Roy Cooper, Governor Erik A. Hooks, Secretary Michael A. Sprayberry, Director

July 26, 2018

Representative Brenden Jones 16 W. Jones Street, Room 2217 Raleigh, NC 27601-1096

Dear Representative Jones:

Sir, I am taking this opportunity to respond to your letter of July 23, 2018 to the Governor and to provide you with an update on Hurricane Matthew Recovery for the state, as well as for Bladen, Columbus, and Robeson counties.

Thank you for asking how you and other legislators could assist in the state response to Hurricane Matthew recovery. As we implement HUD's Community Development Block Grant – Disaster Recovery (CDBG-DR) program, we are working with local communities and ask that legislators help by:

- Recruiting those affected to apply for reimbursement, repairs or rebuilding at one of the intake centers. Currently North Carolina has 2,062 applications and we believe there are more people eligible. Anyone in the affected areas can dial 2-1-1 to make an appointment.
- Encouraging those who have applied to complete their applications by providing federally required documentation, such as receipts, proof of income-level eligibility, absence of duplication, etc. More information can be found at our website, rebuild.nc.gov.
- Encouraging those who are unsure of their eligibility to apply, because even if they are unable to access the HUD CDBG-DR program they may be qualified for other assistance.
- Assisting local governments, whether town or county, in building capacity and
 expertise to act on FEMA's Hazard Mitigation Grant Program. Awards letters are
 arriving weekly, but the decisions and timing on how and when to repair, elevate
 or buy out await action by homeowners and local governments.

MAILING ADDRESS: 4236 Mail Service Center Raleigh NC 27699-4236 www.ncdps.gov www.readync.org



OFFICE LOCATION: 1636 Gold Star Drive Raleigh, NC 27607-3371 Telephone: (919) 825-2500 Fax: (919) 825-2685

Telling community groups, churches, civic clubs, school groups, and everyone in
the affected areas to help spread the word that help is available. It is critically
important we reach each and every resident impacted by Hurricane Matthew.
Many of these residents live in your district or others represented on the
committee. We want to partner with you to reach out to each of these impacted
residents to let them know they may qualify for assistance.

For a fuller response to your questions, the state of North Carolina and the US government have numerous ways to help communities affected by disaster. Although help never comes quickly enough, more than \$739 million in Hurricane Matthew recovery funding has already been spent. That assistance has come in the form of the major federal and state relief programs as detailed in the table located on page four of this letter.

Additionally, \$236 million is available to North Carolina through HUD's CDBG-DR program for a variety of needs, including home repairs, rehabilitation, and buyouts. We expect to receive another \$168 million of CDBG-DR funding though the state must await the Federal Registry publication before submitting its Action Plan for these funds. As you may know, the funds flow from HUD through the NC Department of Commerce to NC Emergency Management per legislative directive.

The NCEM team is working as quickly as possible to get CDBG-DR funds to local communities to assist disaster survivors. Federal requirements for the CDBG-DR program are significant and stringent, but our EM team along with our partners at Commerce and local governments are working to meet them. Specific answers to your questions are below.

Federal approval for CDBG-DR grant allocations:

Required environmental reviews are conducted for every county eligible for CDBG-DR funding as well as individual, site specific locations. As we await completion of the county-wide reviews and mandatory public comment periods, Emergency Management is working on other federally required steps in the housing recovery process.

Application document reviews, damage inspections, and site specific environmental reviews are all being performed concurrently so that once HUD approves the countywide environmental reviews, work on homes can begin immediately.

Other county environmental reviews and timeline:

Robeson County's environmental review has been approved, allowing the county to move forward with homeowner recovery programs. Robeson County, which has been awarded \$46.6 million in CDBG-DR, is now administering the program at the county level through its own contractor. Environmental reviews for Wayne, Cumberland and Edgecombe counties are with HUD and we hope for approval in August.

All the remaining eligible counties are in the process of having the county-wide environmental reviews completed. We are expediting the program by conducting multiple federal steps, including document review, site specific review, and damage assessments, concurrently when possible.

Contacting counties and providing information:

Emergency Management is working very closely with our county partners, as we do in disasters and in times of recovery, and is in close contact with them all on the federal requirements of the program. I personally talk with managers and community liaisons regularly, and in some cases daily, as does my staff, to keep them informed and moving forward. Their partnership is what will assure a successful recovery.

Environmental review collaboration with HUD:

Draft versions of the environmental reviews were shared with HUD for comment, and the agency's comments and directives are being included in the final environmental reviews currently underway at the county level. Emergency Management has hired contractors with hurricane recovery experience to work with the state and counties to complete area-wide environmental reviews, site specific reviews and assessments.

HUD spending status:

North Carolina has already spent more than \$739 million on recovery programs for Hurricane Matthew. CDBG-DR funds from HUD are another important stream of funding, and the state recovery team is working with counties to complete HUD's protocol for getting those funds on the ground. It is typical of new grantees to see their spending rate increase over time. HUD calculates whether a county is on pace based on a three-month average of spending, so though our CDBG-DR spending has increased it can take some months to move out of the slow spender category. There is no danger of losing federal relief money, and I respectfully request legislators and other partners refrain from suggesting such so as not to discourage eligible survivors from applying for assistance.

South Carolina recovery:

Yes, I have contacted the South Carolina Disaster Recovery Office (SCDRO) to understand how they manage their recovery program and apply best practices to our own operations.

Finally, the table on the next page shows funding allocated and spent in each of your counties to date for each of the federal and state Hurricane Matthew relief programs.

	Statewide	Columbus	Robeson	Bladen
FEMA Individual	\$98,946,982	\$6,411,079	\$25,979,284	\$2,446,218
Assistance				
FEMA Public	\$386,200,508	68 projects	141 projects	36 projects
Assistance		\$3,098,541	\$30,545,612	\$1,282,795
National Flood	5,783 claims	80 claims	66 claims	36 claims
Insurance Payments	\$195,936,041	\$1,828,980	\$1,443,987	\$2,420,128
Small Business	\$102,564,900	\$3,337,300	\$21,254,900	\$2,428,700
Administration				
Loans				
DRA 2016 – EM	\$9,000,000	None	\$230,000 Renters	\$28,750 Renters
Housing		Requested	Assistance	Assistance
DRA 2017 – EM	\$20,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Housing		housing	hazard mitigation	housing
				\$1,000,000
				hazard
				mitigation
Hazard Mitigation	639	80 properties	140 properties	8 properties
Grants	properties	\$9,525,281	\$18,169,686	\$1,184,375
	\$155,666,731			
CDBG – Disaster	\$236,000,000	\$1,000,000	\$46,600,000	\$1,000,000
Recovery	200 200		2000 E-00 E-00 E-00 E-00 E-00 E-00 E-00	
County Totals		\$26,201,181	\$145,223,469	\$12,790,966

Please do not hesitate to contact me at your convenience if you need further information. Thank you for your support of NC Emergency Management and we look forward to working with you on continued recovery from Hurricane Matthew.

Michael A Sarauhan

Michael A. Sprayberry

Director/Deputy Homeland Security Advisor NC Division of Emergency Management