

Strategic Buyout Program Information Session

TOPICS OF DISCUSSION

Welcome to this video information session for the Strategic Buyout Program.

During this presentation, we'll discuss the following topics:

- Basics of the Strategic Buyout Program
- Selection of the buyout zones
- Eligibility requirements for the Strategic Buyout Program
- Ineligible properties
- Basics of the application process and award methodology

REBUILD NC OVERVIEW

North Carolina has been repeatedly impacted by devastating storms in the past four years.

After Hurricane Florence, Governor Cooper established the North Carolina Office of Recovery and Resiliency or NCORR to run the ReBuild NC program.

Funding Sources

ReBuild NC is funded by HUD through the Community Development Block Grant-Disaster Recovery (CDBG-DR) program and is expecting additional funding through the Community Development Block Grant-Mitigation (CDBG-MIT) program.

ReBuild NC Programs

ReBuild NC has provided repair assistance under its Homeowner Recovery Program and is now launching a Strategic Buyout Program.

STRATEGIC BUYOUT PROGRAM

Basics of the Strategic Buyout Program

A Buyout is a mitigation activity where the local government buys a home that has been storm damaged or is likely to be storm damaged.

The local government becomes the owner of the property, any structures on it are demolished. Going forward, the property can only be used for green space or a community amenity.

There are multiple other buyout programs happening in North Carolina, including FEMA's Hazard Mitigation Grant Program and state-funded buyouts.

ReBuild NC's Strategic Buyout Program currently has a budget of \$25 million, tied to Hurricane Matthew. We are launching buyout zones in communities across North Carolina. In order to be eligible for this program, you must own a property within a buyout zone.

Selection of the Buyout Zones

Buyout zones were selected using a data-driven and collaborative process between NCORR and local governments.

1. We looked at flood zones, inundation depth, and other damage indicators.
2. We also looked at interest or activity for other mitigation projects.
3. And finally, we looked for concentrated areas of single-family homes and properties that border each other.

Eligibility Requirements for the Buyout Program

Let's look at the eligibility requirements.

- To be eligible, a property must be in a buyout zone.
 - Properties that may be eligible for our program are single family properties that have been owner-occupied since Hurricane Matthew, rental properties that been owned by the same person since Hurricane Matthew.
 - If the property is a Manufacture Housing unit, the applicant must own both the land and the structure.
- If there was a structure on the property before Hurricane Matthew, that has since been demolished, this property is eligible.
- The property must have been damaged by Hurricane Matthew and owned by the same person who owned it during the storm. If a property has been inherited since Hurricane Matthew, it may also be eligible.
- Owners must be able to achieve a clean title.
- If there are multiple owners, all owners must agree to sell.
- You must have owned the property during Hurricane Matthew and still own it today.
- Be current on property taxes and be able to retire mortgage at the buyout closing.

Ineligible Properties

Currently, we are unable to buyout the following properties types:

- Contaminated sites,
- Commercial structures,
- Condos, duplexes, or housing developments with property restrictions.

Application Process & Award Methodology

Each award will be specific to the property and ownership.

1. Strategic Buyout Program Case Managers will be assigned to applicants to serve as a resource throughout this process and will be able to answer specific questions.

2. To come up with the award amount, we'll review any repair or relocation assistance received from FEMA or other sources because of the storm.
3. We'll then inspect the property to determine a value for any repairs that have already been made to the property.
4. Lastly, we will appraise the property to determine how much it was worth before the storm and compare it to how much it's worth now.

In addition to the buyout award, you may be eligible for up to two incentives to receive up to an additional \$60,000.

5. The first incentive is the Affordability Incentive. You could get up to \$50,000 to assist in the purchase of a comparable home in your county.
6. There is also the Risk Reduction Incentive. You could get \$10,000 if you relocate to an area of reduced risk within your county. Or you could get \$5,000 if you relocate to an area of reduced risk within North Carolina.

NEXT STEPS

If you are interested in applying, here are your next steps:

- You can call 833-ASK-RBNC to schedule an appointment to talk with a ReBuild NC center Intake Specialist or Case Manager.

You can also get more information about the Strategic Buyout Program and view the buyout zones by visiting www.rebuild.nc.gov/buyout