Grantee: North Carolina

Grant: B-25-DU-37-0001

April 1, 2026 thru June 30, 2026 Performance Report

Grant Number:
B-25-DU-37-0001

Obligation Date:

Award Date:

Grantee Name:
North Carolina

Contract End Date:
07/29/2031

Review by HUD:
Submitted - Await for Review

Grant Award Amount:
$1,428,120,000.00

Grant Status:
Active

QPR Contact:
Jessica Au

LOCCS Authorized Amount:
$1,428,120,000.00

Estimated PI/RL Funds:

Total Budget:
$1,428,120,000.00

Disasters:

Declaration Number

FEMA-4827-NC

Narratives

No Narratives Found

Overall	This Report Period	To Date
Total Projected Budget from All Sources	$4,676,012.60	$936,160,000.00
Total Budget	$4,676,012.60	$936,160,000.00
Total Obligated	$11,620,936.11	$104,811,985.66
Total Funds Drawdown	$13,787,238.39	$20,304,669.69
Program Funds Drawdown	$13,787,238.39	$20,304,669.69
Program Income Drawdown	$0.00	$0.00
Program Income Received	$0.00	$0.00
Total Funds Expended	$13,106,258.15	$20,752,201.88
HUD Identified Most Impacted and Distressed	$8,631,231.42	$9,689,411.86
Other Funds	$ 0.00	$ 0.00
Match Funds	$ 0.00	$ 0.00
Non-Match Funds	$ 0.00	$ 0.00

Funds Expended

Overall	This Period	To Date
DEPARTMENT OF COMMERCE NORTH CAROLINA	$ 12,658,730.66	$ 20,304,674.39

Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	70.00%	76.66%	1.03%
Overall Benefit Amount	$949,699,800.00	$662,915,500.00	$13,947,822.25
Limit on Public Services	$214,218,000.00	$.00	$.00
Limit on Admin/Planning	$285,624,000.00	$71,406,000.00	$5,121,334.26
Limit on Admin	$71,406,000.00	$71,406,000.00	$5,121,334.26
Most Impacted and Distressed	$1,142,496,000.00	$691,803,200.00	$9,689,411.86

Overall Progress Narrative:

This report reflects progress made by the North Carolina Department of Commerce (NCDOC) Division of Community Revitalization (DCR) for activities under the Community Development Block Grant Disaster Recovery (CDBG-DR) grant B-25-DU-37-0001 during Q2 2026 (April 1 through June 30, 2026).

Background: The Division of Community Revitalization
The Division of Community Revitalization was established on January 2, 2025, by North Carolina Governor Josh Stein's Executive Order No. 3: Reorganizing the Executive Branch to Meet the Needs of Western North Carolina, to oversee the rebuilding of homes destroyed or damaged by Hurricane Helene, coordinate and lead efforts to revitalize the economy of western North Carolina, and oversee other programs as assigned by the Governor or the Secretary of Commerce. To accomplish these objectives, DCR is administering approximately $1.4 billion in federal CDBG-DR funding, allocated by the U.S. Department of Housing and Urban Development (HUD). The HUD grant agreement was executed on July 29, 2025, establishing a six-year performance period for program implementation. These funds will support housing recovery and long-term revitalization in communities impacted by Hurricane Helene.

Action Plan Amendments
On April 9, 2026, DCR’s second substantial amendment (2) to the paper Action Plan was approved. The Small Rental Component of the Multi-Family Construction and Repair Program was updated to remove the minimum award amount and increase the maximum award to $1.8 million per project, inclusive of any mitigation costs. Eliminating the minimum award enables the program to support lower-cost repair needs and extend funding across a greater number of eligible properties. The increased cap aligns with the updated $450,000 per-unit limit in the Reconstruction and Rehabilitation of Owner-Occupied Housing program (Renew NC Single-Family Housing Program), ensuring consistency in how construction and repair costs are treated across housing activities.

On April 27, 2026, DCR made a non-substantial amendment (2.1) to the paper Action Plan. The updated language for the Reconstruction and Rehabilitation of Owner-Occupied Housing Program more clearly distinguishes between prohibited temporary housing assistance benefits and permitted optional temporary relocation assistance. This clarification was necessary to ensure the policy is interpreted as originally intended and to prevent confusion about allowable uses of program funds.

DCR submitted two DRGR Action Plan amendments during the reporting period, which were approved on May 21, 2026, and June 22, 2026. The first amendment, submitted as directed by HUD, removed the ADC holding Activities for the Multi-Family Construction and Repair (MFHL), Commercial District Revitalization (CDR), Community Infrastructure (INF), and Workforce Housing for Ownership (WHO) Programs. Vouchers from these Activities were transferred to the 10000-ADMIN Activity, and the 10000-ADMIN Activity budget was adjusted to reabsorb the ADC amounts.

The second amendment included: attaching the BDO contract’s second amendment to the Single-Family Housing Program (SFH) and Small Rental Rehabilitation Program (MFHS) Activities; updating the 30001-MFHS-RR-LM Activity description to reflect the award threshold changes in the paper Action Plan Substantial Amendment 2; and revising the performance measure projections for the SFH Activities based on new data.

Single-Family Housing Program
The Renew NC Single-Family Housing (SFH) Program began accepting applications on June 16, 2025, and received 7,194 unique applications by January 31, 2026, when the intake period ended. (Note: Duplicate applications were identified since Q1, resulting in an adjustment to the previously reported totals in Q1). As of June 30, 2026, all applications had been reviewed, and 2,829 were determined eligible. Of these, staff have completed 2,746 duplication of benefits (DOB) reviews; 2,249 damage inspections; and 1,778 environmental reviews. Additionally, 141 projects had completed pre-construction and 84 projects had completed construction. Of the completed projects, 57 were substantially rehabilitated projects.

To achieve these milestones, DCR continued to work closely with its implementation vendor and general contractors to ensure efficiency across program processes. These efforts have nearly tripled the number of completed projects in Q2 compared to Q1. During Q2, staff prioritized completing intake and eligibility reviews to determine the maximum number of projects that can be built over the course of the program. Increasing the volume of damage assessments, DOB reviews, and environmental reviews each month has positioned the program to significantly scale construction production. DCR remains committed to streamlining processes while delivering excellent customer service to ensure disaster survivors return to repaired, replaced, or reconstructed homes as quickly as possible.

To better align with DCR’s designation of MIT projects, some activities from prior periods were reclassified from the general DRGR Activity to the corresponding MIT Activity. Please refer to the Activity-level narratives for more details. Adjustments to vouchers (drawdowns) in DRGR were made in Q3 and will be reflected in the Q3 2026 QPR.

Multi-Family Housing: Small Rental Rehabilitation Program

The Renew NC Small Rental Rehabilitation (SRR) Program began accepting applications on December 15, 2025, and received 138 applications by June 30, 2026. Since program launch, staff have completed 71 intake reviews, with 34 applications determined eligible; 33 DOB reviews; and 17 damage assessments.

During Q2 2026, DCR continued to work with its implementation vendor to strengthen interest in the Small Rental Rehabilitation Program. Efforts this quarter included continuing robust outreach efforts, modifying the program policies and procedures manual, and developing and refining standard operating procedures. Program staff engaged with community groups and resources to promote the rental program, conducted targeted email and call campaigns to individuals and organizations, and executed an advertisement campaign through NextDoor and Google Ads throughout the quarter. The program continues to focus on outreach efforts to increase application volume while conducting DOB reviews and damage assessments. The application window is scheduled to close July 10, 2026, with the first Small Rental projects expected to enter the preconstruction phase later in the quarter.

Multi-Family Housing: Multi-Family Construction and Repair Program
During the reporting period, the Renew NC Multi-Family Construction and Repair (MCR) Program completed a policy revision, developed its prescreen and application, and published its Notice of Funding Opportunity (NOFO). The NOFO was published on June 24, 2026, and the funding round is scheduled to close on November 2, 2026. Program staff are supporting prescreening to assess project and organizational readiness and are prepared to provide technical assistance to prescreen respondents. In addition, program staff continued to develop program processes in the grant management system (GMS) and other key programmatic materials, including the pro forma, to support the application cycle.

Commercial District Revitalization Program
The Renew NC Commercial District Revitalization (CDR) Program finalized its application materials and developed and published its NOFO for the first round of funding. The NOFO was published on April 6, 2026, and the funding round is scheduled to close on August 4, 2026. Program staff continued prescreening activities to assess project and organizational readiness and provided technical assistance to prescreen respondents. Program staff continued developing program processes in the GMS and work products to aid local governments and nonprofits in their understanding of the program. In addition, program staff revised the CDR Policies and Procedures to further clarify areas where applicants needed additional guidance.

Community Infrastructure Program
During the reporting period, the Renew NC Community Infrastructure (CI) Program continued prescreening activities to assess project and organizational readiness and provided technical assistance to prescreen respondents. Program staff prepared for program launch on July 6, 2026, including revising the application and associated GMS processes; finalizing the NOFO; updating policies and procedures; finalizing the program communications plan; and initiating outreach efforts. Weekly coordination with state agencies advanced the development of a comprehensive inventory of infrastructure projects awaiting FEMA Public Assistance (PA) funding, resulting in a clearer understanding of unmet needs and potential future projects. The program established a regular cadence for sharing FEMA-PA data and implemented data automation to support efficient updates. Additionally, program staff organized efforts to create a dedicated webpage for program resources and a Q&A section to enhance transparency and applicant support.

Workforce Housing for Ownership Program
The Workforce Housing for Ownership (WHO) Program made steady progress toward launch. Staff drafted the program's policies and procedures and worked with partner agencies to ensure alignment. Project prescreens are scheduled to begin on July 20, 2026, to help assess applicant readiness ahead of the full application process. Staff continued refining the application and setting up the related steps within the GMS. Applications are scheduled to open on August 24, 2026. Staff also created guidance materials, outreach plans, and content for a program webpage, which will include resources and a Q&A section to support applicants.

Compliance
During the reporting period, DCR continued to strengthen compliance and program oversight through the coordinated efforts of an external monitoring vendor and an internal audit function. The monitoring vendor is being utilized to conduct real-time, continuous reviews of key program areas, including implementation vendor oversight and various reviews on the established system of record processes. The Internal Audit team serves as DCR's independent audit party conducting reviews of internal controls, financial management, and program operations to ensure compliance, along with conducting investigations.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1-Admin, 1-Admin	$2,230,784.98	$71,406,000.00	$5,121,334.26
2-SFH, 2-SFH	$11,917,818.07	$807,354,000.00	$15,115,417.96
3-MFHS, 3-MFHS	$24,973.35	$57,400,000.00	$67,917.47
4-MFHL, 4-MFHL	$0.00	$133,940,000.00	$0.00
5-WHO, 5-WHO	$0.00	$53,380,000.00	$0.00
6-CDR, 6-CDR	$0.00	$111,140,000.00	$0.00
7-INF, 7-INF	$0.00	$193,500,000.00	$0.00
9999, Restricted Balance	$0.00	$0.00	$0.00

Activities

Project # / 1-Admin / 1-Admin

Grantee Activity Number: 10000-ADMIN
Activity Title: 10000-ADMIN

Activity Type:
Administration

Activity Status:
Under Way

Project Number:
1-Admin

Project Title:
1-Admin

Projected Start Date:
09/25/2024

Projected End Date:
07/29/2031

Benefit Type:
N/A

Completed Activity Actual End Date:

National Objective:
N/A

Responsible Organization:
DEPARTMENT OF COMMERCE NORTH CAROLINA

Overall	Apr 1 thru Jun 30, 2026	To Date
Total Projected Budget from All Sources	$4,676,012.60	$71,406,000.00
Total Budget	$4,676,012.60	$71,406,000.00
Total Obligated	$1,916,213.12	$12,403,717.78
Total Funds Drawdown	$2,230,784.98	$5,121,334.26
Program Funds Drawdown	$2,230,784.98	$5,121,334.26
Program Income Drawdown	$0.00	$0.00
Program Income Received	$0.00	$0.00
Total Funds Expended	$1,896,708.76	$5,040,802.22
DEPARTMENT OF COMMERCE NORTH CAROLINA	$1,896,708.76	$5,040,802.22
Most Impacted and Distressed Expended	$0.00	$0.00

Activity Description:

NCDOC allocates $71,406,000 of the total CDBG-DR award for administrative costs associated with the life of the grant. This represents the maximum amount permissible for administrative costs per the CDBG-DR appropriation language of Public Law 118-158 and HUD's requirements under the Revised Universal Notice.

Location Description:

North Carolina Division of Community Revitalization Office
The Dobbs Building
430 N Salisbury St
Raleigh, NC 27603

Activity Progress Narrative:

During the reporting period, DCR carried out a range of administrative activities necessary to support compliant and efficient implementation of its CDBG-DR programs. Core efforts included financial management, procurement, policy development, and coordination across state, local, and federal partners. Staff oversaw day-to-day program operations, while continuing with the establishment of internal controls, and ensured adherence to HUD requirements through ongoing review of policies, procedures, and documentation. Teams supported program areas by providing guidance on eligibility, procurement, financial management, and reporting, and continued to refine internal workflows to improve consistency and accuracy across all grant-funded activities. Additional activities included contract management, budget tracking, monitoring preparation, and development of communication materials to support transparency and stakeholder engagement. These efforts collectively strengthen program oversight, support compliance, and ensure the infrastructure needed for successful long-term recovery operations.

As directed by HUD, the temporary ADC holding Activities previously established were removed. Vouchers from these Activities were moved to the 10000-ADMIN Activity. During the reporting period, ADCs were expended for allowable pre-launch purposes and reported within 10000-ADMIN. As program Activities are formally set up in DRGR, DCR will reallocate these costs accordingly based on established Activities.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Project # / 2-SFH / 2-SFH

Grantee Activity Number: 20001-SFH-RR-LM
Activity Title: 20001-SFH-RR-LM

Activity Type:
Rehabilitation/reconstruction of residential structures

Activity Status:
Under Way

Project Number:
2-SFH

Project Title:
2-SFH

Projected Start Date:
09/25/2024

Projected End Date:
07/29/2031

Benefit Type:
Direct (HouseHold)

Completed Activity Actual End Date:

National Objective:
Low/Mod-Income Housing

Responsible Organization:
DEPARTMENT OF COMMERCE NORTH CAROLINA

Overall	Apr 1 thru Jun 30, 2026	To Date
Total Projected Budget from All Sources	$0.00	$507,720,075.00
Total Budget	$0.00	$507,720,075.00
Total Obligated	$9,629,927.22	$71,426,688.03
Total Funds Drawdown	$11,025,140.55	$13,507,988.70
Program Funds Drawdown	$11,025,140.55	$13,507,988.70
Program Income Drawdown	$0.00	$0.00
Program Income Received	$0.00	$0.00
Total Funds Expended	$7,098,226.38	$10,365,799.34
DEPARTMENT OF COMMERCE NORTH CAROLINA	$7,098,226.38	$10,365,799.34
Most Impacted and Distressed Expended	$5,240,313.01	$6,298,493.45

Activity Description:

This activity encompasses the Single-Family Housing Program's rehabilitation and reconstruction of single-family homes that benefit LMI persons through housing (LMI Housing). With the assistance of staff and contractors, the State will work with qualified contractors assigned to repair, reconstruct, or replace damaged properties. At a minimum, at least 70% of program funds must be expended for Housing R&R activities that meet the criteria for the LMI Housing National Objective and at least 80% must be expended in the HUD-identified MID areas.

Location Description:

Priority will be for seriously damaged or destroyed units in the HUD-Identified MID areas with the State-Identified MID areas having a secondary priority.
HUD-Identified MID Areas:

- Full Counties: Ashe; Avery; Buncombe; Burke; Haywood; Henderson; McDowell; Mitchell; Rutherford; Transylvania; Watauga; Yancey
- Full Counties Based on HUD-Identified zip code: Caldwell (zip code 28645); Cleveland (zip code 28150); Madison (zip code 28753); Polk (zip code 28782)
- Partial Counties Based on HUD-Identified zip code: Mecklenburg (zip code 28214)

State-Identified MID Areas:

- Full Counties: Alexander, Alleghany, Catawba, Clay, Gaston, Jackson, Lincoln, Macon, Surry, Swain, Wilkes, Yadkin (to include any Indian territory located within the geographic boundaries of these counties, e.g., Swain and Jackson counties).

Activity Progress Narrative:

To better align with DCR's designation of MIT projects, four housing units reported in prior periods were reclassified from the 20001-SFH-RR-LM Activity to the 28001-MIT-SFH-RR-LM Activity. The performance measures reported in Q2 2026 are adjusted to account for the reclassified units so that the cumulative totals align with DCR records through Q2. Adjustments to vouchers (drawdowns) in DRGR were made in Q3 and will be reflected in the Q3 2026 QPR.

During Q2 2026, the Single-Family Housing Program produced 43 homes within the SFH Rehabilitation and Reconstruction LMI Activity. Of the 43 completed homes, 25 were substantially rehabilitated homes, and 28 were ELI households. Program staff completed 434 intake reviews, 728 eligibility reviews, 774 DOB reviews, 684 environmental reviews, and 368 grant agreements in Q2 2026 for the Single-Family Housing Program.

Completed rehabilitation and reconstruction projects were built in accordance with current building codes, reflecting modern resiliency standards to reduce the impacts of flood, fire, and wind. Mitigation and resilience reporting will be updated as needed in response to forthcoming HUD guidance.

Section 3 Narrative
During the reporting period, contractors participating in the Single-Family Housing Program continued to make progress toward meeting Section 3 requirements by expanding and strengthening their outreach efforts to attract Section 3 workers. New strategies included increased social media activity, greater engagement with highly ranked, diverse job boards, and the creation of additional signage to raise awareness of Section 3 opportunities.

As part of these efforts, contractors posted Section 3 notification signage at construction sites, established dedicated application processes for Section 3 workers, and provided informational packets for distribution to vendors. Contractors continued to use social media platforms to promote Section 3 employment opportunities, including Facebook and LinkedIn. Collectively, these actions demonstrate an ongoing commitment to enhancing Section 3 participation and improving future outcomes.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# ELI Households (0-30% AMI)	24	41/902
# of Properties	39	69/1575
# of Section 3 Labor Hours	-820	117/12498
# of Substantially Rehabilitated	21	42/1103
# of Targeted Section 3 Labor	-692	245/7811
# of Total Labor Hours	-14965	28567/156223

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	39	69/1575
# of Singlefamily Units	39	69/1575

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	31	8	39	61/1103	8/472	69/1575	100.00
# Owner	31	8	39	61/1103	8/472	69/1575	100.00
# Renter	0	0	0	0/0	0/0	0/0	0

Activity Locations

Address	City	County	State	Zip	Status / Accept

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Grantee Activity Number: 20002-SFH-RR-UN
Activity Title: 20002-SFH-RR-UN

Activity Type:
Rehabilitation/reconstruction of residential structures

Activity Status:
Under Way

Project Number:
2-SFH

Project Title:
2-SFH

Projected Start Date:
09/25/2024

Projected End Date:
07/29/2031

Benefit Type:
Direct (HouseHold)

Completed Activity Actual End Date:

National Objective:
Urgent Need

Responsible Organization:
DEPARTMENT OF COMMERCE NORTH CAROLINA

Overall	Apr 1 thru Jun 30, 2026	To Date
Total Projected Budget from All Sources	$0.00	$169,240,025.00
Total Budget	$0.00	$169,240,025.00
Total Obligated	$64,244.35	$20,541,746.30
Total Funds Drawdown	$520,761.44	$1,235,513.18
Program Funds Drawdown	$520,761.44	$1,235,513.18
Program Income Drawdown	$0.00	$0.00
Program Income Received	$0.00	$0.00
Total Funds Expended	$517,324.68	$1,253,788.84
DEPARTMENT OF COMMERCE NORTH CAROLINA	$517,324.68	$1,253,788.84
Most Impacted and Distressed Expended	$0.00	$0.00

Activity Description:

This activity encompasses the Single-Family Housing Program's rehabilitation and reconstruction of single-family homes that meet the Urgent Need (UN) criteria. With the assistance of staff and contractors, the State will work with qualified contractors assigned to repair, reconstruct, or replace damaged properties. While NCDOC does not anticipate widespread use of UN National Objective under the Single-Family Housing Program, it may be necessary, for example, in situations to ensure housing is reconstructed or rehabilitated for certain populations that are over the 80% AMI threshold; promote more complete recovery of small rural communities; or address other anomalies that could halt the provision of assistance to households that lack the resources to recover from the impacts of Helene.
In instances where NCDOC uses the UN National Objective to qualify assistance under the Single-Family Housing Program, NCDOC will comply with the requirements of section III.B.2.(iii) of the Revised Universal Notice and document how the activity responds to the urgency, type, scale, and location of the disaster-related impact described in the Unmet Needs Assessment.

Location Description:

Priority will be for seriously damaged or destroyed units in the HUD-Identified MID areas with the State-Identified MID areas having a secondary priority.
HUD-Identified MID Areas:

- Full Counties: Ashe; Avery; Buncombe; Burke; Haywood; Henderson; McDowell; Mitchell; Rutherford; Transylvania; Watauga; Yancey
- Full Counties Based on HUD-Identified zip code: Caldwell (zip code 28645); Cleveland (zip code 28150); Madison (zip code 28753); Polk (zip code 28782)

• Partial Counties Based on HUD-Identified zip code: Mecklenburg (zip code 28214)

State-Identified MID Areas:

• Full Counties: Alexander, Alleghany, Catawba, Clay, Gaston, Jackson, Lincoln, Macon, Surry, Swain, Wilkes, Yadkin (to include any Indian territory located within the geographic boundaries of these counties, e.g., Swain and Jackson counties).

Activity Progress Narrative:

Funds disbursed in Q2 2026 continued to support activity delivery costs for ongoing program activities, including community outreach, case management, and application review. While program funds have been made available for Urgent Need projects as needed, the program is prioritizing LMI categories during the first three phases, which are currently underway.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Grantee Activity Number: 28001-MIT-SFH-RR-LM
Activity Title: 28001-MIT-SFH-RR-LM

Activity Type:
MIT - Rehabilitation/reconstruction of residential structures

Activity Status:
Under Way

Project Number:
2-SFH

Project Title:
2-SFH

Projected Start Date:
09/25/2024

Projected End Date:
07/29/2031

Benefit Type:
Direct (HouseHold)

Completed Activity Actual End Date:

National Objective:
Low/Mod-Income Housing

Responsible Organization:
DEPARTMENT OF COMMERCE NORTH CAROLINA

Overall	Apr 1 thru Jun 30, 2026	To Date
Total Projected Budget from All Sources	$0.00	$97,795,425.00
Total Budget	$0.00	$97,795,425.00
Total Obligated	$371,916.08	$371,916.08
Total Funds Drawdown	$371,916.08	$371,916.08
Program Funds Drawdown	$371,916.08	$371,916.08
Program Income Drawdown	$0.00	$0.00
Program Income Received	$0.00	$0.00
Total Funds Expended	$3,568,932.49	$3,568,932.49
DEPARTMENT OF COMMERCE NORTH CAROLINA	$3,568,932.49	$3,568,932.49
Most Impacted and Distressed Expended	$3,390,918.41	$3,390,918.41

Activity Description:

This activity encompasses the Single-Family Housing Program's mitigation and resilience measures related to the rehabilitation and reconstruction of single-family homes that benefit LMI persons through housing (LMI Housing). This may include elevation, restoration, and improvement of private roads and bridges, which reduce the risks to inhabitants and protect the public investment in the reconstructed units. NCDOC emphasizes the fact that the aggressive topography of western North Carolina can make access to home sites impossible without private roads and bridges. To help address this issue, the State may, but is not required to, utilize a portion of the ~$130.4 million of mitigation set-aside funding allocated for the Single-Family Housing Program to reduce the risk that LMI homeowners receiving assistance under the program could face similar access challenges in the future and to support safe access and egress for public safety purposes.

Location Description:

Priority will be for seriously damaged or destroyed units in the HUD-Identified MID areas with the State-Identified MID areas having a secondary priority.
HUD-Identified MID Areas:

- Full Counties: Ashe; Avery; Buncombe; Burke; Haywood; Henderson; McDowell; Mitchell; Rutherford; Transylvania; Watauga; Yancey
- Full Counties Based on HUD-Identified zip code: Caldwell (zip code 28645); Cleveland (zip code 28150); Madison (zip code 28753); Polk (zip code 28782)
- Partial Counties Based on HUD-Identified zip code: Mecklenburg (zip code 28214)

State-Identified MID Areas:

• Full Counties: Alexander, Alleghany, Catawba, Clay, Gaston, Jackson, Lincoln, Macon, Surry, Swain, Wilkes, Yadkin (to include any Indian territory located within the geographic boundaries of these counties, e.g., Swain and Jackson counties).

Activity Progress Narrative:

While all homes produced in the SFH Program have modern resiliency standards, some properties require more mitigation components to protect the home from future damage. To better align with DCR's designation of MIT projects, four housing units reported in prior periods were reclassified from the 20001-SFH-RR-LM Activity to the 28001-MIT-SFH-RR-LM Activity. An additional 11 housing units were reported in Q2 2026 under the 28001-MIT-SFH-RR-LM Activity. Through the end of Q2 2026, 15 homes have been completed under the MIT-LMI activity. The performance measures reported in Q2 2026 are adjusted to account for the reclassified units so that the cumulative totals align with DCR records through Q2. Adjustments to vouchers (drawdowns) in DRGR were made in Q3 and will be reflected in the Q3 2026 QPR.

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Section 3 Narrative
Four housing units reported in prior periods were reclassified from the 20001-SFH-RR-LM Activity to the 28001-MIT-SFH-RR-LM Activity. An additional 11 housing units were reported in Q2 2026 under the 28001-MIT-SFH-RR-LM Activity. This narrative reflects the cumulative qualitative efforts undertaken by contractors for all 15 MIT housing units to date.

Contractors working on MIT projects conducted outreach efforts to secure Section 3 and Targeted Section 3 workers. These efforts included posting signage at project sites and at their main offices to increase awareness of available opportunities. In addition, efforts were made to divide contracts into smaller scopes, where feasible, to encourage participation by Section 3 business concerns.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# ELI Households (0-30% AMI)	10	10/132
# of Elevated Structures	2	2/188
# of Properties	15	15/188
# of properties protected from	0	0/0
# of Section 3 Labor Hours	564	564/378
# of Substantially Rehabilitated	15	15/188
# of Targeted Section 3 Labor	23	23/252
# of Total Labor Hours	15589	15589/12586

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	15	15/188
# of Singlefamily Units	15	15/188

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of structures	13	2	15	13/132	2/56	15/188	100.00

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	13	2	15	13/132	2/56	15/188	100.00
# Owner	13	2	15	13/132	2/56	15/188	100.00

Activity Locations

Address	City	County	State	Zip	Status / Accept

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Project # / 3-MFHS / 3-MFHS

Grantee Activity Number: 30001-MFHS-RR-LM
Activity Title: 30001-MFHS-RR-LM

Activity Type:
Rehabilitation/reconstruction of residential structures

Activity Status:
Under Way

Project Number:
3-MFHS

Project Title:
3-MFHS

Projected Start Date:
09/25/2024

Projected End Date:
07/29/2031

Benefit Type:
Direct (HouseHold)

Completed Activity Actual End Date:

National Objective:
Low/Mod-Income Housing

Responsible Organization:
DEPARTMENT OF COMMERCE NORTH CAROLINA

Overall	Apr 1 thru Jun 30, 2026	To Date
Total Projected Budget from All Sources	$0.00	$51,811,885.00
Total Budget	$0.00	$51,811,885.00
Total Obligated	$24,973.35	$67,917.47
Total Funds Drawdown	$24,973.35	$67,917.47
Program Funds Drawdown	$24,973.35	$67,917.47
Program Income Drawdown	$0.00	$0.00
Program Income Received	$0.00	$0.00
Total Funds Expended	$25,065.84	$75,351.50
DEPARTMENT OF COMMERCE NORTH CAROLINA	$25,065.84	$75,351.50
Most Impacted and Distressed Expended	$0.00	$0.00

Activity Description:

This activity comprises the Multifamily Housing Program's rehabilitation and reconstruction of small projects (4 or fewer units) that benefit LMI persons (up to 80% AMI) through the LMI Housing National Objective. Projects may be either single structures or multiple structures in proximity to one another. Projects may include mixed-use components, with requirements to be identified in the notice of funding availability and program policies and procedures.
The State will work with its implementation vendor to assign contractors to projects upon submission of a pre-application. Each award will be calculated using consistent program construction and award calculation standards, as detailed in the program guidelines. The maximum amount of grant assistance will be $1,800,000 per project, including any mitigation costs. NCDOC may make exceptions to the maximum award when necessary, to comply with federal accessibility standards or to reasonably accommodate persons with disabilities. For this program, the State will prioritize applications from property owners who owned the property as of September 28, 2024, the date of the Helene major disaster declaration.

Location Description:

Projects will be in Combined MID areas, with a priority for projects in HUD-identified MID areas.
HUD-Identified MID Areas:

- Full Counties: Ashe; Avery; Buncombe; Burke; Haywood; Henderson; McDowell; Mitchell; Rutherford; Transylvania; Watauga; Yancey
- Full Counties Based on HUD-Identified zip code: Caldwell (zip code 28645); Cleveland (zip code 28150); Madison (zip code 28753); Polk (zip code 28782)
- Partial Counties Based on HUD-Identified zip code: Mecklenburg (zip code 28214)

State-Identified MID Areas:

• Full Counties: Alexander, Alleghany, Catawba, Clay, Gaston, Jackson, Lincoln, Macon, Surry, Swain, Wilkes, Yadkin (to include any Indian territory located within the geographic boundaries of these counties, e.g., Swain and Jackson counties).

Activity Progress Narrative:

Funds were disbursed in Q2 2026 to support the preparation of construction for the projects in the Small Rental Rehabilitation Program. In Q2 2026, program staff completed 31 intake reviews, 23 of which were deemed eligible; 24 DOB reviews; and 17 damage inspections. Construction on the first projects is expected to begin within 2026.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None