Leading the state’s efforts to rebuild smarter and stronger.

September 2022

REBUILD PROGRAM UPDATES
RECENT POLICY CHANGES

• Improve the homeowner experience by simplifying program requirements and messaging.

• Implement innovative tools for managing a homeowner’s duplication of benefit.

• Bringing Case Management services in-house so that state employees, not vendors, can have more comprehensive and informative discussions with families.

• Expand opportunities for General Contractors by posting to the State’s Interactive Purchasing System and paying invoices faster, as well as simplifying requirements for GCs.
NCORR BASIC FACTS

- NCORR was created primarily to expend CDBG-DR funds from the Department of Housing and Urban Development (HUD). The agency and all staff will sunset when the federal funding is expended.

- CDBG-DR funds are the “funding of last resort,” intended to address the remaining needs of low-income families.

- NCORR has $778 million in CDBG-DR funds for recovery from Hurricanes Matthew and Florence to be expended by 2025 and 2026.

- $236.5 million for Hurricane Matthew recovery – 80% must be spent in Cumberland, Robeson, Edgecombe, Wayne, Bladen and Columbus.

- $542.6 million for Hurricane Florence recovery – 80% must be spent in Brunswick, Carteret, Columbus, Craven, Duplin, Jones, New Hanover, Onslow, Pender, Robeson, Scotland, Cumberland, Bladen and Pamlico.

- Separately, NCORR has $202 million in CDBG-Mitigation funds for voluntary buyouts, which brings the total recovery funding to $980 million.
HUD-DEFINED MOST IMPACTED AND DISTRESSED AREAS

80% of funds must be spent within the HUD-defined Most Impacted and Distressed Counties (MIDs)

- Bladen
- Brunswick
- Carteret
- Columbus
- Craven
- Cumberland
- Duplin
- Edgecombe
- Jones
- New Hanover
- Onslow
- Pamlico
- Pender
- Robeson
- Scotland
- Wayne
<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct 8, 2016</td>
<td>Hurricane Matthew makes landfall in North Carolina</td>
</tr>
<tr>
<td>August 2017</td>
<td>$236 million in CDBG-DR funds made available to NC for Hurricane Matthew</td>
</tr>
<tr>
<td></td>
<td>Commerce is Grantee for HUD funds</td>
</tr>
<tr>
<td>November 2017</td>
<td>Phase I (Matthew) Application Launch</td>
</tr>
<tr>
<td>Sept. 14, 2018</td>
<td>Hurricane Florence makes landfall in North Carolina</td>
</tr>
<tr>
<td>October 2018</td>
<td>North Carolina Office of Recovery and Resiliency created</td>
</tr>
<tr>
<td>June 2020</td>
<td>$542 million in CDBG-DR funds available to NC for Hurricane Florence</td>
</tr>
<tr>
<td></td>
<td>NCORR becomes the Grantee for the HUD funds</td>
</tr>
<tr>
<td></td>
<td>July 1, 2019</td>
</tr>
<tr>
<td></td>
<td>Phase II (Matthew and Florence) Application Launch</td>
</tr>
</tbody>
</table>
NCORR CONSTRUCTION

Bladen County
8-STEP PROCESS

APPLICATION
ELIGIBILITY REVIEW
DUPICATION CHECK
INSPECTIONS & ENVIRONMENTAL REVIEW

AWARD DETERMINATION
CONTRACTOR SELECTION
CONSTRUCTION
COMPLETION
APPLICATION STATUS

- Step 1 (intake) – 183 (the application is still open)
- Step 2 (eligibility) – 122
- Step 3 (DOB review) – 98
- Step 4 (inspection and environmental) – 778
- Step 5 (award determination) – 888
- Step 6 (contracting) – 1,146 (738 awarded to GC)
- Step 7 (construction) – 193
- Step 8 (complete) - 789
ELIGIBILITY DOCUMENTATION CHANGES

• Previously, there were between 12 - 14 individual documentation requirements to determine eligibility in HRP.
  - Previously difficult documentation requirements include storm tieback documents and ownership documents.

• These requirements have been simplified to 3-4 requirements:
  - Completed application
  - Income documentation
  - Private insurance documentation
  - A mortgage statement (if applicable)
DUPLICATION OF BENEFITS

- NCORR is required to account for all other benefits received from a homeowner to recover from storm damage. The Federal Government can only pay for something once, so we are federally-mandated to discount the amount of assistance received by FEMA.

- Previously, NCORR required payment of those duplicate funds in a single payment via cashier’s check.

- Now, instead of a single payment, NCORR will begin to allow low and moderate income (LMI) households to enter into Promissory Notes to lend the applicant the DOB so they can proceed.

- The notes are unsecured, 0% interest.

- Hundreds of families are affected by this change and NCORR staff is calling those families to offer this option.
HOMEOWNER REPAIRS

• Previously, confusion with emergency repairs prevented many homeowners from making logically necessary repairs to stay stably housed.

• ReBuild NC will now be far more flexible in the repairs conducted by a homeowner when they are needed.

• ReBuild NC is going to look at engaging partners, such as Voluntary Organizations Active in Disaster (VOAD), to help with temporary repairs needed to make a house habitable while a homeowner awaits construction work.
CASE MANAGEMENT COMMITMENT

• By moving from vendor case management to State case managers, NCORR has made it possible for families to have the same case manager from beginning to end for each project. State employees can also share more comprehensive information for families.

• Previously at the construction phase, a construction liaison was assigned to the file and the case manager was not part of the case management process in those steps. This was necessary because of the two different vendors handling steps 1-5 and steps 6-8.

• Consistent case management will greatly improve applicant dialogue.
CONTINUING CHANGES

- Many other process improvements are being implemented:
  - Staffing recovery programs with a larger, more flexible state staff group instead of a program management vendor
  - Simplified award letter and homeowner grant agreements
  - Simplified appeals processes
  - Improving partner coordination and communication
  - Improving temporary relocation assistance policies
  - Pared back requirement for proof of storm tie-back
  - Flexibility on emergency repairs done by a homeowner
  - Paying General Contractors faster with a third-party check vendor
  - Hiring staff to assist GCs with the required federal paperwork
THANK YOU