

Hurricane Helene Damages & Needs and Funding Requests

December 11, 2024

Kristin Walker, State Budget Director



Contents

Storm Impact and Damages & Needs Assessment

Funding Requests

Helene brought record rainfall, flooding, and destruction to western North Carolina

30+

Inches of local rainfall

1.4K

Landslides

1,000-year

Flood

103

North Carolina casualties

900K

Homes and businesses without power

39

FEMA disaster-declared counties

Helene survivors in western North Carolina will require a range of support

55%

of population experiencing housing cost burden

500K+

people over 18 living with disabilities

1.4M

people enrolled in Medicaid

12%

of population is without health insurance

12%

of population is below the poverty line

18%

of population is over the age of 65



Helene's impacts are severe and long-lasting, and recovery is likely to be costly

Widespread home losses

- **Estimated 275K households** will apply for federal assistance
- **95% of homes** with FEMA-verified flood damage did not have flood insurance

Catastrophic disruption to lifeline infrastructure

- **Electric infrastructure serving 2M households** impacted
- Losses to **163 water and sewer systems** and **400 hazardous waste facilities**
- At least **6,000 miles of roads** and **1,000+ bridges and culverts** damaged

Recovery challenges

- **Significantly higher construction costs** since COVID-19, exacerbated by competition for labor and materials for disaster recovery across the Southeast
- **Loss of income** from truncated peak tourist season and multi-year damage to economic assets

We must resolve to rebuild stronger, safer, and smarter

\$6 saved per **\$1** invested
In mitigation through the public sector

\$11 saved per **\$1** invested
In adopting the latest building codes

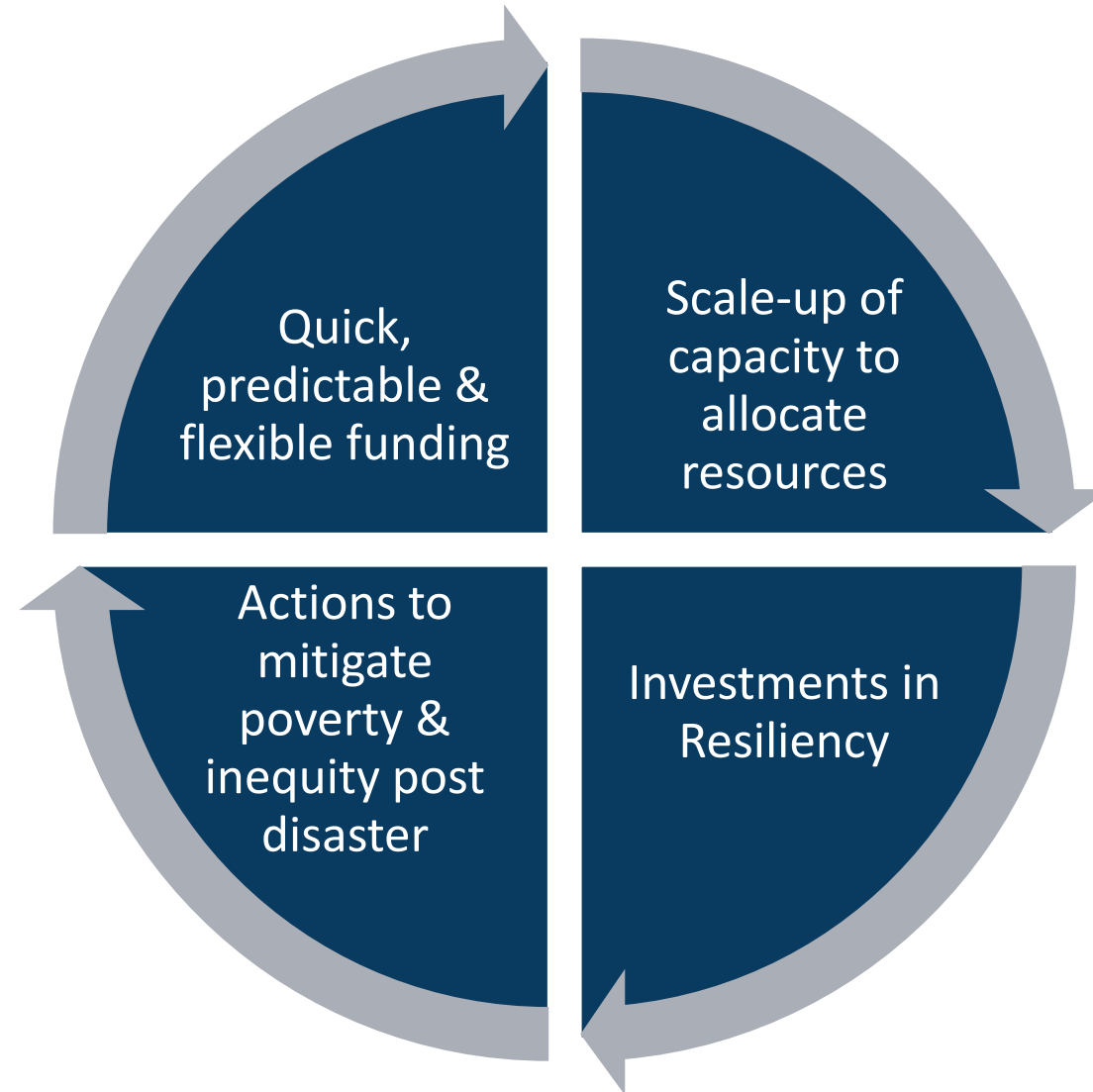
\$4 saved per **\$1** invested
In surpassing design code minimums

Leading recoveries – characterized in part by an ability to move capital quickly and flexibly – outperform peers by 13% in GDP growth in the 5 years after a disaster

Sourced from “Bounce Back Better: Four Keys to Disaster Resilience in U.S. Communities,” Harvard Kennedy School



Characteristics of Successful Recoveries



Source: Harvard Belfer Center, "Bounce Back Better: Four Keys to Disaster Resilience in US Communities"

We assessed damage and needs in nine categories; five account for 94% of the estimated total



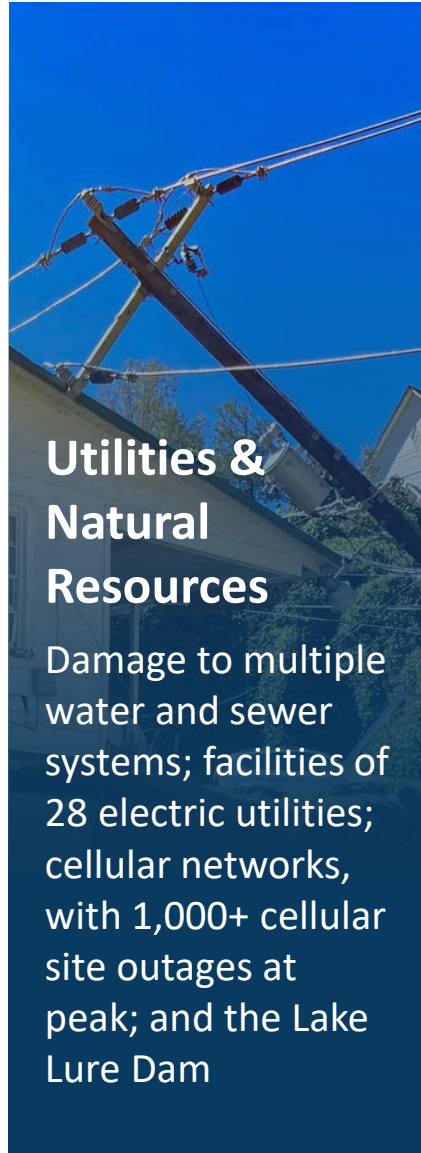
Economy

Communities affected have 115K business establishments and 384K “mom and pop” businesses



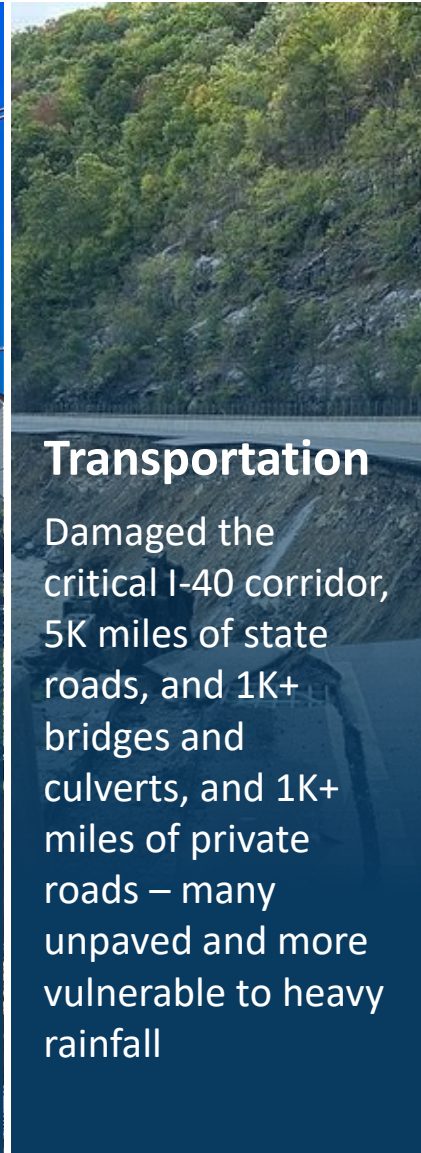
Housing

Fast-moving floodwaters, landslides, wind, and tornadoes damaged an estimated 74,000 homes



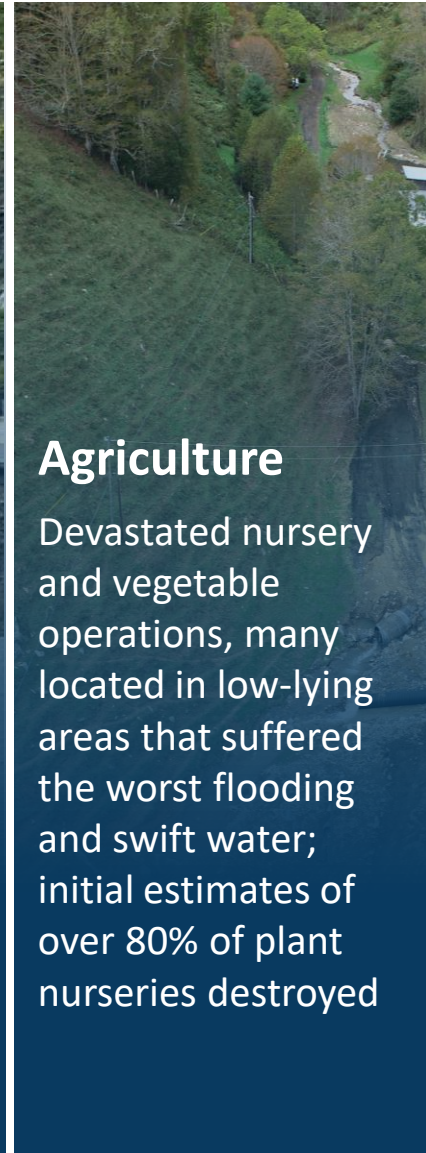
Utilities & Natural Resources

Damage to multiple water and sewer systems; facilities of 28 electric utilities; cellular networks, with 1,000+ cellular site outages at peak; and the Lake Lure Dam



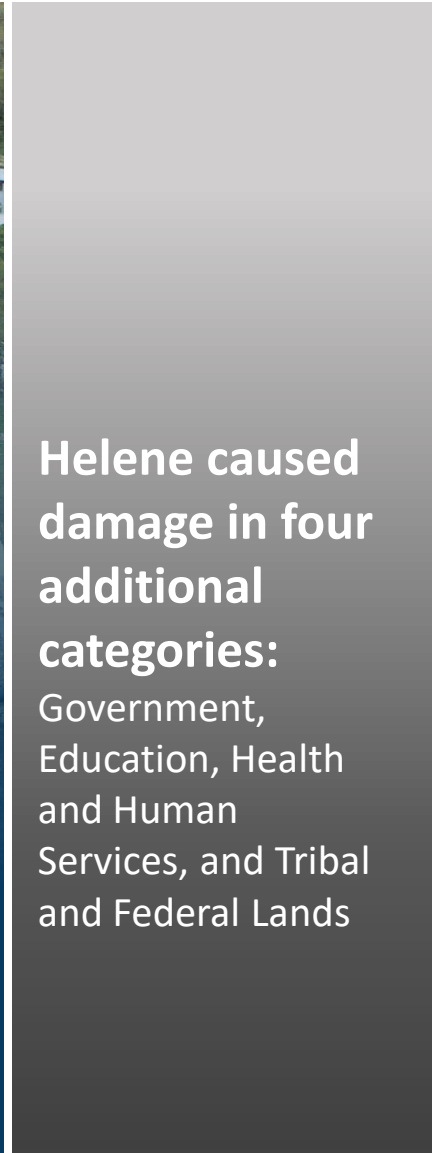
Transportation

Damaged the critical I-40 corridor, 5K miles of state roads, and 1K+ bridges and culverts, and 1K+ miles of private roads – many unpaved and more vulnerable to heavy rainfall



Agriculture

Devastated nursery and vegetable operations, many located in low-lying areas that suffered the worst flooding and swift water; initial estimates of over 80% of plant nurseries destroyed



Helene caused damage in four additional categories:

Government, Education, Health and Human Services, and Tribal and Federal Lands

Preliminary damage and needs estimates are \$53.6B, which will require significant investment

\$53.6B

Total estimated
damage and needs

=

\$41.1B

Estimated
direct cost

+

\$7.6B

Estimated
indirect cost

+

\$4.8B

Strengthening
and mitigation

Other comparable
estimates

Moody's Analytics

\$38–\$58B

CoreLogic

\$30.5–\$47.5B



Significant Federal and State Investment Needed



\$3.9B

Governor Cooper's October 23, 2024
state funding recommendation



\$25.6B

Request to the federal government on Nov. 14, 2024

- \$8B in expected eligibility-based federal funding
- \$17.6B in **new** federal funding requests
- Additionally, more federal competitive funding anticipated



Financial Impact and Recovery Funding

Financial impact & recovery funding recommendations, \$B

Total damage and needs	\$53.6	
Expected private and other funding	\$6.3	12%
Federal Funding Request	\$25.6	48%
Governor State Funding Recommendation (10/23/24)	\$3.9	7%
Unfunded damage and needs	\$17.8	33%

\$17.8 billion

Estimated unfunded portion of damages and needs, even if all recommendations and requests are funded

NC's Federal Request by Federal Agency

Eligibility-based funding (Million \$)

<i>Federal agency</i>	<i>Federal sub-agency</i>	<i>Federal ask</i>
DHS	FEMA	\$ 6,759
SBA		\$ 1,231
Subtotal		\$ 7,990

New requests (Million \$)

<i>Federal agency</i>	<i>Federal sub-agency</i>	<i>Federal ask</i>
DOT	FAA, FHWA, FRA	\$ 7,412
HUD		\$ 5,678
DHS	FEMA	\$ 1,750
USDA	USFS, FSA, NRCS, RD	\$ 1,666
EPA		\$ 270
DOD	USACE	\$ 201
DHHS	ACF, ASPR, OCFS	\$ 150
DOC	EDA, FCC, NIST	\$ 126
Education	FSA, OESE, OPE	\$ 107
DOI	NPS, USGS	\$ 90
DOE		\$ 75
DOL		\$ 40
Treasury		\$ 17
Subtotal		\$ 17,582

Total potential federal support (Million \$) \$ 25,572



What has been funded by the state so far...

\$954 million

More than a third is to match federal funds

- \$335 million to match federal disaster assistance

About a third is for loans

- \$50 million for small business loans
- \$159 million loans to local water/wastewater systems
- \$22 million loans for underground storage tanks
- \$100 million cash flow loans to local governments



Kristin Walker
State Budget Director

Call/Text:
984-222-9216

Website: www.osbm.nc.gov

Follow us:

 @ NC Office of State Budget & Management

 @ NCDemographer

 @ NC Office of State Budget & Management