>  | <b>Homelessness Prevention</b>  |
|-----------------------|---|---|
| Eligible Participants | <p><b>Category 1</b> – Literally Homeless</p> <p><b>Category 4</b> – Fleeing/Attempting to Flee Domestic Violence and has no other residence.</p>   | <p><b>Category 2</b> – Imminent Risk</p> <p><b>Category 3</b> – Other Federal Statutes</p> <p><b>Category 4</b> – Fleeing/Attempting to Flee Domestic Violence and has no other residence or at-Risk of Homelessness</p>  |
| Purpose               | <ul style="list-style-type: none"> <li>• To help homeless persons living on the streets or in an emergency shelter <u>transition</u> as quickly as possible into permanent housing, and then</li> <li>• To help such persons <u>achieve stability</u> as quickly as possible in that housing and;</li> <li>• Establish connections with mainstream resources</li> </ul> | <ul style="list-style-type: none"> <li>• To <u>prevent</u> persons who are housed from becoming homeless</li> <li>• To help such persons <u>regain stability</u> in their current housing or other permanent housing and;</li> <li>• Establish connections with mainstream resources</li> </ul> |
| Reassessment          | <ul style="list-style-type: none"> <li>• At a minimum, every 12 months AND</li> <li>• Must have income <u>at or below</u> 30% AMI, AND</li> <li>• Establish need based on lack of resources and support network</li> </ul>  | <ul style="list-style-type: none"> <li>• At a minimum, every 3 months AND</li> <li>• Must have income <u>at or below</u> 30% AMI, AND</li> <li>• Establish a need based on lack resources and support network</li> </ul>  |
| Eligible Activities   | <p>Housing Relocation and Stabilization Services and Financial Assistance</p> <p>Short- and Medium-Term Rental Assistance</p>   | <p>Housing Relocation and Stabilization Services and Financial Assistance</p> <p>Short- and Medium-Term Rental Assistance</p>   |

### ***Participant Income Eligibility Requirements / Criteria***

Income requirements do not apply to program participants who are being served under Rapid Rehousing at initial intake or during the first 12 months. After 12 months, program participants must have an annual income at or below 30 percent of the area median income.

Individuals and families applying for NC ESG Homelessness Prevention must have incomes below 30 percent of AMI at initial evaluation.

When determining the annual income of a household, the Subrecipient must refer to the standards for calculating income per 24 CFR 5.609. Current NC ESG Income Limits can be found on HUD's website (<https://www.huduser.gov/portal/datasets/il.html#2019>).

#### **Income Inclusions**

- Earned income (wages, salaries, net income from operating of a business or profession)
- Interest and dividend income
- Pension/retirement income
- Unemployment and disability
- TANF/Public Assistance
- Alimony and child support income
- Regular contributions or gifts from organizations or persons not residing in the dwelling
- Armed forces income
- Any other income included in the [HUD Handbook 4350.3, REV-1, Chapter 5, Exhibit 5-1](#)

#### **Income Exclusions**

- Income of children (including foster care payments)
- Inheritance and insurance income
- Medical expense reimbursements
- Income of live-in aides
- Certain state payments regarding disability
- Student financial aid
- Armed forces hostile fire pay
- Temporary, non-recurring, or sporadic income
- Certain reparation payments
- Earnings in excess of \$480 for each full-time student who is 18 years old or older (excluding the head of household and spouse)
- Adoption assistance payments in excess of \$480 per adopted child
- Deferred periodic amounts from SSI or social security benefits that are received in a lump sum amount or in prospective monthly amounts
- Refunds or rebates for property taxes
- Amounts paid by the state to offset the cost to allow a developmentally disabled

family member to remain in the home. Any other exclusions included in the [HUD Handbook 4350.3, REV-1, Chapter 5, Exhibit 5-1](#)

- Income requirements do not apply to program participants who are being served under Emergency Shelter or Street Outreach activities.

Costs are considered ‘reasonable’ if they do not exceed what a prudent person would incur under similar circumstances. All costs must pass the ‘rational person’ test by meeting all of the following criteria (2 CFR 200.400):

- The cost would be recognized as ordinary and necessary for the operation of the organization and/or project.
- The cost is in accordance with market prices for comparable goods or services as evidenced by cost estimates and documentation.
- The individuals responsible for incurring the cost acted with prudence and for the benefit of the organization and its activities.
- The cost has been incurred after following the established practices of the organization, in accordance with the terms and conditions of the award.

### ***Housing Relocation and Stabilization Services***

NC ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

### **The following services require an HMIS / DV Client identifying number:**

- Housing stability case management
- Housing search and placement
- Mediation
- Legal services
- Credit repair

**Housing Stability Case Management:** While providing Homelessness Prevention or Rapid Rehousing Assistance, the following requirements apply:

- HUD Requires (24 CFR 576.105 (2)) assistance not to exceed 30 days during the period the program participant is seeking permanent housing and cannot

exceed 24 months during the period the program participant is living in permanent housing.

- HUD requires (24 CFR 576.401(e)) the subrecipient to meet with the participant not less than once per month to assist the program participant in ensuring long-term housing stability (unless the Subrecipient is exempt from this requirement under the Violence Against Women Act (VAWA) or the Family Violence Prevention and Services Act which prohibit making its shelter or housing conditional on the participant's acceptance of services); and
  - Subrecipients should not pass this HUD subrecipient mandate onto program participants. This is not a HUD mandate requiring program participants participation.
- Develop a plan to assist the program participant to retain permanent housing after the NC ESG assistance ends (24 CFR 576.105(2)(g)), considering all relevant considerations such as the participant's current or expected income and expenses; other public or private assistance for which the participant will be eligible and likely to receive; and the relative affordability of available housing in the area.

**Housing Search and Placement:** NC ESG funds may be used for services or activities designed to assist individuals or families in locating, obtaining, and retaining suitable permanent housing include the following:

- Assessment of housing barriers, needs, and preferences
- Development of an action plan for locating housing;
- Housing search;
- Outreach to and negotiation with landlords/property owners;
- Assistance with submitting rental applications and understanding leases;
- Assessment of housing for compliance habitability, lead-based paint, and rent reasonableness;
- Assistance with obtaining utilities and making moving arrangements
- Tenant counseling

**Mediation:** NC ESG funds may pay for mediation between the program participant and the owner or person(s) with whom the program participant is living, provided that the mediation is necessary to prevent the program participant from losing permanent housing in which the program participant currently resides.

**Legal Services:** NC ESG funds may pay for legal services, as set forth in § 576.102(a)(1)(vi), except that the eligible subject matters also include landlord/tenant matters, and the services must be necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely result in the program

participant losing the permanent housing in which the program participant currently resides.

**Credit Repair:** NC ESG funds may pay for credit counseling and other services necessary to assist program participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, and resolving personal credit problems. This assistance does not include the payment or modification of a debt.

### *Financial Assistance*

- Rent application fees
- Security and utility deposits
- Last month's rent
- Utility payments
- Moving costs

**Rental application fees:** NC ESG funds may pay for the rental housing application fee that is charged by the owner to all applicants

**Security deposits:** NC ESG funds may pay for a security deposit that is equal to no more than 2 months' rent. In concert with the requirements regarding rental assistance payments, security and utility deposits covering the same period in which assistance is being provided through another housing subsidy program are eligible, as long as they cover separate cost types. One example of this would be providing a security deposit for a participant receiving a HUD VA Supportive Housing (VASH) voucher, which provides rental assistance and services.

If a security deposit was paid for a participant who must move, the security deposit refunded to the participant must be considered in developing the subsidy plan for any future assistance provided.

NC ESG funds will pay pet security deposits and/or pet rent. Funds are limited to no more than two pets per household. **Prior approval is required by the NC ESG Office.**

ESG funds may not be used to pay the costs of fees associated with purchasing surety bonds when residents are required to pay these fees to the surety bond company for enrollment in the surety bond program.

**Last month's rent:** If necessary, to obtain housing for a program participant, the last month's rent may be paid from NC ESG funds to the owner of that housing at the time the owner is paid the security deposit and the first month's rent. This assistance must not exceed one month's rent and must be included in calculating the program participant's total rental assistance, which cannot exceed 24 months during any 3-year period.

**Utility deposits:** NC ESG funds may pay for a standard utility deposit required by the utility for all customers for the utilities listed under the utility payment section

**Utility payments:** NC ESG funds may pay for up to 24 months of utility payments per program participant, per service, including up to 6 months of utility payments in arrears, per service a partial payment of a utility bill counts as one month. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments.

Eligible utility services are gas, electric, water, and sewage. No program participant shall receive more than 24 months of utility assistance within any 3-year period.

**Moving cost assistance:** NC ESG funds may pay for moving costs, such as truck rental or hiring a moving company. This assistance may include payment of temporary storage fees for up to 3 months, provided that the fees are accrued after the date the program participant begins receiving assistance for services (housing search & placement and/or case management) and before the program participant moves into permanent housing. Payment of temporary storage fees in arrears is not eligible.

### **Short- and Medium-Term Rental Assistance**

May be provided under rapid rehousing and homeless prevention.

- Short-term: up to three months
- Medium-term: four to 24 months
- Rental Arrears: One-time payment of up to six months rental arrears, including late fees on the arrears

**Use with other subsidies:** Except for a one-time payment of rental arrears on the tenant's portion of the rental payment, rental assistance cannot be provided to a program participant who is receiving tenant-based rental assistance, or living in a housing unit receiving project-based rental assistance or operating assistance, through other public sources. Rental assistance may not be provided to a program participant who has been provided with replacement housing payments under the URA during the period covered by the URA payments.

### ***Restrictions***

Rental units must comply with:

- Fair Market Rent (FMR) limits (24 CFR Part 888) and Rent Reasonableness (24 CFR 982.507)
- Rental Assistance Agreements. The subrecipient can make rental assistance payments only to an owner with whom the sub recipient has entered into a rental assistance agreement. The rental assistance agreement must set forth the terms under which rental assistance will be provided, including the requirements that apply under this section. The rental assistance agreement must provide that, during the term of the agreement, the owner must give the sub recipient a copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant.
- Lead-Based Paint and Minimum Habitability Standards. All housing occupied by NC ESG

program participants must be inspected for lead-based paint in accordance with 24 CFR 35. NC ESG funds must be used to help participants obtain or maintain housing that meets minimum habitability standards (24 CFR 576.403).

- **Maximum Assistance.** The maximum period for which any program participant may receive NC ESG services must not exceed 24 months during any three-year period.
- **Late payments.** The sub recipient must make timely payments to each owner in accordance with the rental assistance agreement. The rental assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease. The sub recipient is solely responsible for paying late payment penalties that it incurs with non-NC ESG funds.
- **Lease.** Each program participant receiving rental assistance must have a legally binding, written lease for the rental unit, unless the assistance is solely for rental arrears, between the owner and the program participant. Where the assistance is solely for rental arrears, an oral agreement may be accepted in place of a written lease, if the agreement gives the program participant an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by the owner's financial records, rent ledgers, or canceled checks.
- **Tenant-based rental assistance.** A program participant who receives tenant-based rental assistance may select a housing unit in which to live and may move to another unit or building and continue to receive rental assistance, as long as the program participant continues to meet the program requirements.
  - The recipient may require that all program participants live within a particular area for the period in which the rental assistance is provided.
  - The rental assistance agreement with the owner must terminate and no further rental assistance payments under that agreement may be made if:
    - The program participant moves out of the housing unit for which the program participant has a lease;
    - The lease terminates and is not renewed; or
    - The program participant becomes ineligible to receive NC ESG rental assistance.

### **Lead-Based Paint Requirements**

The Subrecipient is required to follow all lead-based paint requirements. Refer to the Housing Stabilization Habitability Standards checklist for all lead-based paint unit requirements.

## **SECTION 7: HMIS AND COMPARABLE DATABASE**

HMIS or DV comparable database participation is a requirement to receive NC ESG funds, therefore costs associated with contributing data to the HMIS or comparable database are eligible for reimbursement. Activities must comply with HUD's standards on participation, data collection and reporting, including compliance with HUD's "HMIS Data Dictionary" and "HMIS Data Manual" (24 CFR 576.107).

Costs are considered 'reasonable' if they do not exceed what a prudent person would incur under similar circumstances. All costs must pass the 'rational person' test by meeting all of the following criteria (2 CFR 200.400):

- The cost would be recognized as ordinary and necessary for the operation of the organization and/or project.
- The cost is in accordance with market prices for comparable goods or services as evidenced by cost estimates and documentation.
- The individuals responsible for incurring the cost acted with prudence and for the benefit of the organization and its activities.
- The cost has been incurred after following the established practices of the organization, in accordance with the terms and conditions of the award.

### ***Eligible Activities for Subrecipients***

- Hardware, equipment and software costs
- Purchasing or leasing computer hardware
- Purchasing software or software licenses
- Purchasing or leasing equipment, including telephones, taxes, and furniture (under \$500 per item)
- Salaries for operating the HMIS/comparable database
- Data collection and reporting
- Completing data entry
- Monitoring and reviewing data quality
- Completing data analysis
- Training staff on using the HMIS or comparable database:
- Implementing and complying with HMIS/comparable database requirements
- Training and overhead
- Obtaining technical support
- Leasing office space (must obtain prior approval)
- Paying charges for electricity, gas, water, phone service and high-speed data transmission necessary to operate or contribute data to the HMIS/comparable database. (must obtain prior approval)
- Paying costs of staff to travel to and attend HUD-sponsored and HUD-approved training on HMIS/comparable database and programs authorized by Title IV of the McKinney-Vento Homeless Assistance Act
- Paying staff travel costs to conduct intake
- Paying participant fees charged by the HMIS/comparable database lead agency



***Eligible Activities for Lead Agencies***

- Hosting and maintaining HMIS/comparable database software or data
- Backing up, recovering, or repairing HMIS/comparable database software or data
- Administering the HMIS/comparable database system
- Providing reports and information to service providers, the CoC, HUD, and/or the NC ESG office
- Conducting training on using the system or a comparable database, including travel
- Assessing if Domestic Violence/ victim services providers databases are HMIS comparable and providing verification to NC ESG

Note – HMIS 2021 Data Standards go into effect October 1, 2020.

## **SECTION 8: OVERHEAD / INDIRECT COSTS (24 CFR 576.109)**

NC ESG funds may be used to pay indirect costs in accordance with OMB Circulars A-87 (2 CFR part 225) and A-122 (2 CFR part 230), as applicable. Indirect costs may be allocated to each eligible component, so long as the allocation is consistent. The indirect costs charged to a component subject to an expenditure limit must be added to the direct costs charged for that component when determining the total costs subject to the expenditure limit.

NC ESG subrecipients may request up to 15% of their NC ESG funds for indirect costs in accordance with OMB requirements.

### **General Management/Oversight/Coordination**

- Other costs for goods and services required for the administration of the program, including rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space
- Training on NC ESG Requirements: Costs of attending trainings on NC ESG requirements and attending HUD- sponsored NC ESG trainings

Note: Staff and overhead costs directly related to carrying out eligible services and operating activities (street outreach, HMIS, Rapid Rehousing and Prevention) are considered program costs, not administration costs, subject to cost principles in OMB Circulars A-87 (2 CFR 225) and A-122 (2 CFR 230). These costs are not subject to the administrative cap, however are limited to 15% of a subrecipient's total grant award.

## **SECTION 9: RECORDS TO MAINTAIN – CLIENT FILES 24 CFR 576.500**

Client files must be created, and forms completed, at entry and maintained throughout the duration, using the most up to date forms from the DHHS\_DAAS\_NC ESG website.

Deviations from the minimum **required** documentation standards **must** be approved by the NC ESG Office prior to use.

NOTE – In each file, the order of the forms are expected to be in the order in the checklist.

### **NC ESG Emergency Shelter Client File Checklist (Shelter)**

This checklist should be included in all shelter client files. It is a list of all forms that should be included in shelter client files and should be used as a guide for the required content and order of shelter client files.

### **NC ESG Emergency Street Outreach Client File Checklist (Street Outreach)**

This checklist should be included in all street outreach client files. It is a list of all forms that should be included in street outreach client files and should be used as a guide for the required content and order of street outreach client files.

### **NC ESG Rapid Rehousing Client File Checklist (RRH)**

This checklist should be included in all Rapid Rehousing client files. It is a list of all forms that should be included in Rapid Rehousing client files and should be used as a guide for the required content and order of Rapid Rehousing client files.

### **NC ESG Prevention Client File Checklist (Prevention)**

This checklist should be included in all prevention client files. It is a list of all forms that should be included in prevention client files and should be used as a guide for the required content and order of prevention client files.

## **NC ESG Ineligible Client File Checklist (Ineligible)**

This checklist should be included in all ineligible client files. It is a list of all forms that should be included in ineligible client files and should be used as a guide for the required content and order of ineligible client files.

## **NC ESG Verification of Homeless Status**

### **(Shelter, Street Outreach, RRH, Prevention, Ineligible)**

The agency must complete this form to indicate current living situation and provide the appropriate documentation based on category of homelessness. This form is required for requisition reimbursement.

- 24 CFR 576.500 (b) Homeless status. The recipient must maintain and follow written intake procedures to ensure compliance with the homeless definition in § 576.2. The procedures must require documentation at intake of the evidence relied upon to establish and verify homeless status. The procedures must establish the order of priority for obtaining evidence as third-party documentation first, intake worker observations second, and certification from the person seeking assistance third. However, lack of third-party documentation must not prevent an individual or family from being immediately admitted to emergency shelter, receiving street outreach services, or being immediately admitted to shelter or receiving services provided by a victim service provider. Records contained in an HMIS or comparable database used by victim service or legal service providers are acceptable evidence of third-party documentation and intake worker observations if the HMIS retains an auditable history of all entries, including the person who entered the data, the date of entry, and the change made; and if the HMIS prevents overrides or changes of the dates on which entries are made.

## **NC ESG Street and Shelter Intake**

### **(Shelter, Street Outreach)**

The agency will conduct a comprehensive intake with the household. The intake gathers required demographic and homelessness data which will function as the basis for creating the housing plan. This serves as the foundation for resource coordination and resolution of the housing crisis.

## **NC ESG RRH and Prevention Intake Form**

### **(RRH, Prevention)**

The agency will conduct a comprehensive intake with the household. The intake gathers required demographic and homelessness data which will function as the basis for creating the housing plan. This serves as the foundation for resource coordination and resolution of the housing crisis.

### **NC ESG Third Party Verification of Client's Income**

#### **(RRH, Prevention)**

This form is the preferred documentation for client income. For prevention clients, all sources of household income (for all adult members) must be verified and documented at intake and every 3 months to determine program eligibility. To be eligible for assistance, gross household income must be below 30% area median income (AMI) for the county in which the household is residing. This could include pay statements from an employer, statement of income from government agency, statement from SSI or other public assistance agency.

For rapid rehousing clients, all sources of household income (for all adult members) must be verified at the 12-month reassessment.

### **NC ESG Client Self Certification of Income**

#### **(RRH, Prevention)**

If Form 3.5 cannot be obtained, clients may provide income verification through self-certification. Staff must have attempted to obtain third party verification prior to using this form.

### **NC ESG Income Certification**

#### **(RRH, Prevention)**

All income should be included on this form to determine if a household meets the income guidelines for the program. For prevention clients, this form should be completed at intake and every 3 months to determine program eligibility. For rapid rehousing clients, this form should be completed at the 12-month reassessment.

### **NC ESG Housing Barriers Matrix and Initial Housing Stabilization Plan**

#### **(Shelter, Street Outreach, RRH, Prevention)**

This barriers matrix should be completed to determine a client's level and type of housing barriers which will inform the housing plan. The housing plan should be used as a guide for both the household and service agencies to address the housing crisis.

### **NC ESG Stabilization Action Plan Monthly Update**

**(RRH, Prevention)**

This form is used for the required monthly updates of the Housing Stabilization Plan. This will document steps that the agency and the household have taken towards obtaining stable housing.

### **NC ESG Rental Assistance Agreement**

**(RRH, Prevention)**

This is an agreement between the agency and the landlord to provide detailed information on the rental assistance to be provided by the agency. A copy of the client's current lease and/or new lease must also be included with this form.

### **NC ESG Rent Reasonableness Checklist and Certification**

**(RRH, Prevention)**

This form demonstrates that the unit rent is reasonable in relation to rents currently being charged for comparable units in the private, unassisted market and is not more than rents currently being charged by the owner for comparable, unassisted units.

### **NC ESG HUD VAWA Form 5380**

**(RRH, Prevention)**

This form notifies clients who have experienced domestic violence of their rights as applicants of the ESG program and as tenants of a housing unit.

### **NC ESG HUD VAWA Form 5381**

**(RRH, Prevention)**

This form notifies clients who have experienced domestic violence of their rights regarding an emergency request to transfer from one housing unit to another.

### **NC ESG HUD VAWA Form 5382**

#### **(RRH, Prevention)**

This form notifies clients who have experienced domestic violence of the agency's right to request documentation regarding the incidents of domestic violence.

### **NC ESG HUD VAWA Form 5382**

#### **(RRH, Prevention)**

This form is used when clients who have experienced domestic violence are requesting an emergency transfer from one housing unit to another. It details the requirements of requesting a transfer and the necessary documentation that must accompany the request.

### **NC ESG Housing Stabilization Minimum Habitability Standards Checklist**

#### **(RRH, Prevention)**

This form must be completed to verify that the housing unit identified meets minimum habitability standards established by HUD.

### **NC ESG Emergency Response Minimum Habitability Standards Checklist**

#### **(Shelter)**

This form must be completed to verify that emergency shelters meet minimum habitability standards established by HUD. This form does not need to be kept in the client file.

### **NC ESG Client Exit Form**

#### **(Shelter, Street Outreach, RRH, Prevention)**

The agency will conduct an exit interview with the household. The exit form gathers required demographic and housing data to show client status at the time of exit.



## **SECTION 10: REIMBURSEMENTS REQUESTS**

Subrecipients must submit an NC ESG Requisition on monthly basis, regardless of drawdown of funds (“zero” requisition), until the contracted amount is expended on or before December 31, 2021. January 2021 – October 2021 requisitions must be submitted and approved by December 15, 2021. January – October 2021 requisitions will not be paid in 2022. Additionally, subrecipients must have at least one requisition leading to a disbursement of NC ESG funds per quarter. (24 CFR 576.202(b))

### ***Records to Maintain – Costs Incurred***

| <b>Type of Cost Incurred</b>  | <b>Acceptable Forms of Documentation<br/>(both Cost Incurred and Proof of Payment are required)</b>  |   |
|---|--|---|
|   | <b>Cost Incurred</b>   | <b>Proof of Cleared Payment</b>   |
| <ul style="list-style-type: none"> <li>• Bills paid</li> <li>• Services performed</li> <li>• Materials purchased</li> </ul> | <ul style="list-style-type: none"> <li>• Invoice</li> <li>• Receipt</li> </ul>   | <ul style="list-style-type: none"> <li>• Copy of checks, bank statement or check register with NC ESG payments highlighted</li> </ul> |
| <ul style="list-style-type: none"> <li>• Travel costs</li> </ul>  | <ul style="list-style-type: none"> <li>• Travel request which includes date(s) of travel, from/to, purpose of travel, supporting documentation</li> </ul>                    | <ul style="list-style-type: none"> <li>• Copy of checks, bank statement or check register with NC ESG payments highlighted</li> </ul> |
| <ul style="list-style-type: none"> <li>• Employee Compensation</li> </ul>   | <ul style="list-style-type: none"> <li>• Timesheets</li> <li>• Pay stub listing pay periods, employee listed, last four digits of SSN</li> <li>• Payroll register</li> </ul> | <ul style="list-style-type: none"> <li>• Copy of pay stub</li> <li>• Bank statement with NC ESG payments highlighted</li> </ul>       |

### ***Request for Reimbursement***

NC ESG funds are provided on a reimbursement basis only. Eligible expenses must be incurred and paid, for eligible program participants and activities under an eligible component. **Reimbursements will be made within thirty (30) business days of an approved requisition submission.**

Before Subrecipients can request reimbursement for Program Year 2021, the following criteria must be met:

- All prior year (if applicable) NC ESG funds must be expended or recaptured; and
- All previous and current compliance issues are resolved (i.e., Subrecipient is “in compliance”).

If the above criteria are met and the Subrecipient has expended funds on eligible NC ESG activities, the Subrecipient may request reimbursement using the requisition forms located at

<https://www.ncdhhs.gov/divisions/aging-and-adult-services/nc-emergency-solutions-grant/nc-emergency-solutions-grant-%E2%80%932>

## Requisition Submissions

- Email the requisition to the NC ESG Community email: [NCESG@dhhs.nc.gov](mailto:NCESG@dhhs.nc.gov)
- Requisitions submitted to other email addresses will not be accepted
- Only one email per Subrecipient, per month, will be accepted; exceptions may be made with prior approval from the NC ESG Office.
- All requisition documents should be sent via one PDF in the order required by the NC ESG Requisition Checklist.
  - **Any payment made by the organization, to a vendor for more than \$2,500, the organization must submit the cancelled check with the invoice.**
  - Include corresponding HMIS # (or client identifying #) on all documents, redacting all personal identifying information to preserve client confidentiality.
- Requisitions are processed in the order received. **Once requisitions are processed, they cannot be recalled.**
- All questions regarding requisitions should be submitted to [NCESG@dhhs.nc.gov](mailto:NCESG@dhhs.nc.gov)

## Requisition Timeline

- Requisition submission must be received by the NC ESG Office no later than 45 days after the last billing day of the month, for which the reimbursement is being requested.
- If approved: the requisition will be submitted for reimbursement to the State Controller office.
- If discarded: Subrecipient's financial contact, Executive Director, and/or authorized signer, will receive discard notification and reason for discard by email (see correction process below for resubmission prior to deadline)
- Reimbursements will be made within thirty (30) business days of an approved requisition submission.

## Discard Process

(Requisitions should be reviewed prior to submission in order to reduce the risk of discard)

- Requisitions will be discarded if found incomplete, incorrect, or received after the 45-day submission deadline.
- The discarded requisition will be returned by email indicating reason for discard.
- Three discarded requisitions within one program year, will result in a desk monitoring concern notation in the Subrecipient's contract file.

## Corrections

- The Subrecipient can correct the discarded requisition. The correction must be made and resubmitted to the NC ESG community email address: [NCESG@dhhs.nc.gov](mailto:NCESG@dhhs.nc.gov) prior to the 45-day submission deadline.

*Keep in mind, if the subrecipient waits until the 45-day submission deadline of the requisition and it is discarded, the subrecipient may not be able to resubmit the requisition or have it processed for reimbursement.*

If the Subrecipient discovers an error or omission after submitting a requisition request:

- Send an email to [NCESG@dhhs.nc.gov](mailto:NCESG@dhhs.nc.gov) requesting the submission be discarded;
- Wait for notification from the NC ESG Office that the requisition has been discarded;
- Resubmit the full requisition including the corrected or additional information

### ***Submission Requirements***

Requisition Submissions must be timely, accurate and include the following:

- A submission in order of the NC ESG Checklist
- Include corresponding HMIS / Client Identifying # on all documents. To preserve client confidentiality, names and other client identifiers (Names, DOB, SS#, etc.) should be redacted.
- Include all client information documentation, including:
  1. Verification of Homelessness/Imminent Risk of Homelessness
    - a. Send in the month opened for services and at start of a new contract year (for continuing clients) – not every month
  2. Signed Lease
    - a. Send in the month that lease is signed for Rapid Rehousing or in the month when the client receiving Homeless Prevention services began, and at start of new contract year (for continuing clients) – not every month
  3. Verification of Income – (Prevention Only)
    - a. Send in the month when the client receiving Homeless Prevention services began and at start of new contract year (for continuing clients) – not every month
- Include all financial information documentation, including:
  1. Corresponding HMIS / Client Identifying # on all documents. To preserve client confidentiality, names and other client identifiers (Names, DOB, SS#, etc.) should be redacted
  2. Copy of the bill or an invoice
  3. Copy of a check or check stub and a copy of the ledger with line items highlighted
    - a. Payroll check stubs are acceptable in lieu of a copy of a check
    - b. Canceled checks and bank statements will be required for monitoring
  4. When a credit card is used, submit the receipt or the credit card bill with the line item highlighted

**A submission of ineligible expenses renders the entire requisition request ineligible.**

If the Subrecipient provides emergency response and/or housing stability activities to ineligible participants using NC ESG funds or NC ESG matching funds, the Subrecipient may be required reimburse the State for those funds from a non-NC ESG funding source.

### ***Budget Amendments***

- Subrecipients can request a budget amendment in order to change funding amounts within the approved contract. The following examples are acceptable types of budget amendment requests:
  - Movement of funding between budget categories within the same component – for example, from Rapid Rehousing Financial Assistance to Rapid Rehousing services, as long as the Subrecipient moves funds within the 60%-40% requirement.
  - Movement of funding between budgets from one component to another, if the 60% - 40% split is maintained. For example, from Emergency Shelter to Rapid Rehousing.
- One budget amendment is allowed per grant quarter.
- The budget amendment must be submitted to NC ESG Office on the budget amendment request form with the following:
  1. Budget Amendment Request Form
  2. Justification on Subrecipient letterhead
  3. Submit electronically to [NCESG@DHHS.NC.GOV](mailto:NCESG@DHHS.NC.GOV)
- Subrecipients will be unable to request reimbursement using the new budget until the amendment documents are received and executed by both parties.

### **Budget amendments will not be accepted after November 30th**

### **Requisition Best Practices**

- Review the entire requisition before submission
- Compile all required documents in the order outlined in the NC ESG Requisition Checklist and scan as one PDF file
- Review the scanned file to make sure it is legible
- Ensure adequate prep time for submission, allowing for resubmission of discarded requisition(s) if necessary

### ***Quarterly Reimbursements***

The Subrecipient must submit reimbursement requests once a month (regardless of drawdown

of funds / “zero” requisition) and request a minimum of one disbursement of funds per quarter until the contracted amount is expended on or before December 31, 2021.

Based on the amount requisitioned per quarter, the subrecipient will fall into one of the spending tier categories below:

|        | Quarter 1<br>April 15, 2021 | Quarter 2<br>July 15, 2021 | Quarter 3<br>November 15, 2021 | Year End,<br>December 31, 2021 |
|--------|-----------------------------|----------------------------|--------------------------------|--------------------------------|
| Tier 1 | 20%+                        | 40%+                       | 65%+                           | 95%+                           |
| Tier 2 | 12-19%                      | 30-39%                     | 55-64%                         | 65%-94%                        |
| Tier 3 | 0-11%                       | 29% and lower              | 54% and lower                  | 64% and lower                  |

Subrecipients will be monitored based on their disbursement percentage each quarter. This monitoring will be used to determine performance and future funding opportunities.

Subrecipients are required to exhaust the entire grant award on or before the end of the fourth quarter (December 31, 2021). The NC ESG Office has the discretion to recapture a portion or all remaining NC ESG funds as of this deadline.

The use of other funding sources (i.e. City ESG Entitlement Funds, CoC Funds, CSBG, etc.) cannot be combined with NC ESG funds. It is recommended that NC ESG subrecipients work together to design projects that use funds from one funding source (State, City, County, etc.) to support 100 percent of the NC ESG costs for each household. Other program participants can be assisted with other sources of funds.

## **SECTION 11: COMPLIANCE MONITORING (See Addendum for Covid Modifications)**

The NC ESG office will on-site monitor a minimum of 20% of the total NC ESG Subrecipients every year (24 CFR 576.500(z)). New subrecipients will be monitored within the first year of their grant agreement. On-site monitoring visits allow NC ESG program staff to verify program compliance, to review financial records, and to review administrative structures and practices. Results of on-site monitoring visits are shared with the subrecipient organizations. Back-up documentation that is submitted with monthly reimbursement requests is also reviewed throughout the program year.

Program compliance, HMIS / Comparable database usage, and data integrity will also be subject to regular and random monitoring by NC ESG staff. Monitoring of subrecipients may be conducted by the NC ESG Office, local HUD Office of Community Planning and Development, HUD's Office of Special Needs Assistance Programs, HUD's Office of Inspector General, HUD's Office of Fair Housing and Equal Opportunity, or other federal / state agencies to determine whether the subrecipient complied with the requirements of the NC ESG program. NC ESG staff will monitor Subrecipients by conducting on-site compliance reviews and desk audits to track a Subrecipient's program compliance, ensure accurate spending of NC ESG funds, prevent fraud and abuse, and identify technical assistance needs.

Subrecipients are expected to make available all participant level, financial, and program records for periodic review. Significant deficiencies in file content or quality will result in required Plans of Corrective Action, with possible loss of allocated funds upon discovery of continuing deficiencies. While it is the practice of the NC ESG Office to request randomly selected files prior to a monitoring visit, files must be available on demand and produced within a reasonable amount of time after on-site arrival. The reasonable amount of time will be determined based on the number of files requested, generally between 15–30 minutes.

### ***Desk Monitoring***

NC ESG program staff will review source documentation for at least one requisition (reimbursement) request per Subrecipient, per quarter. For the quarterly review, staff will review all supporting documentation for accuracy and eligibility. Each Subrecipient will have at least 4 requisition requests per year reviewed. Desk Monitoring may also include the review of client files, program policies and procedures, financial policies, etc.

Points are assigned to each of the contract performance measures, these accumulated points then are used for award determinations.

|                           |           |
|---------------------------|-----------|
| Fiscal audits =           | 5 points  |
| Client File Audits =      | 5 points  |
| QPR (CAPER) Submissions = | 10 points |
| Requisition submissions = | 10 points |

Findings and Concerns are deducted from the points assigned to the respective category. Findings = 3 point deduction / Concerns = 2 point deduction.

Findings are violations of Federal ESG requirement(s), including HEARTH statute, HUD regulations, or relevant regulations of other federal agencies. If a Finding is identified,

Corrective Actions are required. They do not negate the fact that a Finding was identified. The Corrective Action is required to ensure the Finding is corrected. If not corrected, a Finding may result in repayment of HUD funds to the State.

### ***On-Site Compliance Visits***

On-site compliance visits will be conducted at the location designated by NC ESG staff. The four primary goals of the on-site compliance visit are to:

1. Ensure productivity and accountability
2. Ensure compliance with the Emergency Solutions Grant (NC ESG) which includes participant eligibility, eligible activities, unit requirements, financial management, data collection and reporting and other federal requirements;
3. Evaluate organizational and project performance; and
4. Executed NC ESG Contract

### **Announced Visit**

The announced site visit is scheduled by the NC ESG program staff with the Subrecipient. Once the visit is scheduled, the Subrecipient will be provided written guidance which details the expectations for the visit.

### **Unannounced Visit**

NC ESG staff members have the right to conduct unannounced visits. Unannounced site visits are conducted based on certain factors, including but not limited to, agency's prior history with NC ESG, concerns/deficiencies noted in Subrecipient's client files, desk monitors, and/or financial statements, outcome of an announced visit, and fulfilling grant requirements such as timely and accurate requisition submissions. It is the Subrecipient's responsibility to notify the NC ESG Office of changes in business hours or if the Subrecipient will be closed for an extended amount of time. The general time limit to produce these files or other requested materials is 15-30 minutes.

### ***Electronic Files***

If the Subrecipient elects to maintain electronic files in lieu of paper files, the Subrecipient will be required to print off all required documentation for compliance visits, including case notes and/or housing stability plans. As with all files, the time limit to produce these files is 15-30 minutes.

### ***Habitability Standards***

NC ESG funded emergency shelters and all units receiving housing stabilization financial assistance must meet basic habitability standards as detailed in 24 CFR 576.403. Emergency shelters and identified units will be inspected during on-site visits to ensure compliance with the minimum habitability standards. The NC ESG staff will note any deficiencies found in the post monitoring letter, and the Subrecipient will need to provide documentation/photographs indicating that the issues have been corrected. Prior to the site visit, subrecipients are responsible

for notifying clients of the pending inspection.

While NC ESG Emergency Response Minimum Habitability Standards Checklist is not required for inclusion in Shelter Client Files, per 24 CFR part 576.403, emergency shelters must meet minimum safety, sanitation, and privacy standards. Therefore, habitability inspections must occur in April, July, and November of each year.

### ***Exit Interview***

At the conclusion of the site visit, NC ESG staff will discuss the findings of the visit with the appropriate Subrecipient staff member(s). The Subrecipient will be given the opportunity to discuss the findings as well as any other questions and concerns with the NC ESG staff.

### ***Compliance Violations***

If the Compliance Monitoring results in finding(s) or concern(s) the NC ESG office will record that the Subrecipient is out of compliance per HUD (24 CFR 576.501) in its Monitoring report issued to the subrecipient within 30 business days of the monitoring. Until the NC ESG office has verified that the identified issue(s) has/have been resolved, funding could be suspended. Contract Non- Compliance will be noted in Subrecipient's records, and may affect current and / or future application cycles.

The Subrecipient will have the ability to submit a Corrective Action Plan (CAP). The CAP is one of several tools available to the NC ESG Office to help ensure a subrecipient fulfills their responsibilities under the contract and to ensure the project is completed, in the required manner. Contract provisions, the findings identified, and the nature of the circumstances will help the NC ESG Office determine whether a CAP is appropriate or if other remedial options available per HUD are appropriate.

The CAP must contain the proposed corrective action(s) for the finding(s) identified. The CAP must delineate a clear understanding and ownership of each "root cause" or deficiency related to a finding, a detailed description and ownership of the corrective action(s), the process for tracking and reporting the status of CAP completion, planned effectiveness review activities to ensure successful resolution, and planned prevention activities to avoid a recurrence.

The items to be addressed in a CAP should include:

- Description of all corrective actions / tasks and completion schedules
- Dependencies between corrective actions, if any (i.e. corrective action B cannot begin until corrective action A is complete)
- Resources required (i.e. time, personnel and technology)
- Allocation of responsibility – the individual responsible for overall CAP completion and the individuals responsible for each corrective action / task
- Plans for monitoring, tracking and reporting progress towards completing the CAP
- Corrective action deliverable(s) / measure(s) / indicator(s) that will provide objective evidence that the corrective action is successfully completed
- Process for verifying completion and closure of the corrective action

- Description of the follow-up corrective action effectiveness review to be conducted to ensure successful resolution of the deficiency and prevention of recurrence

### ***Fiscal Sponsors***

The NC ESG staff will monitor fiscal sponsors for compliance. Fiscal Sponsors are responsible for ensuring the compliance and reporting of their sub-contractors with all NC ESG program regulations as well as:

- Reimburse NC ESG sub-contractors for eligible NC ESG activities
- Submit reimbursement requests to the State on behalf of its subcontractors
- Serve as the central point of contact for all reporting requirements
- Conduct monitoring visits and training opportunities for subcontractors
- Act as the point of contact for NC ESG Office monitoring visits

### ***Appeal Process***

The subrecipient has the right to appeal an adverse decision. The appeal must be filed within 30 business days from notification of the adverse decision. *The appeal must specifically address the adverse decision, must list the reasons for the appeal, and include all proposed solutions.* The NC ESG Office has 30 business days to respond to the Subrecipient's appeal.

The appeal is reviewed by the Division Section Chief, and a decision is rendered. The Subrecipient may request a second appeal request within 30 business days of receipt of the decision.

The second appeal is reviewed by the Deputy Secretary or his/her designee (i.e. the Division Director) The Deputy Secretary has 30 business days to respond. The Subrecipient may request a third appeal within 30 business days of receipt of the Deputy Secretary's decision.

Should a third appeal be requested, the Subrecipient may file an appeal with the NC Office of Administrative Hearings. NC DHHS will notify legal counsel, who will then notify the Attorney General's Office of the appeal. The hearing will be held and the Administrative Law Judge will render a decision. The Subrecipient may request further action by appealing to the North Carolina Superior Court.

## **SECTION 12: NC ESG GRANT CLOSE OUT**

At the end of the contract period or once awarded funds have been exhausted, the Subrecipient will certify the following on the NC ESG approved form, the link to the form can be found in Appendix C.

- The financial requirements as described in the NC ESG contract have been performed in accordance with the terms and conditions of the executed agreement and applicable statutory and regulatory requirements.
- That there are no known outstanding programmatic or financial issues.
- All data provided on the grant close out form fairly and accurately reflect costs and sources of funds that were taken from NC ESG approved reports and other project-related documents.

## **SECTION 13: ESG QUARTERLY REPORTS**

NC ESG is dedicated to the goal of ending homelessness across North Carolina. To better understand the progress towards this goal, high quality data is needed from NC ESG funded organizations. The ESG Office expects a report 30 days following the end of each contract quarter.

The chart below indicates the time period and due date for the reports submitted each quarter.

| <b>Report</b> | <b>Reporting Time Period</b>   | <b>Due Date</b>  |
|---------------|--------------------------------|------------------|
| Q1            | January 1 – March 31, 2021     | April 30, 2021   |
| Q2            | January 1 – June 30, 2021      | July 31, 2021    |
| Q3            | January 1 – September 30, 2021 | October 31, 2021 |
| Q4            | January 1 – December 31, 2021  | January 31, 2022 |

The only quarterly submission at this time is a CAPER. Upon submission, the report(s) submitted is reviewed to ensure accuracy. During the review, the report is/are either accepted or discarded.

### **Discard Process**

Reports should be reviewed prior to submission to reduce risk of discard.

- Reports will be discarded, in its entirety, if found to contain Format Errors, Prompt Errors, Missing data / info, or received after the submission deadline.
- The discarded reports must be corrected and resubmitted prior to the submission deadline.
- Reports discarded after the submission deadline will affect NC ESG Contract compliance and Performance Measures.

| <b>HMIS/Comparable Database Report Status</b> |  |
|---|--|
| <b>Status</b>                                 | <b>Definition</b>  |
| Useable                                       | Report did not have any prompt or formatting                                       |
| Format Error                                  | Report was not submitted in PDF format (PDF for CAPER and Excel for other reports) |
| Prompt Error                                  | Report prompts were not completed correctly (e.g., incorrect dates entered)        |
| Missing                                       | Report was not submitted in Smartsheet by the submission deadline                  |
| N/A (Not applicable)                          | Report was not required for the project type                                       |



## **SECTION 14: PERFORMANCE MEASUREMENTS**

### **1. MEASURE DATA**

|                         |   |
|-------------------------|---|
| <u>Measure</u>          | Data Entry – 100% of the ESG CAPER, by the designated deadline.   |
| <u>Explanatory note</u> | Subrecipients must collect and ensure data entry into a HMIS/compatible data system.  |
| <u>Compliance</u>       | It is a requirement of HUD that all NC ESG subrecipients provide accurate data to the NC ESG Office by the designated deadline. |

### **2. MEASURE DATA**

|                         |   |
|-------------------------|---|
| <u>Measure</u>          | 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.) |
| <u>Explanatory note</u> | Program compliance must be followed as a condition of funding.  |
| <u>Compliance</u>       | Subrecipient must meet or exceed 80% of program compliance.   |

### **3. MEASURE DATA**

|                         |  |
|-------------------------|--|
| <u>Measure</u>          | 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. |
| <u>Explanatory note</u> | Requests for allocated fund reimbursement must be made monthly and all funds used by the close of the contract period.   |
| <u>Compliance</u>       | Subrecipient will assure that all funds allocated are requisitioned monthly and spent within the terms of the contract.  |

#### 4. MEASURE DATA

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 effect overall spending.

Compliance

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

## 5. MEASURE DATA

|                         |   |
|-------------------------|---|
| <u>Measure</u>          | Training Attendance - Attendance at trainings held via webinar, conference calls, face-to-face etc.                 |
| <u>Explanatory note</u> | The trainings provided by the NC ESG Office enhance compliance, coordinated and effectiveness of program execution. |
| <u>Compliance</u>       | Subrecipient will attend 80% of the NC ESG Office facilitated trainings between January 1 and December 31.          |

## **SECTION 15: FINANCIAL REQUIREMENTS AND PROCUREMENT**

In accordance with 24 CFR 570.500, each recipient of NC ESG funding must have sound financial management systems in place to ensure the appropriate, accurate and timely financial transactions.

The financial policy should be consistent, it should not allow manipulation of processes and systems. All the staff members should consistently adhere to the financial policy. A consistent policy will ensure better accountability, transparency, better information dissemination and timely reporting.

NC ESG Subrecipient Financial policies should be able to answer the following:

### **1) Internal controls:**

- Does your agency have a written set of policies and procedures that define staff qualifications and duties, lines of authority, separation of functions, and access to assets and sensitive documents?
- Does your agency have written accounting procedures for approving and recording transactions?
- Are financial records periodically compared to actual assets and liabilities to check for completeness and accuracy?
- Does the financial policy include a written process for NC ESG Requisitions and reimbursements?

### **2) Accounting records:**

- Does your agency maintain an adequate financial accounting system, the basic elements of which should include?
  - Chart of accounts
  - General ledger
  - Cash receipts journal
  - Cash disbursements journal
  - Payroll journals
  - Payable and receivable ledgers
- Does your accounting system provide reliable, complete, and up-to-date information about sources and uses of all funds?

- Are “trial balances” performed on a regular basis (at least quarterly)?

### **3) Allowable costs:**

- Does your agency have a clearly defined set of standards and procedures for determining the reasonableness, allowability, and allocability of costs incurred that’s consistent with the basic Federal rules (OMB Circulars A-87 or A-122)?
- Does your agency know which specific types of expenditures are prohibited under the NC ESG program?
- Are costs are considered ‘reasonable’ as they would not exceed what a prudent person would incur under similar circumstances. All costs should pass the ‘rational person’ test by meeting all of the following criteria (2 CFR 200.400):
  - The cost would be recognized as ordinary and necessary for the operation of the organization and/or project.
  - The cost is in accordance with market prices for comparable goods or services as evidenced by cost estimates and documentation.
  - The individuals responsible for incurring the cost acted with prudence and for the benefit of the organization and its activities.
  - The cost has been incurred after following the established practices of the organization, in accordance with the terms and conditions of the award.

### **4) Source documentation:**

- Does your agency maintain up-to-date files of original source documentation (receipts, invoices, canceled checks, etc.) for all of your financial transactions?

### **5) Budget controls:**

- Does your agency maintain an up-to-date (approved) budget for all funded activities, and perform a comparison of that budget with actual expenditures for each budget category?
- Does your agency regularly compare progress toward the achievement of goals with the rate of expenditure of program funds?

### **6) Cash management:**

- Does your agency have a regular procedure for accurately projecting the cash needs of the organization that will serve to minimize the time between the receipt of funds from the grantee and their actual disbursement?

### **7) Financial reporting:**

- Is your agency able to provide accurate, current, and complete disclosure of the financial results of each Federally-sponsored project or program in accordance with the reporting requirements of the grantee and HUD?

## **8) Audits:**

- When was your last Independent Public Accountant (IPA) audit and what were the results?
- Does your agency have a copy of the management letter?
- If you did not have an independent public accountant audit, what is the process for certifying your organizations financial stability, including roles and duties of those involved in the process.

### ***Spending Deadline***

Subrecipients are required to exhaust the entire grant award on or before the end of the fourth quarter (December 31, 2018). The NC ESG Office has the discretion to recapture a portion or all remaining NC ESG funds as of this deadline.

### ***OMB Audit Requirements***

Subrecipients that expend \$750,000 or more in federal funds (as a collective whole from all of their federal awards) in a fiscal year must be audited in accordance with the requirements of 2 CFR 200.501, and provide a copy of such audit to NC ESG Office and to the Federal Audit Clearinghouse.

### *Uniform Administrative Requirements*

Cost Principles, and Audit Requirements for Federal Awards set forth in 2 CFR 200 establishes standards and guidelines for the procurement of supplies, equipment, construction, and services to ensure that they are obtained as economically as possible through an open and competitive process, and that contracts are managed with good administrative practices and sound business judgment. The regulations include:

- Standards that prohibit conflicts of interest;
- Procedures for open competition with consistent technical solicitations;
- Affirmative efforts to hire minority- and women-owned enterprises;
- Maintenance of selection documentation; and
- Contract administration system that provides sufficient monitoring.

The guidelines on procurement are summarized as follows:

- Subrecipients can use their own procurement procedures as long as those procedures conform to the provisions of the regulations;
- Subrecipients must maintain a system to handle disputes, protests, and other matters arising out of its contracts; maintain a code of conduct to prevent conflicts of interest (personal, financial, and organizational); and use solicitations which are clear and accurately describe the materials, products, or services being procured
- Subrecipients must use some form of cost or price analysis in connection with each of its procurements. They must be able to justify procurements awarded on a non-competitive basis and justify the awarding of procurements by bid on the basis of other than the lowest bid.
- Subrecipients must initiate positive efforts to use small and minority-owned businesses to the maximum extent possible; include all applicable contract provisions in contracts; and not use the cost-plus-percentage of cost contracts.
- If the subrecipient has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the subrecipient must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the subrecipient is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.
- The subrecipient's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of

lease versus purchase alternatives, and any other appropriate analysis to determine the most economical

## **SECTION 16: OTHER FEDERAL REQUIREMENTS**

### *Conflict of Interest*

- Requirements (24 CFR 576.404) (2 CFR Part 200.112). The provision of any type or amount of NC ESG assistance may not be conditioned on an individual's or family's acceptance or occupancy of emergency shelter or housing owned by the subrecipient, or a parent or subsidiary of the subrecipient. No subrecipient may, with respect to individuals or families occupying housing owned by the subrecipient, or any parent or subsidiary of the subrecipient, carry out the initial evaluation required under 24 CFR 576.401 or administer homelessness prevention assistance under 24 CFR 576.103.
- **The subrecipient must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.** No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the subrecipient may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, the subrecipient may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the subrecipient.
- If the subrecipient has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, **the subrecipient must maintain written standards of conduct covering organizational conflicts of interest.** Organizational conflicts of interest mean that because of relationships with a parent company, affiliate, or subsidiary organization, the subrecipient is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.
- HUD Procedure for Individual Conflicts of Interest Conflicts Prohibited. No persons (as described in persons covered) who exercise or have exercised any functions or responsibilities with respect to NC ESG activities or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the component, or have an interest or benefit from the component, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.
- Persons Covered - The conflict of interest provisions applies to any person who is an employee, agent, volunteer, consultant, officer, elected official or appointed official of:
  - the State and/or,

- a unit of general local government and/or,
- any designated public agencies representative and/or
- subrecipients receiving NC ESG funds.

### ***Nondiscrimination and Equal Opportunity Requirements***

Subrecipients must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a). In addition, subrecipients must make known that NC ESG rental assistance and services are available to all on a nondiscriminatory basis and ensure that all citizens have equal access to information about NC ESG and equal access to the financial assistance and services provided under this program.

Persons who, because of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English (“limited English proficient persons” or “LEP”) may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 (Title VI) and its implementing regulations, the subrecipient agrees to take reasonable steps to ensure meaningful access to activities for LEP persons. Any of the following actions could constitute “reasonable steps”, depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices, acquiring interpreters for face to face interviews with LEP persons, placing advertisements and notices in newspapers that serve LEP persons, partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the project, hiring bilingual employees or volunteers for outreach and intake activities, contracting with a telephone line interpreter service, etc.

In addition, all notices and communications shall be provided in a manner that is effective for persons with hearing, visual, and other communication related disabilities consistent with section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.6. If the procedures that the subrecipient intends to use to make known the availability of the rental assistance and services are unlikely to reach persons of any race, color, religion, sex, age, national origin, familial status, or disability who may qualify for such rental assistance and services, the subrecipient must establish additional procedures that will ensure that such persons are made aware of the rental assistance and services.

### ***Affirmatively Furthering Fair Housing***

Under section 808(e) (5) of the Fair Housing Act, HUD has a statutory duty to affirmatively further fair housing. HUD requires the same of its funding recipients. Subrecipients will have a duty to affirmatively further fair housing opportunities for classes protected under the Fair Housing Act. Protected classes include race, color, national origin, religion, sex, disability, and familial status. Examples of affirmatively furthering fair housing include: (1) marketing the program to all eligible persons, including persons with disabilities and persons with limited English proficiency; (2) making buildings and communications that facilitate applications and service delivery accessible to persons with disabilities (see, for example, HUD’s rule on effective communications at 24 CFR 8.6); providing fair housing counseling services or referrals to fair housing agencies; (4) informing participants of how to file a housing discrimination complaint, including providing the toll-free number for the Housing Discrimination Hotline: 1-800- 669-9777; and (5) recruiting landlords and service providers in areas that expand housing choice to program participants.

## **APPENDIX A: NC ESG RESOURCES**

The HUD NC ESG Resources Page is the central hub for all NC ESG information, where you can access NC ESG-applicable laws, regulations, and notices, plus NC ESG Program guides, tools, and webinars. These are all excellent resources to help staff learn or better understand the program.

### ***Key Concepts and Requirements***

- [Eligible Activities for NC ESG Rapid Rehousing and Homelessness Prevention Activities](#)
- [Eligible Participants for NC ESG Rapid Rehousing and Homelessness Prevention Activities](#)
- [Requirements for Rental Assistance Agreements and Leases Under NC ESG](#)
- [NC ESG Requirements for Case Management to Help Ensure Housing Stability: Rapid Re- Housing and Homelessness Prevention Assistance](#)
- [Assigning Essential Services to the Appropriate Program Component](#)
- [Emergency Shelters: Distinguishing Between Renovation/Conversion and Maintenance Activities](#)
- [Using Contractors in the NC ESG and CoC Programs](#)
- [NC ESG Minimum Habitability Standards for Emergency Shelters and Permanent Housing](#)
- [NC ESG Rent Reasonableness and Fair Market Rent](#)
- [Applicable Requirements for Rental Assistance and Housing Relocation and Stabilization Services Matrix](#)

### ***Eligibility and Documentation***

Understanding the *homeless* and *at risk of homelessness* definitions can be challenging for some communities – especially when it comes to determining and documenting eligibility for NC ESG Rapid Rehousing and Homelessness Prevention assistance. It is critical that recipients and subrecipients are evaluating individuals and families for assistance correctly – not only for compliance purposes but also to ensure that NC ESG funds are being used to serve those most in need of assistance. The following materials can help providers correctly determine and document program participant eligibility:

- [At Risk Status and Income: Recordkeeping Requirements Webinar for NC ESG Grantees](#)
- [Homeless Status: Recordkeeping Requirements Webinar](#)
- [Determining Homeless and At-Risk Status, Income and Disability Webinar](#)
- [The Homeless Definition and Eligibility for SHP, SPC, and NC ESG](#)
- [Criteria and Recordkeeping Requirements for Definition of Homelessness](#)
- [Criteria for Definition of At Risk of Homelessness](#)
- [SNAPS-Shot: Eligible Participants for NC ESG Rapid Rehousing and Homelessness Prevention Activities](#)

- [Homeless Emergency Assistance and Rapid Transition to Housing \(HEARTH\): Defining "Chronically Homeless" Final Rule](#)

- [SNAPS In Focus: Final Rule on Defining "Chronically Homeless" Part II: Policy and Practical Implications of the New Definition](#)

### ***Data Collection, Reporting, & Planning***

There are multiple data collection and reporting systems that are relevant for NC ESG recipients and subrecipients, including the Homeless Management Information System (HMIS), and the Sage HMIS Reporting Repository (Sage). The following materials can help recipients and subrecipients understand these various data collection and reporting system requirements:

#### ***HMIS***

- [NC ESG Program HMIS Manual](#)
- [CoC APR and NC ESG CAPER HMIS Programming Specifications](#)

#### ***Sage***

- [Sage NC ESG CAPER Guidebook for NC ESG-funded Programs](#)
- [NC ESG CAPER: Sage HMIS Reporting Repository Template](#)
- [Sage Guidance for NC ESG subrecipients Webinar](#)
- [Sage Guidance for NC ESG Subrecipients Webinar](#)

### ***Important Cross-Cutting Concepts***

Some cross-cutting programmatic practices are required by the NC ESG regulations, such as consultation with Continuums of Care (CoCs) and participation in coordinated entry. HUD strongly encourages recipients and subrecipients to adopt other key program elements, such as emphasizing Rapid Rehousing, implementing a low-barrier approach to emergency shelter, and using a Housing First model. While not all are NC ESG Program-specific, the following resources can assist recipients and subrecipients to understand and incorporate these important practices into their communities' efforts to end homelessness:

- [SNAPS In Focus: Rapid Rehousing As a Model and Best Practice](#)
- [NAEH Low Barrier Emergency Shelter Series](#)
- [HUD and USICH: Core Principles of Housing First and Rapid Rehousing Webinar](#)
- [Coordinated Entry Policy Brief](#)
- [Coordinated Entry Requirements and Checklist of Essential Elements](#)
- [SNAPS In Focus: Improving our Crisis Response System](#)
- [Coordination and Collaboration for CoCs and Con Plan Jurisdictions Guide and Video](#)
- [Emergency Solutions Grants State Recipient Consultation with Continuums of Care](#)
- [FY 2016 CoC-Con Plan Jurisdiction and NC ESG Recipient Crosswalk](#)
- [Disaster Recovery Homelessness Toolkit](#)
- [Disease Risks and Homelessness](#)

## *NC ESG FAQs*

Through the publication of Frequently Asked Questions (FAQs), HUD offers clarifying information and guidance that may not be stated as explicitly elsewhere. All NC ESG Program FAQs are available on the [NC ESG Program FAQs](#) page.

## APPENDIX B: WRITTEN STANDARDS CHECKLIST

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. The following guidelines must be followed when developing these Standards. 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.

| ALL PROGRAMS  |
|---|
| 1. Standards include the area of service where assistance shall be offered.   |
| 2. Standards include all type(s) of assistance that will be offered through the NC ESG program.   |
| 3. Standards summarize the procedure in place that defines how program participants will be evaluated for eligibility of assistance under the NC ESG program. (Note: DV shelters must follow the requirements of the Violence Against Women Act and the Family Violence Prevention and Services Act which prohibits agencies from making its shelter or housing conditional on the participant's acceptance of service) |
| 4. Standards include procedures describing the coordination (coordinated entry) emergency shelter providers, essential services providers, homelessness prevention, and Rapid Rehousing assistance providers, other homeless assistance providers, and mainstream service and housing providers.  |
| 5. Standards include a list of available programs that program participants will be referred, including all programs reflected in 576.400 (b) and (c) such as Shelter + Care, VASH Voucher, Section 8, Emergency Food and Shelter program, etc. if available to program participants in the agency's area of service.   |
| 6. Standards describe the formal termination process established by the agency that recognizes the rights of individuals affected. The agency must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases.   |
| 7. Standards describe the program participant's formal grievance process. Included shall be the right for the participant to contact the agency's Director, the Housing Division or HUD.  |
| 8. Standards include summaries regarding the requirement that clients served and activities provided with NC ESG funds will be entered into HMIS (or comparable database if a DV shelter), the timeframe for data to be entered, and the process for ensuring confidentiality of client records.  |
| 9. Standards include steps used to ensure clients receiving NC ESG assistance are provided all applicable HMIS releases, forms, client complaint process, etc. as required by HMIS regulations.   |



**STREET OUTREACH/ EMERGENCY SHELTER-OPERATIONS/EMERGENCY SHELTER-ESSENTIAL SERVICES**

1. Standards include a summary of how agency staff will target and provide services related to street outreach.
2. Standards include steps for admission, diversion, referral, and discharge by emergency shelters assisted under NC ESG, including standards regarding length of stay limits, if any, and safeguards to meet the safety and shelter needs of special populations, such as victims of Domestic Violence / Victim Service Provider, sexual assault, etc.
3. Standards include steps for admission, diversion, referral and discharge by emergency shelters assisted under NC ESG for individuals and families who have the highest barriers to housing and are likely to be homeless the longest.
4. Standards include assessing, prioritizing, and reassessing individuals and families' needs for essential services related to emergency shelter.

**HOMELESS PREVENTION AND RAPID REHOUSING**

1. Standards shall include definitions of who is considered to be homeless and at-risk of homelessness, as defined in 576.2.
2. Standards include a process for determining and prioritizing which eligible families and individuals will receive homeless prevention or Rapid Rehousing assistance.
3. Standards include standards for determining what percentage or amount of rent and utilities costs each program participant must pay while receiving homelessness prevention or rapid re- housing assistance.
4. Standards include process for evaluating and documenting income eligibility since program participant's income must be **below 30% of area median income** as established by HUD for the area in which the participant lives when entering the program. Agencies must follow guidelines found under 24 CFR 5.609 when calculating income.
5. Standards include the steps to determine the eligibility of rental assistance, including steps to determine that rent + utilities do not exceed Fair Market Rents for the area of service.
6. Standards include how agency staff will document FMR and rent reasonableness standards, lead based paint inspections, and housing inspections. Included shall be procedures to verify and document the age of the units built before 1978 may contain lead-based paint.
7. Standards include steps for determining how long a program participants will be provided rental assistance and whether or not (and how) the amount of that assistance will be adjusted over time, if applicable.
8. Standards include steps for determining the type, amount, and duration of housing stabilization and/or relocation services to provide to a program participant, including the limits, if any, on the homelessness prevention or Rapid Rehousing assistance that each program participant may receive, such as the maximum amount of assistance, the maximum number of months the program participant receives assistance, or the maximum number of times the program participant may receive assistance.

|   |
|---|
| <p>9. Standards that includes the requirements of program participants to meet with a case manager not less than once per month to assist the program participant in ensuring long-term housing stability (and be documented in client case file and HMIS). Included shall be the agency’s plan to assist the program participant to retain permanent housing after the NC ESG assistance ends, taking into account all relevant considerations such as the program participant’s current or expected income and expenses, other public or private assistance for with the program participant will be eligible and likely to receive, and the relative affordability of available housing in the area. (Note DV shelters must follow the requirements of the Violence Against Women Act or the Family Violence Prevention and Services Act which prohibits agencies from making its shelter or housing conditional on the participants acceptance of service.)</p> |
| <p>10. Standards include requirements that clients will be re-evaluated for program eligibility and the types and amounts of assistance the program participant needs. This re-evaluation process shall be conducted not less than once every 3 months for program participants receiving homelessness prevention assistance and not less than once annually for program participants receiving rapid re-housing assistance. Income limits shall not exceed 30% of AMI; the participants still lacks the resources and support networks necessary to retain housing.</p>  |
| <p>11. Standards shall include any requirements the agency may have regarding the requirement of the program participant to notify the agency of any change in income, stability, support circumstances that would affect the program participant’s need for assistance under the NC ESG program. If applicable, when notified of the relevant change, the agency shall include steps to re-evaluate the program participant’s eligibility and amount and types of assistance the program participant needs.</p>  |
| <p>12. If the program participant receives rental assistance or housing relocation and stabilization services, the Standards shall include the formal process for terminating a program participant that includes: 1) Written notice to the program participant containing a clear statement of the reasons for termination; 2) a review of the decision, in which the participant is given the opportunity to present written or oral objections before a person other than the person who made or approved the termination decision; and 3) prompt written notice of the final decision to the program participant. <b><i>Included shall be language stating that termination does not bar the program participant from receiving assistance at a later date if the issue that caused the termination is resolved.</i></b></p>  |

### **COORDINATED ENTRY (24 CFR 576.400)**

CoC's coordinated entry process meets the requirements (below) established by the CoC Program interim rule.

- CES covers the entire geographic area claimed by the CoC.
- CES is easily accessed by individuals and families seeking housing or services.
- CES is well-advertised.
- CES includes a comprehensive and standardized assessment tool(s).
- CES provides an initial, comprehensive assessment of individuals and families for housing and services.
- CES includes a specific policy to guide the operation of the centralized or coordinated assessment system to address the needs of individuals and families who are fleeing, or attempting to flee, Domestic Violence / Victim Service Provider, dating violence, sexual assault, or stalking, but who are seeking shelter or services from non-victim specific providers.

## **APPENDIX C: EMERGENCY TRANSFER PLAN CHECKLIST**

The Continuum of Care is required to have an Emergency Transfer Plan in place in cases of domestic violence, dating violence, sexual assault, or stalking where a household deems their current unit an unsafe living situation. A victim may request an emergency transfer from their current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation. Providers shall publicly post the Emergency Transfer Plan on its website and in a conspicuous location on its premises.

The Plan should include the following definitions:

- **Internal Emergency Transfer:** refers to an emergency relocation of a tenant to another unit where the tenant would not be categorized as a new applicant; that is, the tenant may reside in the new unit without having to undergo an application process.
- **External Emergency Transfer:** refers to an emergency relocation of a tenant to another unit where the tenant would be categorized as a new applicant; that is the tenant must undergo an application process in order to reside in the new unit.
- **Safe Unit:** refers to a unit that the victim of domestic violence, dating violence, sexual assault, or stalking believes is safe.

Aside from these definitions, the Emergency Transfer Plan must include the following elements:

1. A tenant receiving rental assistance through, or residing in a unit subsidized under, a covered housing program who is a victim of domestic violence, dating violence, sexual assault, or stalking qualifies for an emergency transfer if:
  - a. The tenant expressly requests the transfer; and
  - b. The tenant reasonably believes there is a threat of imminent harm from further violence if the tenant remains within the same dwelling unit that the tenant is currently occupying; or
  - c. In the case of a tenant who is a victim of sexual assault, either the tenant reasonably believes there is a threat of imminent harm from further violence if the tenant remains within the same dwelling unit that the tenant is currently occupying, or the sexual assault occurred on the premises during the 90-calendar-day period preceding the date of the request for transfer.

2. The plan must detail the measure of any priority given to tenants who qualify for an emergency transfer under VAWA in relation to other categories of tenants seeking transfers and individuals seeking placement on waiting lists.
  - a. Tenant Selection Plans (TSPs) should be amended to include any VAWA preference (this does not require HUD approval).
3. The plan must incorporate strict confidentiality measures to ensure that the housing provider does not disclose the location of the dwelling unit of the tenant to a person who committed or threatened to commit an act of domestic violence, dating violence, sexual assault, or stalking against the tenant.
4. The plan must allow a tenant to make an internal emergency transfer under VAWA when a safe unit is immediately available.
  - a. The plan should define the term “immediately available.” For example, “a vacant unit, ready for move-in with a reasonable period of time.”
  - b. Include time frames, possible internal transfer locations, and priority status relative to other tenants seeking an internal transfer.
5. The plan must describe policies for assisting a tenant in making an internal emergency transfer under VAWA when a safe unit is not immediately available, and these policies must ensure that requests for internal emergency transfers receive, at a minimum, any applicable additional priority that housing providers may already provide to other types of emergency transfer requests (e.g., transfers based on disability).
6. The plan must describe reasonable efforts the housing provider will take to assist a tenant who wishes to make an external emergency transfer when a safe unit is not immediately available. The plan must include policies for assisting a tenant who is seeking an external emergency transfer under VAWA out of the housing provider’s program or project, and a tenant who is seeking an external emergency transfer under VAWA into the housing provider’s program or project. These policies may include:
  - a. Arrangements, including memoranda of understanding, with other housing providers to facilitate moves (such documents should be attached to the plan); and
  - b. Outreach activities to organizations that assist or provide resources to victims of domestic violence, dating violence, sexual assault, or stalking.

7. Nothing may preclude a tenant from seeking an internal emergency transfer and an external emergency transfer concurrently if a safe unit is not immediately available. *It is recommended that this policy be clearly stated in the plan.*
8. The plan should state that a request does not guarantee continued assistance or an external transfer to other HUD housing.
9. Where applicable, the plan must describe policies for a tenant who has tenant-based rental assistance (e.g., voucher) and who meets the requirements of #1 above to move quickly with that assistance.
  - a. Housing providers should coordinate with local providers of the tenant-based assistance (e.g., local PHA).
10. The plan may require documentation from a tenant seeking an emergency transfer, provided that:
  - a. The tenant's submission of a written request to the housing provider, where the tenant certifies that they meet the eligibility requirements to request a VAWA transfer, shall be sufficient documentation of the requirements necessary to request an emergency transfer;
  - b. The housing provider may, at its discretion, ask an individual seeking an emergency transfer to document the occurrence of domestic violence, dating violence, sexual assault, or stalking, in accordance with 24 CFR §5.2007, for which the individual is seeking the emergency transfer, if the individual has not already provided documentation of that occurrence; and
  - c. No other documentation is required to qualify the tenant for an emergency transfer.
11. The housing provider must make its emergency transfer plan available upon request and, when feasible, must make the plan publicly available.
12. Nothing in the plan may supersede any eligibility or other occupancy requirements that may apply under any other covered housing program.

With regard to #9 above, housing providers are not required to require documentation from a tenant claiming VAWA protection. Verbal requests may be accepted. However, if documentation will be required, the requirement (as outlined above) must be included in the plan.

The housing provider must keep a record of all emergency transfers requested under its plan, and the outcomes of such requests, and retain these records for a

period of three years, or for a time period as specified in program regulations. Requests and outcomes of such requests must be reported to HUD annually.

## **APPENDIX D: NC ESG FORMS & INFORMATION**

[NC ESG Client File Form Link](#)

[NC ESG Requisition Forms Link](#)

[NC Emergency Solutions Subrecipient Documents](#)

- **NC ESG Desk Guide**
- **Webinars / Tutorials**
- **Grant Close Out Form**
- **Corrective Action Forms**
- **Mileage Log**

## APPENDIX E: NC ESG PROGRAM ACRONYMS

| <b>NC ESG Acronyms</b> |  |
|------------------------|--|
| AH                     | Affordable Housing   |
| AHAR                   | Annual Homeless Assessment Report                          |
| AMI                    | Area (Annual) Median Income                                |
| APR                    | Annual Performance Report                                  |
| CAPER                  | Consolidated Annual Performance Evaluation Report          |
| CE                     | Coordinated Entry  |
| CH                     | Chronic Homeless   |
| CoC                    | Continuum of Care  |
| DAAS                   | Division of Aging and Adult Services                       |
| DHHS                   | Department of Health and Human Services                    |
| DV                     | Domestic Violence  |
| ES                     | Emergency Shelter  |
| NC ESG                 | Emergency Solutions Grants                                 |
| eSNAPS                 | Electronic data system for SNAP (see SNAP)                 |
| FMR                    | Fair Market Rent   |
| HEARTH                 | Homeless Emergency and Rapid Transition to Housing         |
| HIC                    | Housing Inventory Chart                                    |
| HMIS                   | Homeless Management Information Systems                    |
| HP                     | Homeless Prevention  |
| HSP                    | Homeless Service Provider                                  |
| HUD                    | U.S. Dept. of Housing and Urban Development                |
| PIT                    | Point In Time  |
| PSH                    | Permanent Supportive Housing                               |
| QPR                    | Quarterly Performance Report                               |
| RHY                    | Runaway & Homeless Youth                                   |
| RRH                    | Rapid Rehousing  |
| SH                     | Safe Haven   |
| SHP                    | Supportive Housing Program (includes TH, S+C, SPC and SRO) |
| SOAR                   | SSI/SSDI Outreach, Access, and Recovery Program            |
| SRO                    | Single Room Occupancy                                      |
| SSDI                   | Social Security Disability Income                          |
| SSO                    | Supportive Services Only                                   |
| SSVF                   | Supportive Services for Veteran Families Program           |
| SNAP                   | Special Needs Assistance Programs                          |
| TA                     | Technical Assistance                                       |
| TANF                   | Temporary Assistance to Needy Families                     |
| TBRA                   | Tenant Based Rental Assistance                             |
| UDE                    | Universal Data Elements                                    |
| USICH                  | U.S. Interagency Council on Homelessness                   |
| VASH                   | HUD-VA Supportive Housing Program                          |

|          |   |
|----------|---|
| VAWA     | Violence Against Women Act  |
| VI-SPDAT | Vulnerability Index Service Prioritization Decision Assistance Tool |
| VSP      | Victim Service Provider   |

## **APPENDIX E: NC ESG RENT REASONABLENESS AND FMR**

### OVERVIEW

The ESG program Interim Rule allows short- and medium-term rental assistance to be provided to eligible program participants only when the rent, including utilities (gross rent<sup>1</sup>), for the housing unit:

1. Does not exceed the Fair Market Rent (FMR) established by HUD for each geographic area, as provided under 24 CFR 888 and 24 CFR 982.503; **and**
2. Complies with HUD’s standard of rent reasonableness, as established under 24 CFR 982.507.<sup>2</sup>

This requirement is in the ESG program Interim Rule at 24 CFR 576.106(d).

<sup>1</sup> Gross rent is the sum of the rent paid to the owner plus, if the tenant pays separately for utilities, the monthly allowance for utilities established by the public housing authority for the area in which the housing is located. For purposes of calculating the FMR, utilities include electricity, gas, water and sewer, and trash removal services but not cable or satellite television service, or internet service. If the owner pays for all utilities, then gross rent equals the rent paid to the owner.

<sup>2</sup> The rent must be reasonable when compared to other units of similar location, type, size, and amenities within the community.

## DETERMINING IF RENT IS ACCEPTABLE FOR ESG RENTAL ASSISTANCE

Whether a household is seeking to maintain its current housing or relocate to another unit to avoid homelessness (Homelessness Prevention), or exiting homelessness into new housing (Rapid Re-Housing), the process for determining acceptable rent amounts is the same:

- The recipient or subrecipient first compares the gross rent (see box below) for the current or new unit with current FMR limits, which are updated annually.
- If the unit's gross rent is at or below FMR, the recipient/subrecipient next uses current data to determine rent reasonableness (more information is provided below on how to determine and document this).

**If** the gross rent is at or below both the FMR **and** the rent reasonableness standard for a unit of comparable size, type, location, amenities, etc., ESG funds may be used to pay the rent amount for the unit.

**If** the gross rent for the unit exceeds either the rent reasonableness standard or FMR, ESG recipients are prohibited from using ESG funds for **any** portion of the rent, even if the household is willing and/or able to pay the difference. However, because the FMR and rent reasonableness requirements apply only to rental assistance, ESG funds may be used:

1. to pay for financial assistance and services to help the eligible program participant stay in the unit, or
2. to pay for financial assistance and services to locate and move to a different unit that meets the rent reasonableness standard and is at or below FMR and pay rental assistance in that unit.

Rent reasonableness and FMR requirements **do not apply** when a program participant receives only financial assistance or services under Housing Stabilization and Relocation Services. This includes rental application fees, security deposits, an initial payment of "last month's rent," utility payments/deposits, and/or moving costs, housing search and placement, housing stability case management, landlord-tenant mediation, legal services, and credit repair.

## WHAT IS THE FMR REQUIREMENT?

HUD establishes FMRs to determine payment standards or rent ceilings for HUD-funded programs that provide rental assistance, which it publishes annually for 530 metropolitan areas and 2,045 non-metropolitan county areas. Federal law requires that HUD publish final FMRs for use in any fiscal year on October 1—the first day of the fiscal year (FY). FMRs for each fiscal year can be found by visiting HUD’s website at [www.huduser.org/portal/datasets/fmr.html](http://www.huduser.org/portal/datasets/fmr.html) and clicking on the current “Individual Area Final FY20\_FMR Documentation” link. This site allows recipients/subrecipients to search for FMRs by selecting their state and county from the provided list. The site also provides detailed information on how the FMR was calculated for each area.

Recipients/subrecipients must consult the most current FMR published for their geographic area and document FMR for all units for which ESG funds are used for rental assistance.

To calculate the gross rent for purposes of determining whether it meets the FMR, consider the entire housing cost: rent plus the cost of utilities that must, according to the lease, be the responsibility of the tenant. Utility costs may include gas, electric, water, sewer, and trash. However, telephone, cable or satellite television service, and internet service are not included in FMRs, and are not allowable costs under ESG. The FMR also does not include pet fees or late fees that the program participant may accrue for failing to pay the rent by the due date established in the lease.

HUD sets FMRs to ensure that a reasonable supply of modest but adequate rental housing is available to HUD program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible.

**Note:** Once a unit is determined to meet the FMR and rent reasonableness requirements, ESG funds may be used to pay for the actual utility costs. The utility allowance calculation is only used to determine whether the unit meets the FMR standard.

Determining and Documenting FMR

Recipients/subrecipients must ensure that the rent for units assisted under the ESG Program does not exceed current HUD-published FMRs for their particular geographic region.

Determining FMR standards is straight forward; no geographic area has more than one FMR standard. However, if a recipient/subrecipient covers multiple cities or counties, they must use the appropriate FMR for the geographic area in which the assisted rental unit is located. Recipients/subrecipients should print and place in case files a copy of the applicable FMR data to document the FMR for that participant’s unit size and geographic area.

## WHAT IS THE RENT REASONABLENESS REQUIREMENT?

HUD's rent reasonableness standard is designed to ensure that rents being paid are reasonable in relation to rents being charged for comparable unassisted units in the same market. Methods of determining and documenting rent reasonableness are described in the section below. For units within the FMR limit, if a rent reasonableness determination supports a **lower** rent than the advertised rent, then ESG funds may not be used to rent the unit (unless the landlord is willing to lower the rent). However, as with FMR, ESG funds could be used to assist the program participant to move to a different unit that meets both the FMR and rent reasonableness standards. If the rent reasonableness determination supports the advertised rent (and is within the FMR limit), rental assistance with ESG funds may be provided for the unit, as long as all other program requirements are met.

### Determining and Documenting Rent Reasonableness

Recipients are responsible for determining what documentation is required in order to ensure the rent reasonableness standard is met. Recipients and subrecipients should determine rent reasonableness by considering the location, quality, size, type, and age of the unit, and any amenities, maintenance, and utilities to be provided by the owner. Comparable rents can be checked by using a market study of rents charged for units of different sizes in different locations or by reviewing advertisements for comparable rental units. For example, a participant's case file might include the unit's rent and description, a printout of three comparable units' rents, and evidence that these comparison units shared the same features (location, size, amenities, quality, etc.). Another acceptable method of documentation is written verification signed by the property owner or management company, on letterhead, affirming that the rent for a unit assisted with ESG funds is comparable to current rents charged for similar unassisted units managed by the same owner.

Recipients must establish their own written policies and procedures for documenting comparable rents and ensure that they are followed when documenting rent reasonableness in the case file. A recipient may require all subrecipients to use a specific form or a particular data source. Use of a single form to collect data on rents for units of different sizes and locations will make the data collection process uniform. A sample "Rent Reasonableness Checklist and Certification" form is available at:

[www.hud.gov/offices/cpd/affordablehousing/library/forms/rentreasonablechecklist.doc](http://www.hud.gov/offices/cpd/affordablehousing/library/forms/rentreasonablechecklist.doc)

**Note:** This sample form is used across different housing programs.

Before conducting its own study of rent levels in its community, a recipient/subrecipient should consult existing sources of rental housing data that can be used to establish comparable rents. The section below describes some different sources of information on rental units to help recipients and subrecipients meet rent reasonableness requirements. Each recipient must determine which approach is appropriate for its jurisdiction, given the size of its program, other housing programs it administers, local staff capacity, and other resources available within the community.

## Rental Housing Data Sources

**Public sources of data:** There may be organizations within the recipient’s jurisdiction that collect and aggregate data on the rental housing stock, such as a state or local Public Housing Agency (PHA) or the local Chamber of Commerce.

**Real estate advertisements and contacts:** Ads in newspapers or online are simple ways to identify comparable rents. The following are potential sources of information:

- Newspaper ads (including internet versions of newspaper ads);
- Weekly or monthly neighborhood or “shopper” newspapers with rental listings;
- “For Rent” signs in windows or on lawns;
- Bulletin boards in community locations, such as grocery stores, laundromats, churches, and social service offices;
- Real estate agents;
- Property management companies that handle rental property; and
- Rental Listing websites like:  
[www.apartmentguide.com](http://www.apartmentguide.com)  
[www.apartments.com](http://www.apartments.com)  
[www.forrentmag.com](http://www.forrentmag.com)  
[www.move.com/apartments/main.aspx](http://www.move.com/apartments/main.aspx)

**Rental market study:** A rental market study is an in-depth analysis of a particular rental market that is often prepared by independent organizations for specific communities. Commercial firms will frequently conduct these studies before developing rental housing in a particular location. They can provide a good source of data to use as the basis of a rent reasonableness policy. However, some rental market studies may be narrowly focused on a particular type of rental housing (such as housing for seniors or rental condominiums) and might be useful only for certain housing units assisted with ESG funds.

**Rental market survey:** A rental market survey provides a comparison of various landlords and property management companies in the area. Some local governments conduct surveys to assist with planning activities. Additionally, local associations of rental owners and managers may survey their members periodically and publish the results. Many of these surveys report average rents and/or rent ranges by the number of bedrooms and submarket location. However, such surveys frequently do not contain the detailed information required for rent reasonableness comparisons, such as amenities (free parking, laundry, etc.) or additional fees that must be paid. Rental market surveys are designed to show the overall picture of the rental market and may not be useful in evaluating the rent for a particular unit type.

**Rental database:** For HPRP, some grantees found it useful to build their own rental database in

order to perform more efficient searches for comparable rents. Building a rental database allows the majority of work to be completed on the front end, which increases the efficiency of making

rent reasonableness determinations and allows assistance to be provided more quickly. However, there are serious resource issues to consider for this option, including updating the data and maintaining the database, which can be labor-intensive and costly. If choosing this option, ESG recipients in close proximity to one another may choose to collaborate on a regional database.

### *Rural Housing Data Sources*

While there may be fewer rental units in rural areas than in urban and suburban areas, it is possible to find comparable rents for different unit types located in these areas using various data sources, including:

- **U.S. Department of Agriculture’s Rural Development Agency (USDA):** USDA provides direct and guaranteed loans for single and multi-family housing development in rural areas and for farm laborers. Contact information for Rural Development State and Local Offices or USDA Service Centers is available at [www.rurdev.usda.gov/recd\\_map.html](http://www.rurdev.usda.gov/recd_map.html). Each Rural Development Office, if it has a Rural Housing component, should provide information on the types of rental housing available in communities throughout the state, and include unit sizes and rental rates.
- **PHAs:** If a rural community is also under the jurisdiction of a PHA, the PHA may be a source of comparable rent data.
- **Real estate agents:** Local real estate agents are not only knowledgeable about real estate prices but often are a source of information on rental housing in the area. They may be able to extrapolate rent estimates based on the general cost of housing in the area. To find real estate agents active in particular communities, recipients can consult the National Association of Realtors on the web at [www.realtor.org](http://www.realtor.org). For demographic information on the housing stock, market trends, etc., recipients should access [www.realtor.org/research](http://www.realtor.org/research).

### COMPONENTS OF AN EFFECTIVE POLICY

For monitoring purposes, HUD will determine whether the recipient/subrecipient developed a written policy and followed that policy to determine and document that:

1. The rent was reasonable; **and**
2. The rent was within the established FMR limit.

The basis for the determination must be supported by the evidence documented in the case file. Therefore, adequate documentation will enable a supervisor or other entity charged with monitoring the program to readily identify the factors and process that resulted in the determination that each unit met HUD requirements.

Recipients’/subrecipients’ policies and procedures must be transparent and consistently applied across their program, and result in decisions that comply with HUD requirements. At a minimum, an effective policy includes a methodology, documentation requirements, staffing assignments, and strategies for addressing special circumstances.

This means that policies and procedures should provide step-by-step guidance on making

comparisons between the program participant's rent, the FMR, and the rent reasonableness standards for comparable units in that community. This includes the documentation to be included in each case file, such as forms and/or case notes from the staff making the

determination. For example, a recipient could create a policy where a provider must consider the rents of three comparable units and allow as “reasonable” only rents that fall within \$50 of the average of the three comparable rents. In this example, a rent could be paid that is slightly higher than some of the individual comparable units. That rent would still be considered “reasonable” under the recipient’s policy—but rent could only be paid if it is **also** at or below the FMR.

#### STAFF ROLES AND RESPONSIBILITIES

Recipients/subrecipients should have a procedure in place to ensure that compliance with rent reasonableness and FMR are documented prior to a check for rent being approved and/or prepared. The responsibility of determining and documenting each unit’s compliance with these standards may be assigned to one or more program staff, such as the case manager, clerical support staff, or a staff member who is assigned to conduct habitability inspections. One staff person may perform all the checks, or the tasks may be divided among more than one staff. For example, for rent reasonableness, one staff member could conduct a telephone survey of the property owner/landlords, while another searches rental databases for comparable properties.



NC DEPARTMENT OF  
**HEALTH AND HUMAN SERVICES**

Division of Aging and  
Adult Services

EMERGENCY SOLUTIONS GRANT-CV ADDENDUM



North Carolina Department of Health and Human Services

Division of Aging and Adult Services

2101 Mail Service Center Raleigh, NC 27699-2101

[NCESG@DHHS.NC.GOV](mailto:NCESG@DHHS.NC.GOV)

Last Updated September 2020

This section is intended to provide an overview of key items from the ESG-CV Notice. For full guidelines included in the [Waivers and Alternative Requirements for the Emergency Solutions Grants \(ESG\) Program Under the CARES Act](https://www.hud.gov/sites/dfiles/OCHCO/documents/20-08cpdn.pdf), please refer to the following link:  
<https://www.hud.gov/sites/dfiles/OCHCO/documents/20-08cpdn.pdf>

**SUMMARY:** These ESG-CV funds must be used to prevent, prepare for, and respond to coronavirus, among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts created by coronavirus.

## **DEFINITIONS**

***Prevent:*** An activity designed to prevent the initial or further spread of the virus to people experiencing homelessness, people at risk of homelessness, recipient or subrecipient staff, or other shelter or housing residents. This includes:

- PPE for staff and program participants
- Handwashing stations
- Portable toilets
- RRH and Prevention assistance

***Prepare for:*** An activity carried out by a recipient or subrecipient prior to or during a coronavirus outbreak to plan to keep people health and reduce the risk of exposure and avoid or slow the spread of disease. This includes:

- Updating written standards
- Adapting coordinated entry policies and procedures
- Developing a landlord recruitment strategy
- Training providers on disease prevention and mitigation
- Implementing non-congregate shelter strategy

***Respond to:*** An activity carried out once coronavirus has spread to people experiencing homelessness, provider staff, or once individuals/families lose or are at risk of losing housing due to economic downturn cause by coronavirus. This includes:

- Transportation to medical appointments
- Paying for shelter to isolate those who have contracted coronavirus
- Providing rental assistance to those affected by the economic downturn

- Providing hazard pay to staff

## **RULES, STATUTES, WAIVERS, AND ALTERNATIVE REQUIREMENTS**

*Waivers and alternative requirements shall be effective as of the date the State began preparing for coronavirus (March 10, 2020, for NC).*

Public Housing Agencies and local redevelopment authorities are eligible for ESG-CV funding.

### ***Obligation, Expenditure, and Recapture***

Twenty percent of the total award must be expended by September 30, 2021

Eighty percent of the total award must be expended by March 31, 2022.

If these deadlines are not met, HUD can recapture funds.

### ***Program Components and Eligible Activities***

The cap on Emergency Shelter and Street Outreach activities is waived. *Emergency shelter expenses must be incurred by January 31, 2022.*

Temporary Shelters are allowable until January 30, 2022; habitability inspection not required.

Eligible expenses include:

- Leasing existing property or structures
- Acquisition of real property
- Renovation including major renovation and conversion of real property into temporary shelters
- Shelter Operations costs
- Shelter services costs

Training on infectious disease prevention and mitigation for staff is an eligible program expense.

Hazard Pay is eligible for shelter intake staff, street outreach teams, shelter maintenance staff, shelter security staff, staff providing essential services, and staff in proximity to persons with coronavirus or working in locations with a high likelihood of contracting coronavirus.

Handwashing stations and portable bathrooms are eligible expenses for outdoor locations for those experiencing unsheltered homelessness.

Landlord Incentives (equal up to 3 months of rent) are an eligible expense, including:

- Signing bonuses up to 2 months of rent
- Security deposits up to 3 months of rent
- Paying the cost to repair damages incurred by the program recipient not covered by the security deposit or while participant is still residing in unit
- Paying costs of extra cleaning or maintenance of unit or appliances

Volunteer Incentives (cash or gift cards) are an eligible expense for all program activities.

Medium term rental assistance is defined as more than 3 months but not more than 12 months for persons who begin receiving rapid rehousing or prevention assistance. For persons who were already receiving assistance that reach their 24 month limit, this limit can be extended for an additional 6 months.

Units do not have to meet FMR but are required to meet rent reasonableness.

Hotel/motel costs are eligible for the following:

- Individuals/families experiencing homelessness where no appropriate shelter is available
- Individuals/families experiencing homelessness, Rapid rehousing recipients, homelessness prevention recipients, and PSH recipients who need to be isolated to keep from spreading the virus

- Repair damages caused by program participants above normal wear and tear of the room

HMIS waivers are extended throughout the ESG-CV period. HMIS funds can be used on non-ESG activities to the extent it is necessary to help the area prevent, prepare for, and respond to coronavirus. HMIS lead eligible expenses are extended to subrecipients.

### ***Program Compliance and Monitoring***

NC ESG-CV Subrecipients are required to comply and adhere to all program standards detailed in the NC ESG 2021 Desk Guide and the Emergency Solutions Grant - CV Addendum. All Subrecipients are subject to Compliance Monitoring Standards detailed in **SECTION II** of this guide. (24 CFR 576.500)

#### ***Virtual On-Site Compliance Visits***

All On-site compliance visits will be conducted “virtually” by the NC ESG Office. Subrecipients will receive written guidance and notification citing the date and time of the review and detailed a listing of required documents to be submitted to the NC ESG office prior to monitoring.

#### ***Announced Visit (Temporarily Suspended)***

The announced site visit is scheduled by the NC ESG program staff with the Subrecipient. Once the visit is scheduled, the Subrecipient will be provided written guidance which details the expectations for the visit.

#### ***Unannounced Visit (Temporarily Suspended)***

NC ESG staff members have the right to conduct unannounced visits. Unannounced site visits are conducted based on certain factors, including but not limited to, agency’s prior history with NC ESG, concerns/deficiencies noted in Subrecipient’s client files, desk monitors, and/or financial statements, outcome of an announced visit, and fulfilling grant requirements such as timely and accurate requisition submissions. It is the Subrecipient’s responsibility to notify the NC ESG Office of changes in business hours or if the Subrecipient will be closed for an extended amount of time. The general time limit to produce these files or other requested materials is 15-30 minutes.

### ***Program Requirements***

Funds are not subject to the CoC consultation requirements.

Requirement for coordination with other targeted homeless services is waived.

Requirement for coordination with mainstream resources is waived.

HMIS, CE, and written standard requirements are waived for the period of January 21, 2020 – June 30, 2020.

Waiver for housing stability case management is extended for the duration of the ESG-CV program.

Duplication of benefits is prohibited.

*Individuals and families experiencing homelessness must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, rental assistance, or other services provided with ESG-CV funds.*

### ***Reporting Requirements***

CAPER is required quarterly.

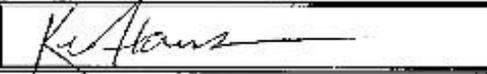


Grantee SF-424's and Certification(s)

OVB Number: 4040 0004  
 Expiration Date: 12/31/2022

| Application for Federal Assistance SF-424   |   |   |
|---|---|---|
| *1. Type of Submission:<br><input type="checkbox"/> Preapplication<br><input checked="" type="checkbox"/> Application<br><input type="checkbox"/> Changed/Corrected Application | *2. Type of Application:<br><input checked="" type="checkbox"/> New<br><input type="checkbox"/> Continuation<br><input type="checkbox"/> Revision | *3. Reason, select appropriate effect(s):<br>_____<br>* Other (Specify):<br>_____ |
| *3. Date Received: _____  | 4. Applicant Identifier: _____  |   |
| 5a. Federal Entity Identifier: _____  | 5b. Federal Award Identifier: _____   |   |
| <b>State Use Only:</b>  |   |   |
| 6. Date Received by State: _____  | 7. State Application Identifier: _____  |   |
| <b>8. APPLICANT INFORMATION:</b>  |   |   |
| *a. Legal Name: North Carolina Department of Commerce   |   |   |
| *b. Employer/Taxpayer Identification Number (EIN/TIN): 55-1611847   | *c. Organizational DUNS: 0426244150900  |   |
| <b>d. Address:</b>  |   |   |
| * Street:   | 381 N. Wilmington Street  |   |
| Street2:  | 4316 Mail Service Center  |   |
| * City:   | Raleigh   |   |
| County/Parish:  | Wake  |   |
| * State:  | NC: North Carolina  |   |
| Province:   |   |   |
| * Country:  | USA: UNITED STATES  |   |
| * Zip / Postal Code:  | 27609-4366  |   |
| <b>e. Organizational Unit:</b>  |   |   |
| Department Name: North Carolina Commerce  | Division Name: Rural Economic Development   |   |
| <b>f. Name and contact information of person to be contacted on matters involving this application:</b>   |   |   |
| Prefix: Mr.   | * First Name: Iris  |   |
| Middle Name: _____  |   |   |
| * Last Name: Payne  |   |   |
| Suffix: _____   |   |   |
| Title: State OMB Program Director   |   |   |
| Organizational Affiliation: State, Commerce   |   |   |
| * Telephone Number: (919) 814-4563  | Fax Number: (919) 715-0567  |   |
| * Email: ipayne@nccommerce.com  |   |   |

| Application for Federal Assistance SF-424  |  |
|--|--|
| <b>* 9. Type of Applicant 1: Select Applicant Type:</b><br><input type="text" value="State Government"/>   |  |
| <b>Type of Applicant 2: Select Applicant Type:</b><br><input type="text"/>   |  |
| <b>Type of Applicant 3: Select Applicant Type:</b><br><input type="text"/>   |  |
| <b>* Other (specify):</b><br><input type="text"/>  |  |
| <b>* 10. Name of Federal Agency:</b><br><input type="text" value="U.S. Department of Housing and Urban Development"/>  |  |
| <b>11. Catalog of Federal Domestic Assistance Number:</b><br><input type="text" value="14.214"/>   |  |
| <b>CFDA Title:</b><br><input type="text" value="Community Development Block Grant (CDBG) State/Small Cities"/>   |  |
| <b>* 12. Funding Opportunity Number:</b><br><input type="text"/>   |  |
| <b>* Title:</b><br><input type="text"/>  |  |
| <b>13. Competition Identification Number:</b><br><input type="text"/>  |  |
| <b>Title:</b><br><input type="text"/>  |  |
| <b>14. Areas Affected by Project (Cities, Counties, States, etc.):</b><br><input type="text"/> <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/> </div> |  |
| <b>* 15. Descriptive Title of Applicant's Project:</b><br><input type="text" value="The State of North Carolina will use Community Development Block Grant (CDBG) funds to address CDBG eligible activities including housing, public facilities/infrastructure, and economic development."/>                                    |  |
| Attach supporting documents as specified in agency instructions.<br><div style="display: flex; justify-content: space-around;"> <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="50-01"/>  | * b. Program/Project: <input type="text" value="411"/>  |
| 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="15/01/2021"/>  | * b. End Date: <input type="text"/>   |
| 18. Estimated Funding (\$):   |   |
| * a. Federal  | <input type="text" value="49,393,313.00"/>  |
| * b. Applicant  | <input type="text"/>  |
| * c. State  | <input type="text"/>  |
| * d. Local  | <input type="text"/>  |
| * e. Other  | <input type="text"/>  |
| * f. Program Income   | <input type="text"/>  |
| * g. TOTAL  | <input type="text" value="49,393,313.00"/>  |
| * 19. Is Application Subject to Review By State Under Executive Order 12372 Process?  |   |
| <input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/>   |   |
| <input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.   |   |
| <input checked="" type="checkbox"/> c. Program is not covered by E.O. 12372   |   |
| * 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)   |   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 28, Section 1001) |   |
| <input checked="" type="checkbox"/> ** 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" value="50"/>   | First Name: <input type="text" value="Kandy"/>  |
| Middle Name: <input type="text"/>   |   |
| Last Name: <input type="text" value="Flowers"/>   |   |
| Suffix: <input type="text"/>  |   |
| Title: <input type="text" value="Assistant Secretary"/>   |   |
| Telephone Number: <input type="text" value="(919) 814-4600"/>   | Fax Number: <input type="text" value="(919) 710-0567"/>   |
| Email: <input type="text" value="kandy.flowers@ncsu.edu"/>  |   |
| Signature of Authorized Representative:   | Date Signed: <input type="text" value="01/12/2021"/>  |

ASSURANCES - CONSTRUCTION PROGRAMS

GMB Number: 4040-0009  
Expiration Date: 32/20/2022

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20303.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

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

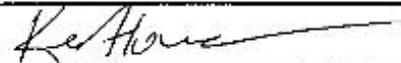
1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead Based Paint Poisoning Prevention Act (42 U.S.C. §§4901 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1693, and 1695-1696), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-618), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§525 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 cc 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

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Prescribed by GMS Circular A-102

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§ 276a to 276a-7), the Copeland Act (40 U.S.C. § 276c and 18 U.S.C. § 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11735; (c) protection of wetlands pursuant to EO 11980; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§ 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. § 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§ 469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 108(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

|   |                     |
|---|---------------------|
| SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL   | TITLE               |
|  | Assistant Secretary |
| APPLICANT ORGANIZATION  | DATE SUBMITTED      |
| North Carolina Department of Commerce   | 04/19/2021          |

SF-4240 (Rev. 7-97) Back

**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.

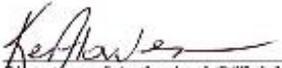
**Anti-Lobbying** --To the best of the State's knowledge and belief:

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-LLL, "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 135.

  
Signature of Authorized Official

4/22/21  
Date

Asst. Secretary  
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) 75% [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.

  
Signature of Authorized Official

4/22/21  
Date

Asst. Secretary  
Title

## APPENDIX TO CERTIFICATIONS

### INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:

#### **Lobbying Certification**

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.



NORTH CAROLINA  
**DEPARTMENT of  
COMMERCE**

Roy Cooper  
GOVERNOR

Machelle Baker Sanders  
SECRETARY

To: Kenny Flowers  
Assistant Secretary, Rural Economic Development Division

From: Machelle Baker Sanders  
Secretary, N.C. Department of Commerce

Re: Delegation of Signatory Authority (HUD)

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

*Machelle Baker Sanders*

---

Machelle Baker Sanders  
Secretary, N.C. Department of Commerce

Date: April 21, 2021

View Burden Statement

OMB Number: 4640-0046  
Expiration Date: 12/31/2022

| Application for Federal Assistance SF-424  |   |
|--|---|
| <b>*1. Type of Submission:</b><br><input type="checkbox"/> Preapplication<br><input checked="" type="checkbox"/> Application<br><input type="checkbox"/> Changed/Corrected Application             |   |
| <b>*2. Type of Application:</b> *If Revision, select appropriate item(s):<br><input type="checkbox"/> New<br><input checked="" type="checkbox"/> Continuation<br><input type="checkbox"/> Revision |   |
| *If Revision, select appropriate item(s):<br>[Text Box]<br>*Other (Specify):<br>[Text Box]   |   |
| <b>*3. Date Received:</b><br>[Text Box]  | <b>4. Applicant Identifier:</b><br>[Text Box]           |
| <b>5a. Federal Entity Identifier:</b><br>[Text Box]  | <b>5b. Federal Award Identifier:</b><br>5-21-00-07-0001 |
| <b>State Use Only:</b>   |   |
| <b>6. Date Received by State:</b> [Text Box]   | <b>7. State Application Identifier:</b> [Text Box]      |
| <b>8. APPLICANT INFORMATION:</b>   |   |
| <b>*4. Legal Name:</b> North Carolina DHS, Division of Aging and Adult Services  |   |
| <b>*1a. Employer/Taxpayer Identification Number (EIN/TIN):</b><br>85-1636462   | <b>*1c. Organizational DUNS:</b><br>0057050030000       |
| <b>d. Address:</b>   |   |
| <b>* Street1:</b> 2101 Rail Service Center   | [Text Box]  |
| <b>* Street2:</b>  | [Text Box]  |
| <b>* City:</b> Raleigh   | [Text Box]  |
| <b>* County/Parish:</b>  | [Text Box]  |
| <b>* State:</b>  | NC: North Carolina                                      |
| <b>* Province:</b>   | [Text Box]  |
| <b>* Country:</b>  | USA: UNITED STATES                                      |
| <b>* Zip / Postal Code:</b> 27609-2101   | [Text Box]  |
| <b>c. Organizational Unit:</b>   |   |
| <b>Department Name:</b> DC DHS   | <b>Division Name:</b> Aging and Adult Services          |
| <b>f. Name and contact information of person to be contacted on matters involving this application:</b>  |   |
| <b>* First Name:</b> Joseph  | [Text Box]  |
| <b>* Middle Name:</b> H.   | [Text Box]  |
| <b>* Last Name:</b> Green  | [Text Box]  |
| <b>* Suffix:</b>   | [Text Box]  |
| <b>* Title:</b> Section Chief  | [Text Box]  |
| <b>Organizational Affiliation:</b><br>LSS Manager  |   |
| <b>* Telephone Number:</b> 919-855-3435  | <b>* Fax Number:</b> 919-731-5893                       |
| <b>* Email:</b> joseph.green@dhs.nc.gov  |   |

| Application for Federal Assistance SF-424   |  |
|---|--|
| <p>* 9. Type of Applicant 1: Select Applicant Type:</p> <input type="text" value="State Government"/>   |  |
| <p>Type of Applicant 2: Select Applicant Type:</p> <input type="text"/>   |  |
| <p>Type of Applicant 3: Select Applicant Type:</p> <input type="text"/>   |  |
| <p>* Other (specify):</p> <input type="text"/>  |  |
| <p>* 10. Name of Federal Agency:</p> <input type="text" value="US Department of Housing and Urban Development"/>  |  |
| <p>11. Catalog of Federal Domestic Assistance Number:</p> <input type="text" value="14.251"/>   |  |
| <p>CFDA Title:</p> <input type="text" value="Emergency Solutions Grant"/>   |  |
| <p>* 12. Funding Opportunity Number:</p> <input style="background-color: yellow;" type="text"/>   |  |
| <p>* Title:</p> <input style="background-color: yellow;" type="text"/>  |  |
| <p>13. Competition Identification Number:</p> <input type="text"/>  |  |
| <p>Title:</p> <input type="text"/>  |  |
| <p>14. Areas Affected by Project (Cities, Counties, States, etc.):</p> <input type="text" value="FY 2021 Allocations - North Carolina Dept"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/> |  |
| <p>* 15. Descriptive Title of Applicant's Project:</p> <input type="text" value="This grant from the HUD CBG/RSC program, administered by HUDUS, provides homelessness support for shelter, rapid rehousing, homelessness prevention, case management and ESH programs along with admin."/> |  |
| <p>Attach supporting documents as specified in agency instructions.</p> <input type="button" value="Add Attachments"/> <input type="button" value="Delete Attachments"/> <input type="button" value="View Attachments"/>  |  |

|  |  |
|--|--|
| <b>Application for Federal Assistance SF-424</b>   |  |
| <b>16. Congressional Districts Of:</b>   |  |
| * a. Applicant: <input type="text" value="JC-04"/>   | * b. Program/Project: <input type="text" value="11"/>  |
| 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"/>   |  |
| <b>17. Proposed Project:</b>   |  |
| * a. Start Date: <input type="text" value="6/30/2021"/>  | * b. End Date: <input type="text" value="9/30/2023"/>  |
| <b>18. Estimated Funding (\$):</b>   |  |
| * a. Federal   | <input type="text" value="5,315,950.00"/>  |
| * 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=""/>  |
| * g. TOTAL   | <input type="text" value="5,315,950.00"/>  |
| <b>* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?</b>  |  |
| <input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/>  |  |
| <input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.  |  |
| <input checked="" type="checkbox"/> c. Program is not covered by E.O. 12372.   |  |
| <b>* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)</b>   |  |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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"/>   |  |
| <b>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 28, Section 1001)</b> |  |
| <input checked="" type="checkbox"/> ** 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>   |  |
| <b>Authorized Representative:</b>  |  |
| Prefix:  | <input type="text" value="Dr."/> * First Name: <input type="text" value="Sandy"/>              |
| Middle Name:   | <input type="text"/>   |
| * Last Name:   | <input type="text" value="Cohen"/>   |
| Suffix:  | <input type="text" value="J.D."/>  |
| * Title:   | <input type="text" value="Secretary, NC DRES"/>  |
| * Telephone Number:  | <input type="text" value="919-855-3000"/> * Fax Number: <input type="text"/>                   |
| * Email:   | <input type="text" value="sandy.cohen@dhs.nc.gov"/>  |
| * Signature of Authorized Representative:  | <input type="text" value="Sandy Cohen"/> <input type="button" value="Date Signed: 4/16/2021"/> |

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 49-C-3009  
Expiration Date: 02/28/2022

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

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

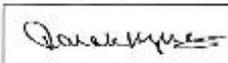
1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 10 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4601 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-362) which prohibits discrimination on the basis of race, color, or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1688), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1917 (42 U.S.C. §§290 d-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

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Prescribed by GSA Circular A-102

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§ 276a to 276a-7), the Copeland Act (40 U.S.C. § 276c and 18 U.S.C. § 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§ 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. § 470), EO 11590 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§ 469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

|   |                                     |
|---|-------------------------------------|
| SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL   | TITLE                               |
|  | Deputy Secretary for Human Services |
| APPLICANT ORGANIZATION  | DATE SUBMITTED                      |
| RC Dept. of Health and Human Services   | 01/13/2021                          |

SF-424D (Rev. 7-97) Back

### **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 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

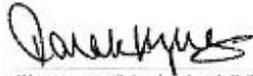
**Essential Services and Operating Costs** – If ESG funds are used for shelter operations or essential services related to street outreach or emergency shelter, the subrecipient will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, 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.



Signature of Authorized Official

4/13/2021

Date

Deputy Secretary for Human Services  
Title



STATE OF NORTH CAROLINA  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER  
GOVERNOR

MANDY COHEN, MD, MPH  
SECRETARY

July 23, 2019

Memorandum

From: Mandy Cohen, MD, MPH  
Secretary *MC*

Re: Delegation of Authority

As of this date, I am delegating my signature authority to Susan Perry-Manning, Principal Deputy Secretary; Rob Kindsvatter, Chief Financial Officer; Dave Richard, Deputy Secretary, NC Medicaid; Sam Gibbs, Deputy Secretary for Technology and Operations; Ben Money, Deputy Secretary for Health Services; Tara Myers, Deputy Secretary for Human Services; and Kody Kinsley, Deputy Secretary for Behavioral Health & Intellectual and Development Disabilities for the Department of Health and Human Services. During such times as I designate, Ms. Perry-Manning, Mr. Kindsvatter, Mr. Richard, Mr. Gibbs, Mr. Money, Ms. Myers or Mr. Kinsley may have the authority to sign official Departmental documents for which my signature is required.

Any such documents will have the same force and authority as if they had been signed by me.

Such authority continues until revoked by me, either orally or in writing.

WWW.NC.DHHS.GOV  
TEL 919-855-4800 • FAX 919-715-4645  
LOCATION: 101 BLAIR DRIVE • ADAMS BUILDING • RALEIGH, NC 27603  
MAILING ADDRESS: 2001 MAIL SERVICE CENTER • RALEIGH, NC 27699-2001  
AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

| Application for Federal Assistance SF-424  |  |  |
|--|--|--|
| * 1. Type of Submission:<br><input type="checkbox"/> Preapplication<br><input checked="" type="checkbox"/> Application<br><input type="checkbox"/> Changed/Corrected Application | * 2. Type of Application:<br><input type="checkbox"/> New<br><input checked="" type="checkbox"/> Continuation<br><input type="checkbox"/> Revision | * If Revision, select appropriate letter(s):<br><input type="text"/><br>* Other (Specify):<br><input type="text"/> |
| * 3. Date Received:<br><input type="text"/>  | 4. Applicant Identifier:<br>M14-80370100 (State of NC)   |  |
| 5a. Federal Entity Identifier:<br>M14-80370100   | 5b. Federal Award Identifier:<br>R14-00370100  |  |
| State Use Only:  |  |  |
| 6. Date Received by State: <input type="text"/>  | 7. State Application Identifier: <input type="text"/>  |  |
| <b>8. APPLICANT INFORMATION</b>  |  |  |
| * a. Legal Name: South Carolina Housing Finance Agency (State of NC)   |  |  |
| * b. Employer/Taxpayer Identification Number (EIN/TIN):<br>56-1700536  | * c. Organizational OUNS:<br>0019495100000   |  |
| * d. Address:  |  |  |
| * Street1: 1508 Bush Street  | <input type="text"/>   |  |
| Street2: PO Box 28066  | <input type="text"/>   |  |
| * City: Raleigh  | <input type="text"/>   |  |
| County/Parish: Wake  | <input type="text"/>   |  |
| * State: NC: North Carolina  | <input type="text"/>   |  |
| Province: <input type="text"/>   | <input type="text"/>   |  |
| * Country: USA: UNITED STATES  | <input type="text"/>   |  |
| * Zip / Postal Code: 27611-5016  | <input type="text"/>   |  |
| * e. 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: Sr.  | * First Name: Patricia   | <input type="text"/>   |
| * Middle Name: <input type="text"/>  | <input type="text"/>   |  |
| * Last Name: Friend  | <input type="text"/>   |  |
| * Suffix: <input type="text"/>   | <input type="text"/>   |  |
| * Title: Dir. of Research/Information/Mktg. Strategies   |  |  |
| * Organizational Affiliation: State of NC (CSRF)   |  |  |
| * Telephone Number: 919-877-5419   | * Fax Number: 919-877-5701   |  |
| * Email: pfriend@ncfha.com   | <input type="text"/>   |  |

| Application for Federal Assistance SF-424  |  |
|--|--|
| <b>* 9. Type of Applicant 1: Select Applicant Type.</b><br><input type="text" value="State Government"/>   |  |
| <b>Type of Applicant 2: Select Applicant Type:</b><br><input type="text"/>   |  |
| <b>Type of Applicant 3: Select Applicant Type</b><br><input type="text"/>  |  |
| <b>* Other (specify):</b><br><input type="text"/>  |  |
| <b>* 10. Name of Federal Agency:</b><br><input type="text" value="U.S. Department of Housing and Urban Development"/>  |  |
| <b>11. Catalog of Federal Domestic Assistance Number:</b><br><input type="text" value="14-239"/>   |  |
| <b>CFDA Title:</b><br><input type="text" value="HOME Investment Partnerships Program"/>  |  |
| <b>* 12. Funding Opportunity Number:</b><br><input type="text"/>   |  |
| <b>* Title:</b><br><input type="text"/>  |  |
| <b>13. Competition Identification Number:</b><br><input type="text"/>  |  |
| <b>Title:</b><br><input type="text"/>  |  |
| <b>* 14. Area Affected by Project (Cities, Counties, States, etc.):</b><br><input type="text"/>  |  |
| <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>  |  |
| <b>* 15. Descriptive Title of Applicant's Project:</b><br><input type="text" value="State administered HOME program"/>   |  |
| Attach supporting documents as specified in agency instructions.<br><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="20-001"/>   | * b. Program/Project: <input type="text" value="411"/>  |
| 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="01/01/2021"/>  | * b. End Date: <input type="text" value="12/31/2021"/>  |
| 18. Estimated Funding (\$):   |   |
| * a. Federal  | <input type="text" value="17,588,420.00"/>              |
| * b. Applicant  | <input type="text"/>                                    |
| * c. State  | <input type="text"/>                                    |
| * d. Local  | <input type="text"/>                                    |
| * e. Other  | <input type="text"/>                                    |
| * f. Program Income   | <input type="text" value="16,750,000.00"/>              |
| * g. TOTAL  | <input type="text" value="34,438,420.00"/>              |
| * 19. Is Application Subject to Review By State Under Executive Order 12872 Process?  |   |
| <input type="checkbox"/> a. This application was made available to the State under the Executive Order 12872 Process for review on: <input type="text"/>  |   |
| <input type="checkbox"/> b. Program is subject to E.O. 12872 but has not been selected by the State for review.   |   |
| <input checked="" type="checkbox"/> c. Program is not covered by E.O. 12872.  |   |
| * 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)   |   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 28, Section 1001) |   |
| <input checked="" type="checkbox"/> ** 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" value="01"/>   | * First Name: <input type="text" value="Scott"/>        |
| Middle Name: <input type="text"/>   |   |
| * Last Name: <input type="text" value="Parsons"/>   |   |
| Suffix: <input type="text"/>  |   |
| * Title: <input type="text" value="Executive Director"/>  |   |
| * Telephone Number: <input type="text" value="019-506-0010"/>   | * Fax Number: <input type="text" value="019-872-5701"/> |
| * Email: <input type="text" value="bep@nmsf.usda.gov"/>   |   |
| * Signature of Authorized Representative:    | * Date Signed: <input type="text" value="04/15/2021"/>  |

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0006  
Expiration Date: 02/28/2022

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (5048-0042), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

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

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4725-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686) which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§260 dd-5 and 260 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VII of the Civil Rights Act of 1968 (42 U.S.C. §§2601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

Previous Edition Usable

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Standard Form 424C (Rev. 7-87)  
Prescribed by OMB Circular A-102

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. § 1501, 1508 and 7324-7326) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-332) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1990, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
15. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 306 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §476), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§489c-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

|   |                    |
|---|--------------------|
| SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL   | TITLE              |
|  | Executive Director |
| APPLICANT ORGANIZATION  | DATE SUBMITTED     |
| North Carolina Housing Finance Agency   | 04/15/2021         |

SF-6240 (Rev. 7-97) Back

## 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.

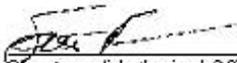
**Anti-Lobbying** -- To the best of the State's knowledge and belief:

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 LLL, "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. 1701a) and implementing regulations at 24 CFR Part 135.

  
Signature of Authorized Official

4/15/2021  
Date

Executive Director  
Title

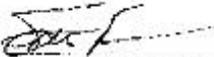
**Specific HOME Certifications**

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

4/15/2021  
Date

Executive Director  
Title

## **APPENDIX TO CERTIFICATIONS**

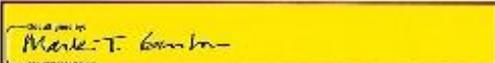
### **INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:**

#### **Lobbying Certification**

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

| Application for Federal Assistance SF-424  |  |   |
|--|--|---|
| * 1. Type of Submission:<br><input type="checkbox"/> Preapplication<br><input checked="" type="checkbox"/> Application<br><input type="checkbox"/> Changed/Corrected Application | * 2. Type of Application:<br><input type="checkbox"/> New<br><input checked="" type="checkbox"/> Continuation<br><input type="checkbox"/> Revision | * If Revision, select appropriate intent:<br><input type="text"/><br>* Other (Specify):<br><input type="text"/> |
| * 3. Date Received:<br><input type="text"/>  | 4. Applicant Identifier:<br><input type="text"/>   |   |
| 5a. Federal Entity Identifier:<br><input type="text"/>   | 5b. Federal Award Identifier:<br>NC021-17000   |   |
| 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" value="NC Department of Health and Human Services"/>   |  |   |
| * b. Employer/Taxpayer Identification Number (EIN/TIN):<br><input type="text" value="501076362"/>  | * c. Organizational DUNS:<br><input type="text" value="5051852620009"/>  |   |
| d. Address:  |  |   |
| * Street1: <input type="text" value="2001 Mail Service Center"/>   | Street2: <input type="text"/>  |   |
| * City: <input type="text" value="Raleigh"/>   | County/Parish: <input type="text"/>  |   |
| * State: <input type="text" value="NC: North Carolina"/>   | Province: <input type="text"/>   |   |
| * County: <input type="text"/>   | USA: UNITED STATES   |   |
| * Zip / Postal Code: <input type="text" value="27699-2001"/>   |  |   |
| 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: <input type="text" value="Serricola"/>   |   |
| Middle Name: <input type="text"/>  |  |   |
| * Last Name: <input type="text" value="Ward"/>   |  |   |
| Suffix: <input type="text"/>   |  |   |
| Title: <input type="text"/>  |  |   |
| Organizational Affiliation:<br><input type="text"/>  |  |   |
| * Telephone Number: <input type="text" value="919.707.3075"/>  | Fax Number: <input type="text"/>   |   |
| * Email: <input type="text" value="pat.ward@cats.nc.gov"/>   |  |   |

| Application for Federal Assistance SF-424  |  |  |  |
|--|--|--|--|
| <b>* 9. Type of Applicant 1: Select Applicant Type:</b><br>a. State Government: <input type="text"/>   |  |  |  |
| Type of Applicant 2: Select Applicant Type:<br><input type="text"/>  |  |  |  |
| Type of Applicant 3: Select Applicant Type:<br><input type="text"/>  |  |  |  |
| * Other (specify):<br><input type="text"/>   |  |  |  |
| <b>* 10. Name of Federal Agency:</b><br><input type="text"/>   |  |  |  |
| <b>11. Catalog of Federal Domestic Assistance Number:</b><br><input type="text"/>  |  |  |  |
| CFDA Title:<br><input type="text"/>  |  |  |  |
| <b>* 12. Funding Opportunity Number:</b><br><input type="text"/>   |  |  |  |
| <b>* Title:</b><br><input type="text"/>  |  |  |  |
| <b>13. Competition Identification Number:</b><br><input type="text"/>  |  |  |  |
| Title:<br><input type="text"/>   |  |  |  |
| <b>14. Areas Affected by Project (Cities, Counties, States, etc.):</b><br><input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/> |  |  |  |
| <b>* 15. Descriptive Title of Applicant's Project:</b><br><input type="text"/>   |  |  |  |
| Attach supporting documents as specified in agency instructions.<br><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="DC-DC4"/>   | * b. Program/Project: <input type="text" value="01-A11"/>   |
| 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="06/01/2021"/>  | * b. End Date: <input type="text" value="05/31/2022"/>  |
| 18. Estimated Funding (\$):   |   |
| * a. Federal  | <input type="text" value="4,053,435.00"/>   |
| * b. Applicant  | <input type="text" value="0.00"/>   |
| * c. State  | <input type="text" value="0.00"/>   |
| * d. Local  | <input type="text" value="0.00"/>   |
| * e. Other  | <input type="text" value="0.00"/>   |
| * f. Program Income   | <input type="text" value="0.00"/>   |
| * g. TOTAL  | <input type="text" value="4,053,435.00"/>   |
| * 19. Is Application Subject to Review By State Under Executive Order 12372 Process?  |   |
| <input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/>   |   |
| <input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.   |   |
| <input checked="" type="checkbox"/> c. Program is not covered by E.O. 12372.  |   |
| * 20. Is the Applicant Delinquent On Any Federal Deb? (If "Yes," provide explanation in attachment.)  |   |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 28, Section 1001) |   |
| <input checked="" type="checkbox"/> ** 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="HARRY"/>  |
| Middle Name: <input type="text"/>   |   |
| * Last Name: <input type="text" value="COHEN"/>   |   |
| Suffix: <input type="text" value="SR, III"/>  |   |
| * Title: <input type="text" value="Secretary, DC DHS"/>   |   |
| * Telephone Number: <input type="text" value="301.855.4864"/>   | Fax Number: <input type="text"/>  |
| * Email: <input type="text" value="Lloyd.Jones@dhs.gov"/>   |   |
| * Signature of Authorized Representative:   | * Date Signed: <input type="text" value="04/15/21"/>  |

11:27 AM

## ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009  
Expiration Date: 02/28/2022

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

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

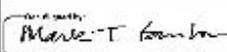
1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance, and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt or approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686) which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

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Standard Form 424D (Rev. 7-97)  
Prescribed by OMB Circular A-102

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §278c and 48 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-323) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (s) institution of environmental quality control measures under the National Environmental Policy Act of 1966 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11980; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from: (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

|  |                              |
|--|------------------------------|
| SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL<br> | TITLE<br>Secretary           |
| APPLICANT ORGANIZATION<br>NC Department of Health and Human Resources  | DATE SUBMITTED<br>04/26/2021 |

04/15/21 | 11:27 AM EDT SF-624D (Rev. 7-97) Back

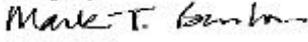
**Housing Opportunities for Persons With AIDS Certifications**

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.

DocuSigned by:  
  
Signature of Authorized Official

04/15/21 | 11:27 AM EDT

Date

Secretary, NC DHHS

Title



STATE OF NORTH CAROLINA  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER  
GOVERNOR

MANDY COHEN, MD, MPH  
SECRETARY

July 22, 2019

Memorandum

From: Mandy Cohen, MD, MPH *MC*  
Secretary

Re: Delegation of Authority

As of this date, I am delegating my signature authority to Susan Perry-Manning, Principal Deputy Secretary; Rob Kindsvatter, Chief Financial Officer; Dave Richard, Deputy Secretary, NC Medicaid; Sam Gibbs, Deputy Secretary for Technology and Operations; Ben Money, Deputy Secretary for Health Services; Tara Myers, Deputy Secretary for Human Services; and Kody Kinsley, Deputy Secretary for Behavioral Health & Intellectual and Development Disabilities for the Department of Health and Human Services. During such times as I designate, Ms. Perry-Manning, Mr. Kindsvatter, Mr. Richard, Mr. Gibbs, Mr. Money, Ms. Myers or Mr. Kinsley may have the authority to sign official Departmental documents for which my signature is required.

Also, I give delegating authority to Mr. Mark Benton, Assistant Secretary for Public Health, to sign matters related to the Division of Public Health, such as grant activity, its sources/amounts, where it may align with our department initiatives, etc.

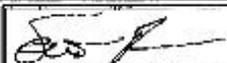
Any such documents will have the same force and authority as if they had been signed by me.

Such authority continues until revoked by me, either orally or in writing.

WWW.NCDHHS.GOV  
Tel. 919-855-4800 • Fax 919-715-4645  
LOCATION: 101 BATH DRIVE • ADAMS BUILDING • RALEIGH, NC 27603  
MAILING ADDRESS: 201 MAIL SERVICE CENTER • RALEIGH, NC 27639-1601  
AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

| Application for Federal Assistance SF-424  |  |   |
|--|--|---|
| <b>*1. Type of Submission:</b><br><input type="checkbox"/> Preapplication<br><input checked="" type="checkbox"/> Application<br><input type="checkbox"/> Changed/Corrected Application               |  |   |
| <b>*2. Type of Application:</b> *If Revision, select appropriate version(s)<br><input type="checkbox"/> New<br><input checked="" type="checkbox"/> Continuation<br><input type="checkbox"/> Revision |  |   |
| <b>*3. Date Received:</b> _____  |  |   |
| <b>4. Applicant Identifier:</b><br>F-20-80-37-0100 (State of NC)   |  |   |
| <b>5a. Federal Entity Identifier:</b><br>F-20-80-37-0100   |  | <b>5b. Federal Award Identifier:</b><br>F-20-80-37-0100 |
| <b>State Use Only:</b>   |  |   |
| <b>6. Date Received by State:</b> _____  |  | <b>7. State Application Identifier:</b> _____           |
| <b>8. APPLICANT INFORMATION:</b>   |  |   |
| <b>*a. Legal Name:</b> North Carolina Housing Finance Agency (State of NC)   |  |   |
| <b>*b. Employer/Taxpayer Identification Number (EIN/TIN):</b><br>55-1700535  |  | <b>*c. Organizational OUNS:</b><br>00749550000          |
| <b>d. Address:</b>   |  |   |
| <b>* Street:</b> 3308 Bush Street  |  |   |
| <b>* Street2:</b> PO Box 28056   |  |   |
| <b>* City:</b> Raleigh   |  |   |
| <b>County/Parish:</b> Wake   |  |   |
| <b>* State:</b> NC North Carolina  |  |   |
| <b>Province:</b> _____   |  |   |
| <b>* Country:</b> USA: UNITED STATES   |  |   |
| <b>* Zip / Postal Code:</b> 27611-8066   |  |   |
| <b>e. Organizational Unit:</b>   |  |   |
| <b>Department Name:</b><br>NC Housing Finance Agency   |  | <b>Division Name:</b><br>_____                          |
| <b>f. Name and contact information of person to be contacted on matters involving this application:</b>  |  |   |
| <b>Prefix:</b> Mr. <b>* First Name:</b> Patricia   |  |   |
| <b>Middle Name:</b> _____  |  |   |
| <b>* Last Name:</b> Arenal   |  |   |
| <b>Suffix:</b> _____   |  |   |
| <b>Title:</b> Dir. of Research/Consultation/Policy Strategies  |  |   |
| <b>Organizational Affiliation:</b><br>State of NC (PCHFA)  |  |   |
| <b>* Telephone Number:</b> 919-877-5111  |  | <b>Fax Number:</b> 919-877-5701                         |
| <b>* Email:</b> p.arenal@pchfa.com   |  |   |

| Application for Federal Assistance SF-424   |  |
|---|--|
| <p>* 9. Type of Applicant 1: Select Applicant Type:</p> <input type="text" value="State Government"/>   |  |
| <p>Type of Applicant 2: Select Applicant Type:</p> <input type="text"/>   |  |
| <p>Type of Applicant 3: Select Applicant Type:</p> <input type="text"/>   |  |
| <p>* Other (specify):</p> <input type="text"/>  |  |
| <p>* 10. Name of Federal Agency:</p> <input type="text" value="U.S. Department of Housing and Urban Development"/>  |  |
| <p>11. Catalog of Federal Domestic Assistance Number:</p> <input type="text" value="14-275"/>   |  |
| <p>CFDA Title</p> <input type="text" value="Housing Trust Fund"/>   |  |
| <p>* 12. Funding Opportunity Number:</p> <input type="text"/>   |  |
| <p>* Title</p> <input type="text"/>   |  |
| <p>13. Competition Identification Number:</p> <input type="text"/>  |  |
| <p>Title</p> <input type="text"/>   |  |
| <p>14. Areas Affected by Project (Cities, Counties, States, etc.):</p> <input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Edit Attachment"/> <input type="button" value="View Attachment"/> |  |
| <p>* 16. Descriptive Title of Applicant's Project:</p> <p>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 than AMI.</p>            |  |
| <p>Attach supporting documents as specified in agency instructions</p> <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="20-009"/>   | * b. Program/Project: <input type="text" value="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 Attachments"/>   |  |
| 17. Proposed Project:   |  |
| * a. Start Date: <input type="text" value="01/01/2021"/>  | * b. End Date: <input type="text" value="12/31/2021"/> |
| 18. Estimated Funding (\$):   |  |
| * a. Federal  | <input type="text" value="17,493,594.00"/>             |
| * b. Applicant  | <input type="text"/>                                   |
| * c. State  | <input type="text"/>                                   |
| * d. Local  | <input type="text"/>                                   |
| * e. Other  | <input type="text"/>                                   |
| * f. Program income   | <input type="text"/>                                   |
| * g. TOTAL  | <input type="text" value="17,493,594.00"/>             |
| * 19. Is Application Subject to Review By State Under Executive Order 12872 Process?  |  |
| <input type="checkbox"/> a. This application was made available to the State under the Executive Order 12872 Process for review on <input type="text"/>   |  |
| <input type="checkbox"/> b. Program is subject to E.O. 12872 but has not been selected by the State for review.   |  |
| <input checked="" type="checkbox"/> c. Program is not covered by E.O. 12872.  |  |
| * 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)   |  |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 Attachments"/>   |  |
| 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 28, Section 1001) |  |
| <input checked="" type="checkbox"/> ** I AGREE  |  |
| ** The list of certifications and assurances, or an internal site where you may obtain this list, is contained in the announcement or agency specific instructions.   |  |
| Authorized Representative:  |  |
| Prefix: <input type="text" value="Dr."/>  | * First Name: <input type="text" value="Scott"/>       |
| Middle Name: <input type="text"/>   |  |
| * Last Name: <input type="text" value="PARKER"/>  |  |
| Suffix: <input type="text"/>  |  |
| * Title: <input type="text" value="Executive Director"/>  |  |
| * Telephone Number: <input type="text" value="919-926-3072"/>   | Fax Number: <input type="text" value="919-977-5701"/>  |
| * Email: <input type="text" value="scott.parker@nc.gov"/>   |  |
| * Signature of Authorized Representative:    | * Date Signed: <input type="text" value="01/21/2021"/> |

**Certification of Consistency  
with the Consolidated Plan**

U.S. Department of Housing  
and Urban Development

I certify that the proposed activities/projects in the application are consistent with the jurisdiction's current, approved CoC (Type or Consolidated Plan, clearly print the following information.)

Applicant Name: North Carolina Housing Finance Agency

Project Name: \_\_\_\_\_

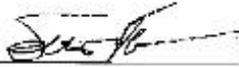
Location of the Project: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name of the Federal Program in which the applicant is applying: Housing Trust Fund

Name of Certifying Jurisdiction: State of North Carolina

Certifying Official of the Jurisdiction Name: Scott Farmer

Title: Executive Director, North Carolina Housing Finance Agency

Signature:  \_\_\_\_\_

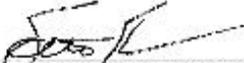
Date: 4/21/21

**Specific HTF Certifications**

The State certifies that:

**Eligible Activities and Costs** -- It is using and will use HTF funds for eligible activities and costs, as described in 24 CFR §93.730 through §93.732 and that it is not using and will not use HTF funds for prohibited activities, as described in §93.735.

**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 HTF funds in combination with other Federal assistance than is necessary to provide affordable housing.

  
\_\_\_\_\_  
Signature of Authorized Official

4/21/21  
Date

Executive Director  
\_\_\_\_\_  
Title



## Appendix - Alternate/Local Data Sources

|   |  |
|---|--|
| 1 | <p><b>Data Source Name</b></p> <p>HOPWA 2014 CAPER &amp;HOPWA Beneficiary Verification</p>   |
|   | <p><b>List the name of the organization or individual who originated the data set.</b></p>   |
|   | <p><b>Provide a brief summary of the data set.</b></p>   |
|   | <p><b>What was the purpose for developing this data set?</b></p>   |
|   | <p><b>How comprehensive is the coverage of this administrative data? Is data collection concentrated in one geographic area or among a certain population?</b></p>   |
|   | <p><b>What time period (provide the year, and optionally month, or month and day) is covered by this data set?</b></p>   |
|   | <p><b>What is the status of the data set (complete, in progress, or planned)?</b></p>  |
| 2 | <p><b>Data Source Name</b></p> <p>2014 - 2018 ACS</p>  |
|   | <p><b>List the name of the organization or individual who originated the data set.</b></p> <p>U.S. Census Bureau</p>   |
|   | <p><b>Provide a brief summary of the data set.</b></p> <p>The American Community Survey shows how we live—our education, housing, jobs, and more. The American Community Survey provides information about the social and economic needs of your community every year.</p> |
|   | <p><b>What was the purpose for developing this data set?</b></p> <p>Asks about topics not on the 2020 Census, such as education, employment, internet access, and transportation</p>   |
|   | <p><b>Provide the year (and optionally month, or month and day) for when the data was collected.</b></p> <p>Conducted every month, every year from 2014 - 2018</p>   |

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|          | <p><b>Briefly describe the methodology for the data collection.</b></p> <ul style="list-style-type: none"> <li>• Conducted every month, every year</li> <li>• Sent to a sample of addresses (about 3.5 million) in the 50 states, District of Columbia, and Puerto Rico</li> </ul> |
|          | <p><b>Describe the total population from which the sample was taken.</b></p> <p>Visit census.gov for details</p>   |
|          | <p><b>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</b></p> <p>Visit census.gov for details</p>   |
| <b>3</b> | <p><b>Data Source Name</b></p> <p>2014 Housing Inventory Count Report</p>  |
|          | <p><b>List the name of the organization or individual who originated the data set.</b></p> <p>HUD's Continuum of Care Homeless Assistance Programs</p>   |
|          | <p><b>Provide a brief summary of the data set.</b></p>   |
|          | <p><b>What was the purpose for developing this data set?</b></p>   |
|          | <p><b>Provide the year (and optionally month, or month and day) for when the data was collected.</b></p>   |
|          | <p><b>Briefly describe the methodology for the data collection.</b></p>  |
|          | <p><b>Describe the total population from which the sample was taken.</b></p>   |
|          | <p><b>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</b></p>   |
| <b>4</b> | <p><b>Data Source Name</b></p> <p>2019 Housing Inventory Count Report</p>  |
|          | <p><b>List the name of the organization or individual who originated the data set.</b></p> <p>Department of Housing and Urban Development</p>  |

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|   | <p><b>Provide a brief summary of the data set.</b></p> <p>Continuum of Care (CoC) Homeless Assistance Programs Housing Inventory Count Reports provide a snapshot of a CoC’s HIC, an inventory of housing conducted annually during the last ten days in January, and are available at the national and state level, as well as for each CoC.</p>  |
|   | <p><b>What was the purpose for developing this data set?</b></p> <p>The reports tally the number of beds and units available on the night designated for the count by program type, and include beds dedicated to serve persons who are homeless as well as persons in Permanent Supportive Housing.</p>   |
|   | <p><b>Provide the year (and optionally month, or month and day) for when the data was collected.</b></p> <p>January 2019</p>   |
|   | <p><b>Briefly describe the methodology for the data collection.</b></p> <p>Collection of all beds in a CoC that is entered into HDX</p>  |
|   | <p><b>Describe the total population from which the sample was taken.</b></p> <p>Summary of all available beds reported, aggregated to the state level</p>  |
|   | <p><b>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</b></p> <p>Visit <a href="https://www.hudexchange.info/programs/coc/coc-housing-inventory-count-reports/?filter_Year=2019&amp;filter_Scope=State&amp;filter_State=NC&amp;filter_CoC=&amp;program=CoC&amp;group=HIC">https://www.hudexchange.info/programs/coc/coc-housing-inventory-count-reports/?filter_Year=2019&amp;filter_Scope=State&amp;filter_State=NC&amp;filter_CoC=&amp;program=CoC&amp;group=HIC</a> for more information</p> |
| 5 | <p><b>Data Source Name</b></p> <p>2019 AHAR Part I</p>   |
|   | <p><b>List the name of the organization or individual who originated the data set.</b></p> <p>HUD Exchange</p>   |
|   | <p><b>Provide a brief summary of the data set.</b></p> <p>Annual Homeless Assessment Report to Congress</p>  |
|   | <p><b>What was the purpose for developing this data set?</b></p> <p>This report outlines the key findings of the Point-In-Time (PIT) count and Housing Inventory Count (HIC) conducted in January. Specifically, this report provides national, state, and CoC-level PIT and HIC estimates of homelessness, as well as estimates of chronically homeless persons, homeless veterans, and homeless children and youth.</p>  |
|   | <p><b>Provide the year (and optionally month, or month and day) for when the data was collected.</b></p> <p>January 2019</p>   |

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|                 | <p><b>Briefly describe the methodology for the data collection.</b></p>  |
|                 | <p><b>Describe the total population from which the sample was taken.</b></p>   |
|                 | <p><b>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</b></p>   |
| <p><b>6</b></p> | <p><b>Data Source Name</b><br/>2019 PIT Count by CoC</p> <hr/> <p><b>List the name of the organization or individual who originated the data set.</b><br/>The Continuum of Care (CoC) Program is designed to promote communitywide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effect utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness.</p> <hr/> <p><b>Provide a brief summary of the data set.</b><br/>Continuum of Care (CoC) Homeless Assistance Programs Homeless Populations and Subpopulations Reports provide counts for sheltered and unsheltered homeless persons by household type and subpopulation, available at the national and state level, and for each CoC. The reports are based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January.</p> <hr/> <p><b>What was the purpose for developing this data set?</b></p> <hr/> <p><b>Provide the year (and optionally month, or month and day) for when the data was collected.</b><br/>January 2019</p> |

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|   | <p><b>Briefly describe the methodology for the data collection.</b></p> <p>HUD requires CoCs to collect reliable data on the total number and characteristics of all people (i.e., sheltered and unsheltered) residing in the CoCs’ geographic area who are homeless on a single night and report these data to HUD. CoCs often do not have complete data on everyone who is homeless and so must estimate some data. Therefore, HUD allows CoCs to use multiple approaches to complete their count, including a census approach, sample, or a combination of census and sampling approaches (shown in the graphic below). It is important for CoCs to closely examine their local circumstances, including resources, capacity, and other reporting needs, to determine whether a census or a sampling approach is appropriate for each aspect of their PIT count</p> <p><b>Describe the total population from which the sample was taken.</b></p> <p><b>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</b></p> |
| 7 | <p><b>Data Source Name</b></p> <p>RealtyTrac</p> <p><b>List the name of the organization or individual who originated the data set.</b></p> <p><b>Provide a brief summary of the data set.</b></p> <p><b>What was the purpose for developing this data set?</b></p> <p><b>Provide the year (and optionally month, or month and day) for when the data was collected.</b></p> <p><b>Briefly describe the methodology for the data collection.</b></p> <p><b>Describe the total population from which the sample was taken.</b></p> <p><b>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</b></p>   |

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| <b>8</b>  | <b>Data Source Name</b>   |
|   | ACS 2019, table DP03  |
|   | <b>List the name of the organization or individual who originated the data set.</b>   |
|   | The information was extracted from the ACS 2019, table DP03 and QCEW 2020 by the North Carolina Labor and Economic Development Analysis Division of the North Carolina Department of Commerce for the purposes of the NC Consolidated Plan 2021-2025. |
|   | <b>Provide a brief summary of the data set.</b>   |
|   | Number of workers Table DP03 and Number Employed QCEW 2020  |
|   | <b>What was the purpose for developing this data set?</b>   |
|   | To provide the number of workers and employed by business sector in the Non-housing Community Development Section of the Plan   |
| <b>Provide the year (and optionally month, or month and day) for when the data was collected.</b>   |   |
| July 2021   |   |
| <b>Briefly describe the methodology for the data collection.</b>  |   |
| Not applicable  |   |
| <b>Describe the total population from which the sample was taken.</b>   |   |
| Not applicable  |   |
| <b>Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed.</b> |   |
| Information was gathered from the American Communities Survey 2019 data   |   |