2025-2026

Consolidated Annual Performance and Evaluation Report for CDBG and HOME Programs

Year Ending June 30, 2026

Draft submitted to Citizens of Wilmington, NC

September 11, 2026 – September 25, 2026

OMB Control No: 2506-0117 (exp. 09/30/2021)

City of Wilmington

City Council

Bill Saffo, Mayor
Kevin Spears, Mayor Pro-tem

Salette Andrews
Chakema Clinton-Quintana
David Joyner
JC Lyle
Cassidy Santaguida

Becky Hawke, City Manager

Community Building Department

Rachel Schuler, Community Building Director

Affordable Housing Division

Gilbert Combs, Affordable Housing Manager
Mike Ferraro, Housing Rehab Technician
Chianti Johnson, Community Development Analyst, Compliance
Abby King, Housing Programs Specialist
Tanita Wallace, Housing Programs Manager

Finance Team

Kathy Dimopoulos, Accounting Manager
Joe Marmet, Accountant
Chrissy Roane, Senior Accountant

City of Wilmington
Community Building Department
929 North Front Street
Post Office Box 1810 Wilmington, NC 28402-1810
910-341-5809

Acronym Bank	
AMI	Area Median Income
ARP	American Rescue Plan
CAPER	Consolidated Annual Performance and Evaluation Report
CDBG	Community Development Block Grant
CDBG-DR	Community Development Block Grant - Disaster Recovery
CFR	Code of Federal Regulations
CHC	Coastal Horizons Center
CHDO	Community Housing Development Organization
CoC	Continuum of Care
CPLP	Community Partners Loan Program
CRA	Community Reinvestment Act
DPA	Downpayment Assistance
EPA	Environmental Protection Agency
ESG	Emergency Solutions Grant
FHA	Fair Housing Administration
FSS	Family Self-Sufficiency
HBE	Homebuyer Education
HEO	Housing and Equal Opportunity
HMIS	Homeless Management Information System
HOME	HOME Investment Partnerships Program
HOME-ARP	HOME Investment Partnerships American Rescue Plan Program
HOP	Home Ownership Program
HOPWA	Housing Opportunities for Persons with AIDS
HTF	Housing Trust Fund
HUD	U.S. Department of Housing & Urban Development
IDIS	Integrated Disbursement and Information System
LBP	Lead-Based Paint
LIHTC	Low-Income Housing Tax Credit
NCHFA	North Carolina Housing Finance Agency
NCORR	North Carolina Office of Recovery and Resiliency
NOAH	Naturally Occurring Affordable Housing
OLHCHH	Office of Lead Hazard Control and Healthy Homes
OOR	Owner-occupied Rehabilitation
PATH	Project for Assistance in Transition from Homelessness
PHA	Public Housing Authority
PIT	Point In Time
PSH	Permanent Supportive Housing
RAD	Rental Assistance Demonstration
R/ECAP	Racially or Ethnically Concentrated Areas of Poverty
RRIL	Rental Rehabilitation Incentive Loan
RRP	Renovation, Repair, and Painting
TBRA	Tenant-Based Rental Assistance
WHA	Wilmington Housing Authority
WHAAC	Wilmington Housing Affordability Advisory Committee

INTENTIONALLY BLANK

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)
This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

Fiscal year 2026 (Plan Year 2025) marks the fourth year of the City of Wilmington's Five-Year Consolidated Plan for 2022-2026. The most recent American Community Survey estimates indicate that housing affordability remains a challenge, even as some market indicators show a slight easing.

Between 2023 and 2024, Wilmington's homeownership rate increased from approximately 46.8% to 47.6%, meaning that renters still occupied a majority of the city's occupied housing units. The 2024 American Community Survey reported a median household income of approximately $66,738 and a median property value of approximately $383,800. These figures suggest that many households, especially first-time buyers, lower-income households, fixed-income older adults, and households without substantial savings, remain unable to compete for available homes despite the slight improvement in the overall homeownership rate. The increased homeownership rate may be a product of the in-migration of higher-income households rather than improvements in housing affordability.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)
Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Expand Funding Sources Affordable Housing Develop	Affordable Housing	General Fund: $4,471,230	Rental units constructed	Household Housing Unit	250	470	188.00%	50	192	384.00%

Increase Affordable Housing Options	Affordable Housing	-	Rental units constructed	Household Housing Unit	150	331	220.67%	30	0	0.00%
Increase Affordable Housing Options	Affordable Housing	-	Homeowner Housing Added	Household Housing Unit	5	24	480.00%	1	0	0%
Increase Affordable Housing Options	Affordable Housing	General Fund: $128,000	Homeowner Housing Rehabilitated	Household Housing Unit	50	22	44.00%	10	2	20%
Increase Affordable Housing Options	Affordable Housing	CDBG: $971,651 HOME: $100,000 Private Banks: $1,340,901	Direct Financial Assistance to Homebuyers	Households Assisted	30	33	110.00%	6	9	150.00%
Increase Affordable Housing Options	Affordable Housing	HOME: $320,000 General Fund: $353,442	Other	Other	0	4	-	10	4	40.00%

Support Public Service Programs	Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: $134,188 General Fund: $708,647	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1200	51,400	4283.33%	240	14,484	3592.92%
Support Public Service Programs	Homeless Non-Homeless Special Needs Non-Housing Community Development	-	Homeless Person Overnight Shelter	Persons Assisted	1200	1080	90.00%	240	0	0.00%

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

INTENTIONALLY BLANK

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

The City's Five-Year Consolidated Plan (Strategic Plan) aligns with priorities identified in the City's Assessment of Fair Housing (AFH), which provides the framework for five-year and annual goals. The Consolidated Plan focuses on:

- Fostering access to opportunity for low- to moderate-income residents, protected classes, and special populations, including access to jobs, education, and housing.
- Increasing the supply of affordable housing by supporting production and preservation of both owner-occupied and rental units.
- Promoting a suitable living environment by transforming racially and ethnically concentrated areas of poverty into areas of opportunity.

In FY26, CDBG funds totaling $838,063 supported the Home Ownership Pool (HOP), relocation services, and program delivery for low- to moderate-income residents. HOP helps eligible buyers purchase homes near jobs, schools, and amenities. Due to limited affordable housing options and in an effort to preserve existing housing, program guidelines were updated a couple years ago to offer a rehabilitation loan option, alongside existing forgivable downpayment assistance and a zero percent second mortgage. By fiscal year-end, two new borrowers were pre-qualified and actively searching, with approximately $534,900 in pending loan commitments. An additional $130,725 in CDBG funds supported emergency shelters and services for homeless individuals, survivors of domestic violence, and families with children.

The City also invested General Funds to support over 30 community-based organizations serving nearly 20,000 individuals, including at-risk youth, seniors, persons with disabilities, survivors of abuse, the formerly incarcerated, food-insecure households, and low-skilled individuals. These efforts strengthen the safety net and promote a suitable living environment.

Finally, HOME funds totaling $861,000 supported two down payment assistance loans and a CHDO project for a single-family home rehabilitation. General Funds provided $4,952,652 for one 184-unit multiple-dwelling project, one seven-unit scattered site single-family dwelling project, and two downpayment assistance loans.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

	CDBG	HOME	General Fund
White	897	110	4,174
Black or African American	956	66	4,900
Asian	3	0	131
American Indian or American Native	20	0	58
Native Hawaiian or Other Pacific Islander	2	0	4
Total	2,009	302	19,721
Hispanic	103	5	2,722
Not Hispanic	1,906	297	16,999

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

The attached tables summarize the racial and ethnic demographics of individuals assisted through CDBG, HOME, and General Funds in community development activities, including homebuyer and homeowner assistance, housing production, public services, and public facility improvements. The data are compiled from in-house records for the Home Ownership Pool, Homeowner Rehabilitation, and Rental Rehabilitation Loan programs, as well as from sub-recipients providing services to low- to moderate-income families. Totals include 2 or more races and those who refused to answer, not shown.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	4,159,868	1,126,789
HOME	public - federal	3,811,185	364,668
General Fund	public - local	2,365,361	1,844,628
Other	private	0	1,340,901

Table 3 - Resources Made Available

Narrative

Resources include FY26 CDBG and HOME entitlement awards, prior-year carryover, and revolving loan income. General Funds consist of revolving loan income and FY26 appropriations for homeownership, rehabilitation, and public service programs. For detailed financial information, see the appendix with the comprehensive data spreadsheet.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
City-wide	25	86%	City-wide area of opportunity, equitable access to opportunities throughout the city
Northside	25	0%	
Southside	25	0%	
Sunset/Woodlawn/LongLeaf	25	14%	

Table 4 – Identify the geographic distribution and location of investments

Narrative

The geographic distribution of investments excludes General Fund public services. The analysis is based on the location of Home Ownership Pool (HOP) loans, federally and locally funded rehabilitation loans, and the production or substantial rehabilitation of housing units. A total of 7 projects were evaluated by investment location. Of these:

- 0 projects were located in the Northside R/ECAP,
- 0 projects in the Southside R/ECAP,
- 1 projects in the Sunset/Woodlawn/Longleaf area, and
- The remaining projects were distributed citywide.

While not included in this analysis, it is important to note that most individuals served through public service programs funded with General Funds are residents of the R/ECAPs. However, specific address data for participants is not collected. In addition, the Healthy Homes Production Grant supported improvements on 9 homes, further contributing to safe and healthy housing conditions. Also not included are closings for down payment assistance and the CPLP Program.

(See Appendix for investment map.)

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The City leverages CDBG and HOME funds through partnerships with community agencies, non-profits, public institutions, and businesses.

$720,523 in General Funds to public service programs supporting low- to moderate-income households, with a focus on youth development and violence prevention.

The Housing Opportunities Program (HOP) operates in partnership with four banks—First Citizens, Corning Credit Union, First Bank, and North State—each pledging up to $900,000 in first mortgages for low- to moderate-income homebuyers. In FY26, partner banks provided $461,036 in first mortgages through HOP.

Since FY23, the City Council has dedicated a match equivalent to a portion of the ad valorem tax to affordable housing programs. This amount was initially one cent per $ 100 in valuation and currently sits at around two-thirds of one cent.

In FY26, this generated $2,355,361 to support initiatives including HOP second mortgages for workforce homebuyers, Owner-Occupied Housing Rehabilitation Loans, and Healthy Homes. Of this, nearly $236,442 was directly allocated to Owner-occupied Housing Rehab Loans and Healthy Homes projects.

City General Funds, along with CDBG and HOME funds, also provide gap financing for housing production and rehabilitation using NCHFA LIHTC and PSH programs. Analysis shows that for every $1 of CDBG/HOME FY26 entitlement funds expended, over $2.00 in private and government funds were leveraged.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	
2. Match contributed during current Federal fiscal year	
3 .Total match available for current Federal fiscal year (Line 1 plus Line 2)	
4. Match liability for current Federal fiscal year	
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	**Date of Contribution**	**Cash (non-Federal sources)**	**Foregone Taxes, Fees, Charges**	**Appraised Land/Real Property**	**Required Infrastructure**	**Site Preparation, Construction Materials, Donated labor**	**Bond Financing**	**Total Match**
FL-27		$4,757.00	0	0	0	0	0	$4,757.00
Fl-24		$113,000.00	0	0	0	0	0	$113,000.00
Fl-28		$79,000.00	0	0	0	0	0	$79,000.00
Fl-29		$49,000.00	0	0	0	0	0	$49,000.00
Fl-30		$47,000.28	0	0	0	0	0	$47,000.28

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period $	**Amount received during reporting period $**	**Total amount expended during reporting period $**	**Amount expended for TBRA $**	**Balance on hand at end of reporting period $**

Table 7 – Program Income

INTENTIONALLY BLANK

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	**Minority Business Enterprises**				**White Non-Hispanic**
		Alaskan Native or American Indian	**Asian or Pacific Islander**	**Black Non-Hispanic**	**Hispanic**	
Contracts						
Number	5	0	0	1	0	4
Dollar Amount	$936,287.00	0	0	209,312.00	0	$726,975.00
Sub-Contracts						
Number	11	0	0	3	0	8
Dollar Amount	$75,132.00	0	0	$35,000.00	0	$40,132.00

	Total	**Women Business Enterprises**	**Male**
Contracts			
Number			
Dollar Amount			
Sub-Contracts			
Number			
Dollar Amount			

Table 8 - Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	**Minority Property Owners**				**White Non-Hispanic**
		Alaskan Native or American Indian	**Asian or Pacific Islander**	**Black Non-Hispanic**	**Hispanic**	
Number						
Dollar Amount						

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition		
Parcels Acquired		
Businesses Displaced		
Nonprofit Organizations Displaced		
Households Temporarily Relocated, not Displaced		$62,968

Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number						
Cost						

Table 10 – Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	600	0
Number of Non-Homeless households to be provided affordable housing units	600	0
Number of Special-Needs households to be provided affordable housing units	45	32
Total	**1,245**	**32**

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	1	0
Number of households supported through Rehab of Existing Units	10	2
Number of households supported through Acquisition of Existing Units	12	7
Total	**23**	9

Table 12 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The Housing Programs team received 39 applications for HOP, 6 for CPLP, 21 for OOR, and 22 for DPA. Some applicants applied for more than one program.

Of the 39 HOP applications reviewed, 1 was denied, 12 applicants discontinued communication, 1 was referred, 4 were withdrawn, 2 have closed, and 19 are ongoing. Of the 5 HOP loans that closed in FY26, 4 contained a rehab component with 2 complete, 1 in the bid phase, and another under current construction.

Across the 21 OOR applications, 16 were denied due to factors such as ownership conflicts, housing construction type, or not meeting program criteria, 1 withdrew, and 4 are at various stages of the owner-occupied rehab process.

For the purposes of this reporting, the numbers shown in the actual columns above are those that have closed for FY26. This does not represent all projects that program staff continue to work on, or those circulating the division’s bid newsletter.

Goals account for external factors beyond the City's control, while outcomes reflect actual results influenced by factors such as rising interest rates, limited housing inventory, increasing prices, and high demand. In FY26, performance goals were set at six Home Ownership Pool (HOP) loans and six Down Payment Assistance (DPA) loans. Demand remained strong, with 72 total applications received across all housing programs.

HBE classes were attended by 121 potential buyers. At year-end, two homebuyers were pre-qualified for HOP loans. Contractor outreach has proven successful, as long-standing projects in the division's bid newsletter have been awarded to contractors who submit acceptable bids.

Discuss how these outcomes will impact future annual action plans.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Future annual action plans will include an updated Housing Needs Assessment that will be conducted to support the upcoming 5-year Consolidated Plan. This update is intended to supplement the previous findings from the 2022 update to the 2021 Housing Needs Assessment (Bowen National Research) and the 2021 Affordable and Workforce Housing Opinion Study (UNC Greensboro, Center for Housing and Community Studies). These reports provide an analysis of housing demand by income level and supply by price point, while showing growth and local progress. In previous years, Wilmington City Council and New Hanover County Commission used these studies to guide strategies for expanding affordable housing, including increasing local funding to leverage private and public investments.

Interest in City housing loan programs remains high, as evidenced by applications and HBE participation. Program enhancements implemented in FY23, such as joining the North Carolina Housing Finance Agency's CPLP, and expanded mortgage options for buyers in the Cape Fear region. One-time federal funds supported additional financing for the 278-unit Starway Village project, currently progressing through the leasing process. Local and federal funding also supported 32 units of PSH for SECU The Sparrow on former city-owned property.

Community leaders, including elected officials, business leaders, service agencies, and residents, continue to recognize the need for affordable housing and demonstrate support for viable solutions. Future action plans will build on this foundation and incorporate continued resources. Reports will include the number of extremely low-, low-, and moderate-income individuals served for activities requiring eligibility determination based on income and family size.

Number of Households Served	CDBG Actual	HOME Actual	General Fund
Extremely Low-income	0	0	1
Low-income	1	2	1
Moderate-income	6	0	0
Total	**7**	2	2

Table 13 – Number of Households Served

In Table 13. Number of Households Served, the breakdown of household income categories shows that 11% of households served are of 0-30% AMI, 44% are of 31-50% AMI, and the remainder are of 51-80% AMI. Federal dollars supported the majority of households via DPA and HOP programs while two households were supported with general funds for owner-occupied rehab.

The tables above consider only single-family households, but the city serves a much wider population through housing counseling to prepare potential homebuyers and stabilize homeowners and through grants that support local non-profit agencies.

Division staff provided 70 housing counseling sessions to 48 participants, totaling over 120 hours of documented HUD-approved counseling services, assisting residents with housing-related needs, providing access to available resources, and strategies to improve or prepare for housing stability. Of the housing counseling participants, 13% were households considered extremely low-income, and 33% were considered low-income.

Through the Human Services Grant program, partner agencies served more than 8,600 individuals, with a substantial portion of those served being extremely low- and low-income residents. Of the individuals served, approximately 46% were from households considered extremely low-income, and about 26% were from households considered low-income.

The city invested more than $708,000 into the Human Services Grant program. These investments generated substantial additional resources, with reported leverage exceeding $117 million. This level of leverage demonstrates the significant multiplier effect of city support through grant funding and the ability of partner agencies to use local public investment to attract and coordinate additional resources.

Other public service support through CDBG funding supported over 1,700 individuals, with 96% accounting for households considered extremely low-income. The city invested over $134,000 in federal funds and leveraged over $12.6 million in local, state, and federal funds, as well as private funds.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

An analysis of CoC Homeless Management Information System (HMIS) and Point-in-Time (PIT) Count data from 2018 through 2026 indicates an overall increase in the number of people experiencing homelessness within the CoC's catchment area, despite some year-to-year fluctuations. While the data reflects the entire CoC service area and is not exclusive to New Hanover County and the City of Wilmington, approximately 88% of the individuals identified were in New Hanover County. These trends have also occurred during a period of significant regional population growth, which has increased overall demand for housing, services, and community resources.

The 2026 PIT Count identified 610 people experiencing homelessness on the night of the count, compared with 506 in 2025, 593 in 2024, and 333 in 2018. Of the 610 people identified in 2026, 287 were unsheltered and 323 were staying in emergency shelter or transitional housing. The increase from 2025 should be considered within the context of several significant changes in the community, including expanded shelter and transitional housing capacity, increased overflow shelter capacity during unusually cold weather, and stronger outreach and coordination efforts. Warming shelter and pop-up services also created additional opportunities to identify and engage people experiencing unsheltered homelessness. As a result, the increase reflects a combination of homelessness trends, improved identification and engagement, and increased temporary shelter capacity rather than solely an increase in the number of people becoming homeless.

It is important to recognize that the HUD Point-in-Time Count provides a one-night snapshot of homelessness and does not capture the full scope of housing instability within the community. Certain populations can be particularly difficult to identify during the count, including people staying in locations not intended for human habitation, vehicles, or other less visible settings. Additionally, the PIT Count generally does not include individuals and families who are doubled up, otherwise unstably housed, or at imminent risk of homelessness but who do not meet HUD's definition of homelessness on the night of the count. As a result, PIT Count data is best considered alongside HMIS and other local data when assessing the overall need within the community.

The CoC adopted a Coordinated Community Plan in 2023-2024 with the goal of using data and equity as a driving force to improve our homeless system response and build our community's capacity to address homelessness. This plan included strengthening partnerships among service providers and facilitating better coordination and resource sharing.

Coastal Horizons Center (CHC) PATH and Youth SO, First Fruit Ministries, Getting Home Street Outreach, Vigilant Hope Ministry, and Wilmington Downtown, Inc. are all street outreach providers within the City of Wilmington and New Hanover County. Staff members representing each of these programs and other direct service providers participate in semi-monthly Coordinated Entry to ensure comprehensive coverage and decrease duplication of services.

CHC receives Project for Assistance in Transition from Homelessness (PATH) program dollars. The PATH program, administered by NC Department of Health and Human Services, has a specific focus on reducing or eliminating homelessness for individuals the age of 18 and older with a serious mental illness, or co-occurring mental illness and substance use disorder, who are homeless or at risk of homelessness.

During the FY25-26 timeframe, CHC's Youth Street Outreach project interacted with 45 individuals, while their PATH-funded Street Outreach project interacted with 203 individuals. First Fruit ministries interacted with 111 individuals, New HOPE CDC served 48 individuals, and Getting Home recorded interactions with 46 individuals.

In total, Street Outreach Teams in New Hanover County and the City of Wilmington served 455 individuals who were tracked in the CoC's Homeless Management Information System (HMIS). This likely does not represent the full scope of impact by all teams, as some programs have not fully integrated their data in HMIS.

Outside of Street Outreach Teams, the community has continued to work to find ways to address the need for safe spaces for people experiencing unsheltered homelessness. This includes day shelter options offered by First Fruit Ministries, Good Shepherd Center, and Living Hope. The CoC has expanded Coordinated Entry access points to include an assessor who works within these local day shelter programs and coordinates with Street Outreach Teams to expand our ability to identify and address the immediate and long-term needs of homeless individuals, particularly unsheltered.

Additionally, the CoC supports the Creative Solutions Work Group. This work group meets monthly to discuss unique and overlooked problems in our community relating to homelessness and brainstorm solutions to address these problems. This includes bringing non-traditional service partners to the table and exploring alternative approaches to addressing the issue of homelessness.

Addressing the emergency shelter and transitional housing needs of homeless persons

The CoC supports a low-barrier, person-centered approach to providing shelter and housing services. This approach emphasizes helping individuals and families experiencing homelessness access safe shelter, housing, and other essential services while minimizing unnecessary barriers to participation. Providers are encouraged to identify and reduce barriers to accessing assistance and to connect participants with supportive services that address their individual needs, including healthcare, behavioral health and recovery services, employment, income, and other resources

that can support long-term housing stability and self-sufficiency.

Service providers within the CoC work together to prioritize individuals based on their level of need and the type of housing intervention that would support housing security. This is accomplished using a Coordinated Entry System which ensures equal access to all homelessness response resources through a standardized intake, assessment, and referral process. This system enables the community to identify the highest need, most vulnerable households in the community and prioritize referrals for services.

At the time of the PIT Count, the housing inventory count shows 17 projects providing 360 emergency and transitional housing beds in the region. This reflects a 34% increase in available beds from 2025. Of those 360 available beds, 25 were youth-specific beds, 49 beds were specifically for victims of domestic violence & human trafficking, 16 were transitional beds for veterans, and 22 beds were transitional beds for formerly incarcerated individuals. The utilization rate of available beds for the PIT count in 2024 was 90%, with 323 people utilizing the 360 available beds. Targeted population-specific beds, such as veterans and youth-only households, likely contributed to not fully utilizing the available beds. The data suggests that even at full capacity, the area lacks enough beds to serve the need.

During FY 25-26, emergency shelters in New Hanover County served 1,211 individuals, including night-by-night shelters. While exits to positive housing destinations were only 23% during this time period, the percentage increases to 46% when excluding night-by-night shelters, which inherently would have lower successful outcomes due to the nature of the program.

Unfortunately, the tight housing market continues to impact the inability for people experiencing homelessness to transition from shelters and/or transitional housing into permanent housing. The costs of housing, particularly rents, continue to rise and have created significant barriers to families obtaining affordable housing. Rapid Rehousing Programs, some of which are funded through the ESG and CoC funding competitions, are part of the solution by providing housing navigation and financial assistance to facilitate the transition to permanent housing. Ongoing efforts within the community are working towards landlord engagement and outreach to broaden the reach of these programs.

In FY 25-26, Rapid Rehousing projects operated by Good Shepherd Center served 250 households comprising 318 individuals. 63% of people in rapid re-housing exited to a positive housing destination.

Of those experiencing homelessness who transition out of our homeless response system into a permanent housing destination, our most recent System Performance Measure report showed that less than 4% return to homelessness within one year, and less than 10% return within two years. During FY 25-26, 365 persons exited our homelessness system to positive housing destinations, 25% of those served who exited the system during that period.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The CoC continues to rely on Coordinated Entry problem-solving, diversion, and referrals to mainstream community resources while working to expand dedicated prevention capacity. Community partners provide limited financial and stabilization assistance, and the addition of ESG-funded homelessness prevention provides another resource for eligible households at imminent risk of homelessness. Continued investment in prevention, coordinated discharge planning, reentry services, youth-focused interventions, and affordable housing will be necessary to further reduce the number of households entering homelessness.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

In HUD reporting year 2025 an analysis of system performance for the last two years looked at those who left the system for permanent housing destinations. The analysis showed that 129 people exited from Transitional Housing with a rate of return to homelessness of 1.6% within 12 months, 5.4% within 24 months. Of 199 individuals exited from Emergency Shelter to permanent housing destinations, 4.5% returned to homelessness within 12 months, 10.6% returned within the 24-month period analyzed.

The HUD reporting year 2025 analysis also looked at the length of time people remained homeless based on self-reported data collected from individuals and families experiencing homelessness when entering the system. In this area, persons in Emergency Shelters and Transitional housing spend an average of 364 nights homeless based on each client's reporting length of time both unsheltered and in shelter in 2025. This includes time homeless during the report date range as well as prior to the report start date but going back no further than October 1, 2012. The length of time homeless indicates a lack of resources necessary to move those experiencing homelessness quickly from homeless to housed.

In FY 25-26, five Permanent Supportive Housing programs were operated by two agencies and tracked in HMIS. These projects served 134 individuals, which included 131 adults and 3 children. Permanent Supportive Housing is a form of subsidized housing that provides long-term, affordable housing, and support services to people with disabilities or other special needs who

are homeless.. It is a proven solution to homelessness for the most vulnerable chronically homeless people and pairs housing with case management and supportive services.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

WHA Organizational Capacity:
During the July 2025–June 2026 reporting period, the Wilmington Housing Authority (WHA) continued strengthening its organizational capacity to address the needs of public housing residents and support the long-term preservation and redevelopment of its affordable housing portfolio. WHA focused on improving internal coordination, property operations, maintenance and unit-turn processes, compliance, resident services, redevelopment planning, and project oversight.

WHA continued coordinating with HUD, the City of Wilmington, the NCHFA, development and financial partners, and community stakeholders to advance affordable housing preservation and redevelopment initiatives. These efforts support WHA's overall goal of improving housing conditions, strengthening operational performance, preserving existing affordable housing, and expanding quality affordable housing opportunities for Wilmington residents.

Solomon Towers (150-unit rehabilitation):
Financing and redevelopment activities advanced significantly during Q2 and Q3 2026, including receipt of debt and equity term sheets, completion of the Tax-Exempt Bond Public Hearing, and continued underwriting and due diligence. HUD RAD, bond financing, NCHFA, construction permitting, and closing milestones are being advanced, with financial closing targeted for October 30, 2026.

Jervay Communities / Dawson Lofts II (Rehabilitation and New Construction):
Both projects continued through the RAD and LIHTC redevelopment process during Q2 and Q3 2026, including resident engagement and advancement toward NCHFA commitments. Dawson Lofts II is targeting closing in Q4 2026, followed by Jervay in Q1 2027.

Hillcrest (26-acre redevelopment):
During Q2 and Q3 2026, WHA continued the environmental and Section 106 historic preservation processes. Tribal consultation is substantially complete; the public comment period concluded with no comments, and coordination with the State Historic Preservation Office continues toward completion of the Memorandum of Agreement and environmental review.

Houston Moore (200 units):
The redevelopment advanced through the RAD closing process during Q2 and Q3 2026, including submission of the closing package to HUD, advancement of RAD documents, and continued weekly closing coordination. The projected closing and funding date of October 27, 2026.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

Jobs Plus Grant ($2.3 million):
The Jobs Plus program remained operational at Creekwood South and Houston Moore during the reporting period. WHA exceeded the required match with approximately $1.2 million in partner

contributions. The program provides residents with Skills Academies, employment resources, supportive services, and other opportunities designed to promote economic mobility and self-sufficiency. The Jobs Plus program and grant are scheduled to conclude in December 2026.

Self-Sufficiency Support:
WHA continues to provide self-sufficiency support through two HUD-funded (FSS) Coordinators and Elderly Services staff who assist residents with accessing resources and services intended to support independence, economic stability, and quality of life.

In regard to the Homeownership Program, WHA actively refers current FSS participants with the goal of homeownership to various classes and meetings related to this goal.

WHA does **not** currently administer a Resident Opportunities and Self-Sufficiency (ROSS) grant; therefore, the ROSS-funded position previously referenced has been removed from this reporting update.

Emergency Housing Vouchers:
WHA administers 17 Emergency Housing Vouchers (EHVs), providing housing assistance for eligible individuals and families, including individuals experiencing homelessness and survivors of domestic violence and human trafficking. We cannot take any new referrals for this program.

Resident and Community Engagement:
WHA continued Community Outreach and Resident Committee meetings and maintained partnerships with community organizations to support residents. These activities include resident engagement related to redevelopment and relocation, community activities, supportive services, repayment plans, and assistance with rental assistance applications.

Community engagement efforts also provide residents with opportunities to receive information, communicate concerns, participate in discussions that affect their communities, and connect with resources that promote housing stability and self-sufficiency.

Through these programs and partnerships, WHA continues to encourage resident involvement and provide residents with resources that can support financial stability, employment, self-sufficiency, and preparation for future homeownership opportunities.

Actions taken to provide assistance to troubled PHAs
The Wilmington Housing Authority (WHA) was designated as a troubled Public Housing Agency during the reporting period and entered into a Recovery Agreement with the U.S. Department of Housing and Urban Development (HUD). WHA continues to work collaboratively with HUD to address the requirements and performance measures established under the Recovery Agreement.

WHA is currently in compliance with the scheduled reporting requirements outlined in the Recovery Agreement and continues to provide HUD with required reports, updates, and documentation in accordance with the established reporting schedule. WHA remains committed to fulfilling the terms of the Recovery Agreement, strengthening organizational and operational performance, and demonstrating sustained progress toward successful recovery.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

In FY26, Wilmington City Council established the Wilmington Housing Affordability Advisory Committee (WHAAC). The WHAAC was established to work with City staff from Community Building and Planning to develop and update, as necessary, a comprehensive housing affordability plan. The group also works with the City to promote housing affordability initiatives and policies and makes recommendations to the City Council in an advisory capacity.

WHAAC efforts are also reflected in the Cape Fear Housing Coalition (CFHC), a nonprofit with a regional focus. The City has a dedicated Affordable Housing staff member serving as a voting CFHC member, with additional City staff from Community Building and the Planning Department participating.

The City also continues to review and update its Land Development Code to remove regulatory barriers and promote housing affordability through zoning reforms.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

Obstacles to meeting underserved needs are complex and long-standing. The City's Assessment of Fair Housing (AFH) identifies factors such as displacement due to economic pressure, community opposition to diverse housing types, discrimination, and lack of safe, decent housing. Certain neighborhoods experience limited access to opportunity and disproportionately high rates of housing cost burden, low wealth, and underperforming schools.

City Council appropriates funds to support community-based efforts addressing these needs, with a focus on youth development, violence prevention, and job skills programs. In FY26, $720,647 in General Funds supported over 30 agencies serving low- to moderate-income individuals. An addition $73.116 in General Funds supported the Cape Fear Council of Governments CoC, enhancing collaboration, reducing duplication, leveraging resources for homeless services, and analyzing data on homelessness. A complete list of funded agencies is included in the appendix.

City housing programs—including homeowner rehabilitation, homebuyer assistance, and affordable housing production—are supported through CDBG and HOME funds, along with General Fund appropriations. With population growth and limited development land, many Wilmington areas experience infill and redevelopment where naturally occurring affordable housing (NOAH) exists.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

All homes that receive federal assistance that were constructed before 1978 must be evaluated for lead-based paint hazards, and the following actions must be taken.

- Provide owner or occupant with information pamphlet(s) 1. Protect your family from lead in your home –EPA, 2. The lead-safe certified guide to renovate right – EPA.
- Require paint testing for surfaces to be disturbed or presume Lead-based paint present.

- Notice to occupants.

For properties receiving less than or equal to $5000.00 per unit
- Safe work practices during rehab (certified RRP Contractor).
- Repair/stabilize disturbed paint.
- Passing clearance exam of the worksite.

For properties receiving more than $5000.00 and up to $25,000.00 per unit
- LBP testing / Risk assessment.
- Interim controls (certified RRP Contractor).
- Passing clearance exam of the worksite.

For properties receiving more than $25,000.00 per unit
- LBP testing / Risk assessment.
- Abatement of LBP hazards (licensed abatement contractor).
- Passing clearance exam of the worksite.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)
City support for programs that increase skills of youth, underemployed, homeless and others experiencing poverty. Programs supported include after-school programs, tutoring, job skills, job placement, and adult literacy. Please see appendix for full list of agencies supported. According to reports submitted by funded non-profits and City loan data, at least 21,000 individuals participated/benefited from programs supported by City funds, including CDBG and HOME.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)
The City strengthens its institutional structure through continuous process improvement and collaboration with internal departments and community stakeholders. Affordable housing staff regularly engage with developers who incorporate affordable housing and work with the Planning, Legal, and Budget departments to advance supportive policies.

In the past year, the City adopted a new Strategic Plan highlighting five focus areas, including creating thriving, inclusive, and affordable neighborhoods. The plan's first objective under this focus area is to improve the availability and diversity of quality housing across income levels, reinforcing the City Council's commitment to housing affordability in all decisions.

Program management, data collection, and reporting have been enhanced through a software system for loan program activities. The Affordable Housing Division also expanded services by establishing a HUD-Certified Housing Counseling program, assisting low- to moderate-income residents with barriers such as credit, budgeting, and other challenges.

Collaboration with community-based organizations, banks, the Cape Fear REALTORS®, the Cape Fear Homeless Continuum of Care, and other partners is critical to meeting community needs. CDBG and General Funds support initiatives addressing homelessness, blight, job skills development, youth programs, and services for disabled and elderly residents. In partnership with area banks and affordable housing developers, the City provides programs supporting homeownership, rental assistance, and housing preservation.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

City Affordable Housing staff represent the City in several community development organizations, including the Cape Fear Housing Coalition and the Cape Fear Homeless Continuum of Care. Staff also organize and host housing fairs and other events, and actively participate in events hosted by the Cape Fear REALTORS® and the Wilmington-Cape Fear Home Builders Association, representing the private housing sector.

The City partners with four local banks to provide homebuyer financing through the Home Ownership Program (HOP). Additionally, City Council appoints private-sector volunteers to serve on the Loan Review Board, with members representing the banking, insurance, social services, executive management, legal, and accounting sectors.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

The City of Wilmington/Wilmington Housing Authority submitted an Assessment of Fair Housing to HUD in October 2016, under the requirements of the July 16, 2015, Final Rule on Affirmatively Furthering Fair Housing. The Final Rule Affirmatively Furthering Fair Housing required an analysis of data provided by HUD and for submitting entities to establish goals to address significant disparities in housing needs and access to opportunity, replace segregation with truly integrated and balanced living patterns, and transform racially/ethnically concentrated area of poverty into areas of opportunity.

The City's homebuyer assistance programs address disparities in access to affordable housing and areas of opportunity by supporting low-to-moderate homebuyers in acquiring housing within the city limits. This provides an opportunity to build generational wealth and live in areas of opportunity, including areas with higher performing schools. That said, owner-occupied rehabilitation, rental rehabilitation, housing new development and public services funding helps to transform existing racially/ethnically concentrated areas of poverty.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The Community Development Analyst – Compliance manages the annual programmatic monitoring of all HOME- and CDBG-funded housing and community development projects, as required by law. Funding requests are submitted using a standard form and evaluated by a multi-department staff team, with points assigned for community need, program effectiveness, financial management, and organizational capacity.

Newly funded projects receive technical assistance on applicable federal regulations, including the Environmental Assessment process, tenant selection, Davis-Bacon, fair labor standards, fair housing, Section 3, and Minority Business Enterprises. The City executes standard grant agreements specifying fund amount, source, use, match requirements, reporting standards, recordkeeping, expected results, and compliance with all applicable federal standards (e.g., Executive Orders, Civil Rights Act).

Finance staff within the grants division monitor compliance with federal financial requirements under OMB Circulars and 2 CFR Parts 84 and 85, and manage the loan portfolio for homeownership and owner-occupied rehabilitation programs.

Ongoing technical assistance is provided to all agencies. Those with identified concerns participate in in-depth reviews—weekly, monthly, or quarterly—as needed. Desk monitoring is conducted where applicable, and all currently funded and affordability-period eligible agencies complete a mandatory bi-annual reporting tool. Pre-award conferences continue to finalize contracts and review reporting compliance, with additional technical assistance provided to new grantees as appropriate.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

Citizens are provided with notice and an opportunity to comment on the CAPER in different ways, one during a City Council meeting and another at the City Municipal building, and by accessing the draft CAPER via the City webpage, City Clerk's office, downtown public library, WHA, and Community Building Department. A notice of Public Hearing and Public Comment period is advertised in the Wilmington Star News, and City Website, and the Social Media sites. In addition, notices with links to the CAPER are emailed to community-based organizations and other key stakeholders, including the Cape Fear Housing Coalition, the Cape Fear Homeless Continuum of Care, and New Hanover County.

Please see the appendix for copies of the published notice.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The City's program objective of increasing access to safe, decent, affordable housing will not change; however, programming will adapt to market and external realities. As described in earlier sections, the city added a Housing Counseling Program in FY23. In addition, the city will continue to explore opportunities to leverage CDBG funds to increase the resources available for homeownership programs and public service activities. As the 21st Century ROAD to Housing Act moves forward, the city will evaluate program funding and options to adapt to updated guidance.

CR-50 - HOME 24 CFR 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in 24 CFR §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

Property/ Program	Monitoring Date	Summary of Issues
WHFD – Willow Pond - HOME	On-site monitoring 11/6/25	Three corrective actions requested to improve programmatic compliance. Items identified during property inspection that require repair and reinspection. Technical assistance will be provided as needed.
Lockwood Village - HOME	On-site monitoring 8/18/2025	Items identified during property inspection that require repair and reinspection. Technical assistance will be provided as needed.
HEO – Pointe at Taylor Estates - HOME	On-site monitoring on 9/3/2025	Three corrective actions requested to improve programmatic compliance. Items identified during property inspection that require repair and reinspection. Technical assistance will be provided as needed.
HEO – Robert E. Taylor Senior Homes -	On-site monitoring 9/4/2025	Three corrective actions requested to improve programmatic compliance. Items identified during property inspection that require repair and reinspection. Technical assistance will be provided as needed.
Lake Ridge - HOME	On-site monitoring on 8/12/2025	Items identified during property inspection that require repair and reinspection. Technical assistance will be provided as needed.
Lakeside Reserve, Phase I and II - HOME	On-site monitoring on 8/14/2025	Items identified during property inspection that require repair and reinspection. Technical assistance will be provided as needed.
AMEZ – 701 McCrae St; 905 Grace Street; 1314 Church St - HOME	On-site monitoring 10/29/2025	Five corrective actions requested to improve programmatic compliance. Items identified during property inspection that require repair and reinspection. Technical assistance provided during monitoring visit and will be ongoing as needed.
HOME Rental Rehab: 215 Gores Row	Desk Review 12/15/2025	Technical assistance was provided during review and will be provided as needed ongoing.
HOME Rental Rehab: 924 S 8th Street	Desk Review 1/23/2026	Technical assistance was provided during review and will be provided as needed ongoing.

HOME Rental Rehab: 333 Sumter Drive	Desk Review 11/7/2025	Technical assistance was provided during review and will be provided as needed ongoing.
HOME Rental Rehab: 1210 King Street	Desk Review 10/24/2025	Technical assistance was provided during review and will be provided as needed ongoing.
HOME Rental Rehab: 2309 Monroe Street	Desk Review 2/4/2026	One programmatic issue identified and resolved. Technical assistance was provided during review and will be provided as needed ongoing.
HOME Rental Rehab: 1306 S 4th Street	Desk Review 7/9/2025	Technical assistance was provided during review and will be provided as needed ongoing.
HOME Rental Rehab: 217-C Sunn Aire Court	Desk Review 9/9/2025	Technical assistance was provided during review and will be provided as needed ongoing.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 24 CFR 91.520(e) and 24 CFR 92.351(a)

The City of Wilmington continues to promote non-discrimination and equal housing opportunity. Housing programs funded with federal or local dollars are widely publicized through local media, community-based organizations, social service agencies, partner banks and real estate professionals, the Wilmington Housing Authority, and area churches. Housing & Neighborhood Services and Planning Departments collaborate to ensure input from underrepresented residents, supporting positive community change. The Fair Housing logo is displayed on all Community Development housing materials.

All CDBG- and HOME-assisted housing projects are required to implement an affirmative marketing plan, as specified in funding agreements. Borrowers and fund recipients must submit tenant selection and marketing plans outlining actions to attract eligible individuals without regard to race, color, national origin, sex, religion, familial status, or disability.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

See IDIS PR05

CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

Total Labor Hours	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	1	2	0	0	0
Total Labor Hours	152,260.36	48,656.40			
Total Section 3 Worker Hours	63,975.17	1,432			
Total Targeted Section 3 Worker Hours	3,827.7	0			

Table 14 – Total Labor Hours

Qualitative Efforts - Number of Activities by Program	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers					
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.					
Direct, on-the job training (including apprenticeships).					
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.					
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).					
Outreach efforts to identify and secure bids from Section 3 business concerns.	1	2			
Technical assistance to help Section 3 business concerns understand and bid on contracts.	1	2			
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.					
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.					
Held one or more job fairs.					
Provided or connected residents with supportive services that can provide direct services or referrals.					
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.					
Assisted residents with finding child care.					
Assisted residents to apply for, or attend community college or a four year educational institution.					

Assisted residents to apply for, or attend vocational/technical training.					
Assisted residents to obtain financial literacy training and/or coaching.					
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.					
Provided or connected residents with training on computer use or online technologies.					
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.					
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.					
Other.					

Table 15 – Qualitative Efforts - Number of Activities by Program

Narrative

In FY26, Section 3 applied to four projects: Starway Village, funded with CDBG-DR through a grant from the North Carolina Office of Recovery and Resiliency (NCORR); Sterling Reserve, funded with HOME; The Sparrow, funded with HOME-ARP; and a single-family CHDO project at 709 McRae Street.

- The Starway Village project is a 278-unit senior-living multi-dwelling apartment development. Work is complete, and included 152,260.36 Total Project Hours with 63,975.17 Total Section 3 Labor Hours and 3,827.7 Total Targeted Section 3 Labor Hours.The Sterling Reserve project is a 184-unit multiple-dwelling apartment development. Work is complete and saw 16,788.5 Total Project Hours.The Sparrow is a 32-unit Permanent Supportive Housing community. Work is complete and saw 1,414 Total Project Hours.

Efforts to further Section 3 activities are as follows:

1. Section 3 signs posted as required at project locations
2. Section 3 Opportunity Flyer on the City of Wilmington website

INTENTIONALLY BLANK

APPENDIX – FY2025-26 PROGRESS REPORT

INTENTIONALLY BLANK

HOME OWNERSHIP POOL (HOP)

$871,651.00 CDBG/RL/GF
$586,651 Banks

In partnership with local banks, the City offers the Home Ownership Pool (HOP) to low- to moderate-income homebuyers. CDBG and General Funds provide zero-interest second mortgages, and homebuyers must complete a homebuyer education class. All HOP loans carry a five-year affordability requirement.



In FY26, five HOP loans closed, with two pre-qualified homebuyers actively searching at year-end, representing approximately $534,900 in potential loans. The average HOP loan was $360,690.67—comprised of an average bank portion of $115,259 and a City portion of $115,259, including $25,000 in forgivable down payment assistance. Borrowers had an average income of $60,263.60 and a household size of 2. Of the loans, two were to female heads of household and one to African American households.

HOP loans are in second lien position, are reviewed by the HOP Review Committee in accordance with adopted underwriting guidelines, and are recommended to the City Manager for final approval.

To support opportunities in the high-demand Wilmington housing market and preserve housing stock, a few years ago, City Council approved a supplemental HOP Rehabilitation Loan. This program provides a $50,000 deferred loan for HOP borrowers purchasing homes in need of rehabilitation, which can be combined with $25,000 in forgivable down payment assistance, offering up to $75,000 in combined forgivable and deferred financing.

DOWN PAYMENT ASSISTANCE LOANS (DPA)

$200,000 CDBG/HOME
$754,250 First Mortgages

Homebuyers may receive up to $50,000 in Down Payment Assistance (DPA) for use with a conventional or other non-City first mortgage program. In FY26, four DPA loans closed. Loans are deferred, forgivable, and interest-free, with a maximum term of 10 years based on the loan amount. Applications are referred by the primary lender to the City, which verifies borrower eligibility, income, and repayment ability. First mortgages approved by FHA, VA, or institutional lenders under Fannie Mae, Freddie Mac, VA, FHA, or NCHFA CPLP standards are acceptable. City staff also conduct a subsidy layering review to ensure DPA does not over-subsidize borrowers by reducing housing costs below 30% of income. DPA cannot be combined with HOP loans or other HOME program subsidies. The program is marketed to banks, mortgage companies, Cape Fear REALTORS® Workforce Housing Certified Brokers, Realtors, and non-profit lenders.

The City participates in the NCHFA CPLP, partnering with banks to provide affordable mortgages and down payment assistance statewide. CPLP loans processed by City staff for benefit-eligible borrowers purchasing homes outside Wilmington are reimbursed by the City for each loan, ensuring that no local taxpayer funds are used. In FY26, eight CPLP loans totaling $1,938,120 were processed.

Three loans supported homeownership in Brunswick County and five loans in New Hanover County. CPLP expands homeownership opportunities in areas with access to preferred schools and jobs, supporting regional affordability. Housing affordability cannot be bound by municipal lines and is truly a regional effort.

OWNER-OCCUPIED REHABILITATION LOANS

$ 128,000 General Fund Forgivable Loan

Guidelines for the Housing Rehabilitation Loan Program allow for forgivable loans of up to $90,000 for households earning below 50% AMI. In addition, program guidelines include a forgivable loan of up to $10,000 for minor repairs and fully amortized loans up to $100,000 at 2% for households with incomes up to 80% AMI, with the ability to repay a loan.

In FY26, two Owner-occupied Housing Rehabilitation loans closed. One of the households qualified in the category of extremely low income (<30% AMI) and one as low income (<80% AMI) category. One of these projects is currently under construction, and the other is complete.






The division's contractor recruitment efforts are starting to prove worthwhile. In FY26, a number of new contractors submitted applications to become eligible for residential rehab work through the affordable housing division programs. Of those contractors, over 80% were licensed general contractors. This has helped provide far more active bidding activity, which is generally reducing wait times for homeowners.



Existing condition – project awarded

INTENTIONALLY BLANK

HOUSING COUNSELING AND HOMEBUYER EDUCATION WORKSHOPS



The City became a HUD-Certified Housing Counseling Agency in FY22 and joined the North Carolina Housing Coalition Housing Counseling Network. In FY23, staff launched the Housing Counseling Program, including the implementation of required Client Management Software. With the addition of a full-time Certified Housing Counselor, the program has served 70 clients through one-on-one sessions—45 received pre-purchase/homebuying counseling, 1 received non-delinquency post-purchase counseling, and 2 received counseling to resolve or prevent forward mortgage delinquency or default. Among those served, 19 were Black and 26 were White.

The program helps clients improve budgeting, evaluate spending, and take steps toward financial stability and homeownership. In FY26, 121 individuals attended one of 11 Homebuyer Education Classes; 42 also received individualized counseling to overcome barriers to mortgage qualification, such as low credit scores.



GAP FINANCING TO INCREASE AFFORDABLE HOUSING UNITS & SINGLE-FAMILY NEW CONSTRUCTION

Recognizing the increasing need for housing, in FY 2023, the City Council enacted a policy to dedicate one cent of the property tax to ongoing affordable and/or workforce housing efforts. In addition, the City Council designated additional fund balance for affordable housing, in particular, gap financing. In FY 2023, the City Council designated $1.5 million for gap financing, increasing the city's general fund contribution for affordable workforce housing programs.

In FY26, over $4.8 million was invested in multiple-dwelling projects across the city.

Avenue Flats
$4,000,000 General Fund
(under construction)

Avenue Flats was approved in FY24 and began construction in FY26. The project is funded with general fund dollars and was awarded a Low-Income Housing Tax Credit award in 2025. Once the project is complete, it will include 184 affordable multi-dwelling units.









Block by Block
$824,652 General Fund
(under construction)

The Block by Block project is a scattered-site development project for the rehabilitation of seven single-dwelling residential units, all located in the 1945 corporate limits. Cape Fear Collective mobilized Community Reinvestment Act (CRA) funds from financial institutions to purchase 114 scattered residential units. CFC has partnered with many nonprofits in the area to use the properties as affordable or homeowner housing and the City of Wilmington is proud to partner with them to rehabilitate and bring back into living condition, seven units intended for both rent and purchase.









Starway Village
$750,000 General Fund
(now leasing)

Starway Village is a 278-unit multi-dwelling development for households with incomes not exceeding 60% AMI. The project was constructed in two phases, and in FY26, it received a Certificate of Occupancy and began leasing.











INTENTIONALLY BLANK

Sterling Reserve
$1 Million - HOME
(now leasing)

Sterling Reserve was approved in FY23 and began construction in FY25. The project is complete and contains 56 multiple-dwelling units.









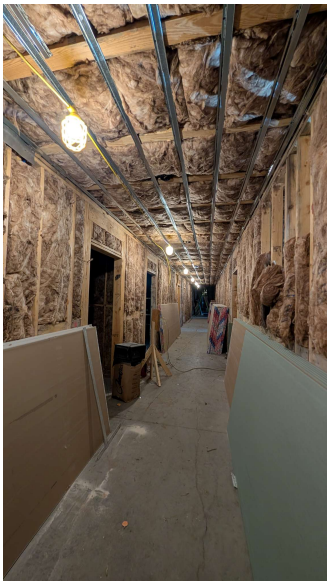
SECU THE SPARROW

$2.1 Million – HOME-ARP

SECU The Sparrow is a Permanent Supportive Housing community developed by the Good Shepherd Center to provide housing and intensive support services for 32 chronically homeless adults. The project was completed in FY26 and is supporting chronically homeless individuals with physical and/or mental disabilities.









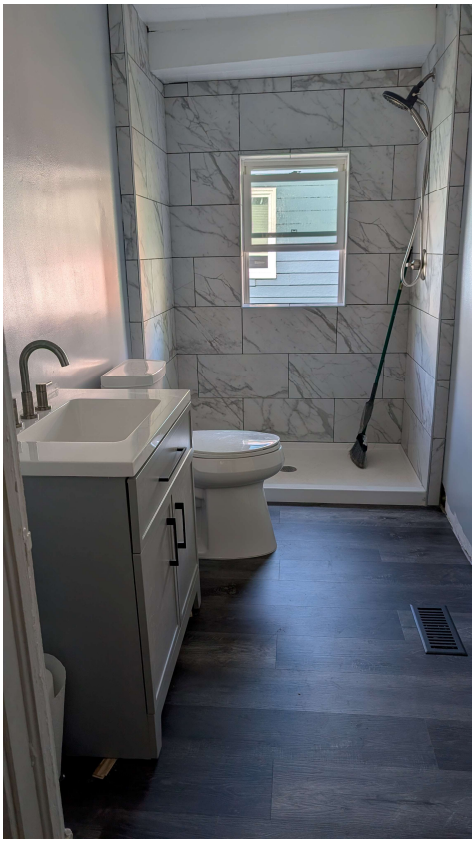
HEALTHY HOMES PROGRAM
$1,500,000.00 HUD OLHCHH Healthy Homes Production Grant

In FY26, the Healthy Homes Production Grant, a 42-month, $1.5M HUD OLHCHH grant, requested a close-out 11 months in advance due to spending down program delivery funds without an additional notice of funding opportunity to help carry dedicated Healthy Homes staff into a new program period. Despite the early closing, the program exceeded benchmarks based on the proposed monthly units. The original proposal was to conduct housing rehabilitation projects in 65 separate units by the end of the 42-month grant period. Before closing, 50 projects saw rehabilitation work, 92 homes were provided with Healthy Homes assessments, over 30 local contractors and members from partner agencies received Healthy Homes training free of charge, 20 contractors and housing staff received the EPA Initial 8-Hour RRP training and certification, and the city leveraged over $470k against the federal funding.

In FY26, a pilot program was implemented using general fund dollars to support households that had submitted and met the Healthy Homes criteria before the close, with a focus on the eight Principles of a Healthy Home. These eight principles are Keep it dry, Keep it clean, Keep it safe, Keep it well ventilated, Keep it pest-free, Keep it contaminant-free, Keep it well maintained, and Keep it thermally controlled. Due to the success and demand for such a program, the City of Wilmington is developing a local program to support partner agencies with rehab efforts across the city.









INTENTIONALLY BLANK

COMMUNITY OUTREACH & EDUCATION



In addition to Homebuyer Education, the Affordable Housing division staff offers supplemental outreach and education opportunities to help residents with home maintenance and financial literacy and to provide a detailed overview of the Owner-Occupied Housing Rehabilitation Loan Program. Additional work is done to train a different population: real estate professionals. Two HOP Certified Broker Classes were held in FY26 to help interested professionals understand the city's process, maintain their standing in the HOP program, and expand the program's potential. Staff work diligently to market the city's portfolio of programs. During the month of June, there is a targeted outreach to celebrate National Homeownership Month, which includes weekly webinars covering related topics and mini housing counseling sessions. Housing program staff are also presenting to the Cape Fear REALTORS® Association. The team also collaborated with local banks and other community partners to hold the "Keys to Homeownership" expo, providing an opportunity for residents to access a variety of resources for homeownership, all in one place.



Efforts to increase contractor participation are made each year to support the city's rehabilitation programs.

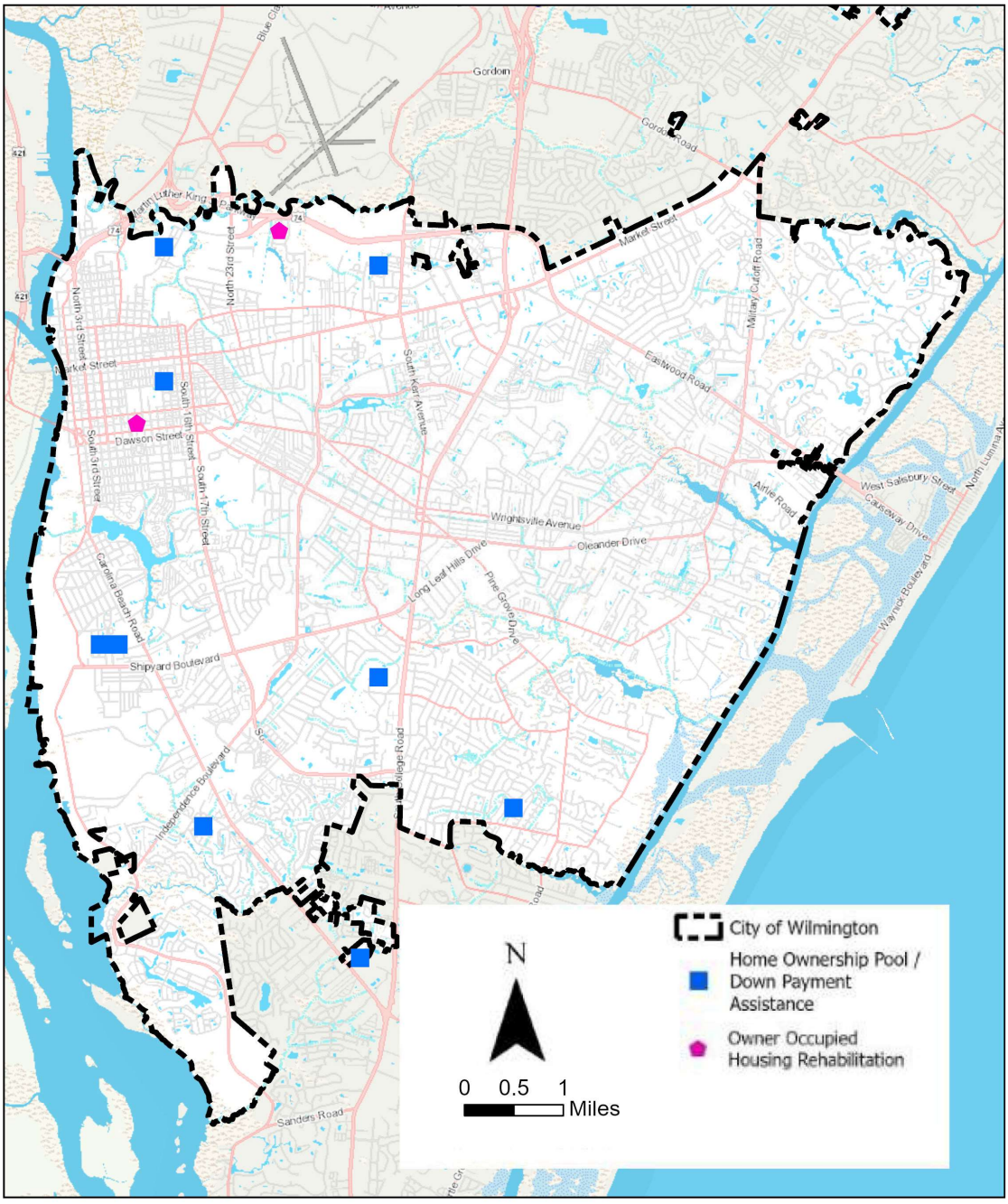




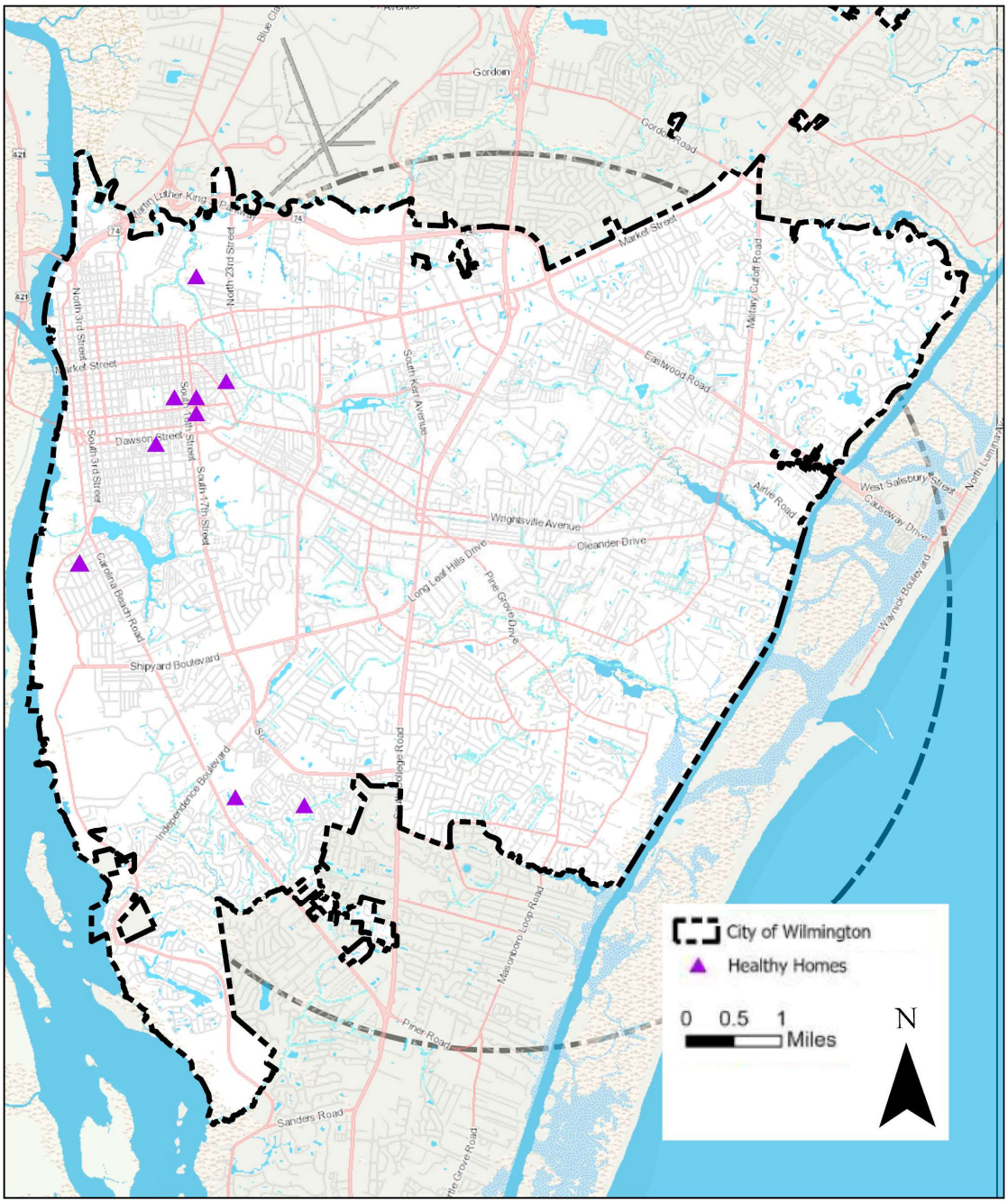
INTENTIONALLY BLANK

HOUSING ACTIVITY MAPS FY26

CAPER FY 26
HOUSING ACTIVITY - LOANS



CAPER FY 26
HOUSING ACTIVITY - HHP



INTENTIONALLY BLANK

IDIS PR05

REPORT: IHUD_RPT : CDBG, CDBG-CV, HOME-ARP, HOME
PGM YR : ALL
PROJECT : ALL
ACTIVITY : ALL

Program Year/ Project	IDIS Act ID	Activity Name	Plan Year	Voucher Number	Line Item	Voucher Status	LOCCS Send Date	Grant Year	Grant Number	Fund Type	Drawn Amount
2025 1 Planning and Administration	1134	2025 Housing Delivery		7138991	1	Complete	4/2/2026	2025	B25MC370018	EN	$41,575.00
				7139897	1	Complete	4/2/2026	2025	B25MC370018	EN	$41,575.00
				7139968	1	Complete	4/2/2026	2025	B25MC370018	PA	$41,575.00
									Activity Total		**$130,725.00**
2025 1 Planning and Administration	1135	2025 CDBG Administration		7138992	1	Complete	4/2/2026	2025	B25MC370018	EN	$1,161.00
				7138993	1	Complete	4/2/2026	2025	B25MC370018	EN	$31,253.49
				7139900	1	Complete	4/2/2026	2025	B25MC370018	EN	$35,899.00
				7139901	1	Complete	4/2/2026	2025	B25MC370018	EN	$35,899.00
				7140382	1	Complete	4/30/2026	2025	B25MC370018	EN	$1,208.62
				7140383	1	Complete	4/30/2026	2025	B25MC370018	EN	$35,899.00
									Activity Total		**$134,401.11**
2025 1 Planning and Administration	1136	Domestic Violence Operating		7138807	1	Complete	4/7/2026	2024	B24MC370018	EN	$10,730.35
				7137494	1	Complete	4/2/2026	2024	B24MC370018	EN	$1,864.40
				7139995	1	Complete	4/2/2026	2024	B24MC370018	EN	$722.98
				7140412	1	Complete	4/30/2026	2024	B24MC370018	EN	$415.82
									Activity Total		**$13,731.54**
									Project Total		**$278,857.65**
2025 2 Housing	1122	HDD-218 Wellslund, Allison		7085586	1	Complete	11/21/2025	2021	B21MC370018	EN	$41,555.29
				7085586	2	Complete	11/21/2025	2022	B22MC370018	EN	$41,262.09
				7085586	3	Complete	11/21/2025	2023	B23MC370018	EN	$111,784.62
									Activity Total		**$200,603.00**
2025 2 Housing	1126	HO-181 Cape Fear Community Land Trust: 709 McRae		7065595	1	Complete	9/26/2025	2017	M17MC370207	CR	$74,246.15
				7065595	2	Complete	9/26/2025	2018	M18MC370207	CR	$106,185.30
				7065595	3	Complete	9/26/2025	2019	M19MC370207	CR	$77,571.55
									Activity Total		**$258,000.00**
2025 2 Housing	1127	Relocation-Serrano Jacobs		7085595	1	Complete	11/21/2025	2021	B21MC370018	EN	$648.00
				7085524	1	Complete	11/21/2025	2024	B24MC370018	EN	$657.20
				7138961	1	Complete	4/2/2026	2023	B23MC370018	EN	$447.00
				7137906	1	Complete	4/2/2026	2021	B21MC370018	EN	$499.00
				7137956	1	Complete	4/2/2026	2024	B24MC370018	EN	$4,220.40
				7140400	1	Complete	4/30/2026	2021	B21MC370018	EN	$148.00
				7140401	1	Complete	4/30/2026	2024	B24MC370018	EN	$1,779.72
									Activity Total		**$9,208.32**
2025 2 Housing	1128	DPA-71 Julie Boseman		7085772	1	Complete	11/21/2025	2024	M24MC370207	EN	$50,000.00
									Activity Total		**$50,000.00**

2025	2	Housing	1129	HCD-211 Sellers, Scott	7086990	1	Complete	11/21/2025	2023	B23MC370010	EN		$192,500.00
										Activity Total			$192,500.00
2025	2	Housing	1130	HCD-212 Everett, Scott	7086991	1	Complete	11/21/2025	2023	B23MC370010	EN		$7,773.38
					7086991	2	Complete	11/21/2025	2024	B24MC370010	EN		$99,680.62
										Activity Total			$107,454.00
2025	2	Housing	1131	HCD-160 The Sparrow	7086086	1	Complete	11/21/2025	2021	M21MP370007	SU		$134,191.78
					7086087	1	Complete	11/21/2025	2021	M21MP370007	SU		$99,019.78
					7115641	1	Complete	4/7/2026	2021	M21MP370007	SU		$534,340.80
					7115643	1	Complete	4/7/2026	2021	M21MP370007	SU		$137,816.31
					7115645	1	Complete	4/7/2026	2021	M21MP370007	SU		$114,390.26
					7148420	1	Complete	4/30/2026	2021	M21MP370007	SU		$78,296.01
					7148421	1	Complete	4/30/2026	2021	M21MP370007	SU		$126,832.66
										Activity Total			$1,250,784.30
2025	2	Housing	1138	CPA-72 Octavia Benjamin	7109402	1	Complete	6/26/2026	2025	M25MC370007	EN		$50,000.00
										Activity Total			$50,000.00
2025	2	Housing	1140	Relocation-Linda Wright	7115879	1	Complete	4/2/2026	2023	B23MC370010	EN		$539.00
					7117539	1	Complete	4/2/2026	2021	B21MC370010	EN		$378.00
					7148367	1	Complete	4/30/2026	2021	B21MC370010	EN		$188.00
										Activity Total			$1,104.00
2025	2	Housing	1141	HCD-214 Sarah Mathis	7138168	1	Complete	4/2/2026	2021	B21MC370010	EN		$2,722.00
					7138188	2	Complete	4/2/2026	2022	B22MC370010	EN		$1,382.85
					7138188	3	Complete	4/2/2026	2023	B23MC370010	EN		$58,494.00
					7138188	4	Complete	4/2/2026	2024	B24MC370010	EN		$108,033.15
										Activity Total			$160,632.00
2025	2	Housing	1142	CPA-73 Jill Hall	7140496	1	Complete	4/30/2026	2025	B25MC370010	RI		$50,000.00
										Activity Total			$50,000.00
2025	3	Public Services	1133	Family Promise						Project Total			$2,300,287.62
					7115062	1	Complete	4/2/2026	2024	B24MC370010	EN		$4,658.05
					7115063	2	Complete	4/2/2026	2026	B26MC370010	PI		$606.00
					7148413	1	Complete	4/30/2026	2024	B24MC370010	EN		$5,203.60
										Activity Total			$12,453.69
2025	3	Public Services	1137	Good Shepherd Ministries of Wilmington Interfaith Joint Project-2025	7115846	1	Complete	4/7/2026	2024	B24MC370010	EN		$58,000.00
					7137450	1	Complete	4/2/2026	2024	B24MC370010	EN		$16,188.00
										Activity Total			$74,188.00
2025	3	Public Services	1139	Good Shepherd Ministries of Wilmington	7115843	1	Complete	4/2/2026	2024	B24MC370010	EN		$20,137.00
										Activity Total			$20,137.00
										Project Total			$106,778.69
										Program Year 2025 Total			$2,183,923.96

INTENTIONALLY BLANK

REHAB PROJECTS







Central







Hudson

INTENTIONALLY BLANK


GENERAL FUND
HUMAN SERVICES
GRANT AWARD

A Safe Place	**12,000**
Ability Garden/Arboretum	**12,000**
Blue Ribbon Commission	**36,447**
Bread for Life	**12,000**
Brigade Boys & Girls Club	**45,000**
CF COG- Continuum of Care (10 Yr Plan)	**73,116**
Cape Fear Habitat for Humanity	**35,000**
Cape Fear Literacy Council	**18,000**
Carousel Center	**37,000**
Child Development Center	**24,000**
Christ Community Church	**12,000**
Coastal Horizons	**48,000**
Communities in Schools of Cape Fear	**47,000**
Community Boys & Girls Club	**12,000**
Community Enrichment Initiative	**12,000**
Dreams	**19,200**
First Fruit Ministry	**12,000**
First Tee Greater Wilmington Youth	**12,000**
Food Bank of Central & Eastern NC	**24,000**
Good Shepherd Ministries	**24,000**
Healing Place of NHC	**12,000**
Kids Making It	**35,000**
Legal Aid of NC	**12,000**
LINC - Leading Into New Communities	**35,000**
Nourish NC	**12,000**
NSEASwim	**12,000**
StepUp Wilmington	**42,000**
Wilm Residential Adolescent Achievement	**24,000**
Wilmington Area Rebuilding Ministry	**24,000**
Young Scientist Academy	**35,000**
TOTAL	**769,763**