City of Hickory

2026-2027

Community Development Block Grant Program

ANNUAL ACTION PLAN

DRAFT

HICKORY

North Carolina SM

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Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

The U.S. Department of Housing and Urban Development (HUD) defines the City of Hickory as an entitlement community due to status as a principal city within the Hickory-Lenoir-Morganton Metropolitan Statistical Area. As an entitlement community, the City of Hickory receives an annual allocation of Community Development Block Grant (CDBG) funding. The City is required to submit a five-year Consolidated Plan identifying community needs and funding priorities in order to receive annual funding. The Consolidated Plan was most recently adopted in May 2025. Each subsequent year, the city is required to submit an Annual Action Plan to HUD. The City of Hickory values the importance of strategic planning to ensure good stewardship of public funds. This year the City anticipates receiving $361,188 as its annual allocation. The City also anticipates receiving approximately $100,000 in program income from repayments of loans made with CDBG funds. This Annual Action Plan covers program year 2026 which runs from July 1, 2026 to June 30, 2027. It is extremely important that the City identify and prioritize the most critical needs to be addressed with CDBG funds.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The one-year Annual Action Plan provides funding to support the following projects. Specific details can be found in the projects section of this plan.

1.**Housing Rehabilitation/Purchase ($175,000)** - Provide funds to purchase and rehabilitate existinghousing units for low- and moderate-income homeowners.
2.**Public Infrastructure and Facility Improvements ($150,000)** - Provide funds to construct curbs, gutters and sidewalks. In addition, funds may be used for street resurfacing, installing street lights,planting street trees or building or rehabilitating facilities including City parks for public use in low tomoderate income areas.
3. **Public Service Activities ($59,000)** - Provide funds to support local non-profits including but not limited to those that assist with homelessness, food scarcity, HIV/Aids assistance, and youth programs.
4. **Program Administration and Planning ($61,200)** - Provide funding to administer the CDBG program.
5. **Fair Housing Activities ($1,800)** - Provide support to raise awareness of fair housing rights and affirmatively further fair housing.

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6. **Small Business Assistance Program ($4,000)** – Provide assistance for small business owners through a micro-enterprise grant to low/mod income business owners or small business loan program to incentivize business owners to create jobs for low/mod income individuals.
7. **Contingency ($10,188)** - Provide funding for cost overruns related to CDBG projects.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City's past Community Development programs have focused on similar projects and funding categories. The City is maintaining many of these programs and is also adjusting its funding priorities to match new priority needs identified by the public, such as additional funding for programs focused on youth and increasing entrepreneurship opportunities. Estimated costs are also associated with each goal to ensure that goals are realistic and achievable. It remains extremely important that the City identify and prioritize the most critical needs to be addressed with CDBG funds.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The City of Hickory undertook an extensive citizen participation and consultation process in the development of the 2025-2029 Consolidated plan and subsequently this Annual Action Plan. Two public hearings were held on January 29, 2026 at the Ridgeview Recreation Center and on February 5, 2026 at Hickory City Hall. The final public hearing was held on May 19, 2026 in the City Council Chambers at Hickory City Hall. These meetings were advertised in the Hickory Daily Record, as well as on the City of Hickory website and posted at both meeting locations. The public was invited to comment on the draft Annual Action Plan from , 2026-, 2026. Advertisements for comments were placed in the newspaper, the City website, and at the local libraries. In addition, Community Development staff have conversations throughout the year with local non-profit and community organizations. Staff also provides program updates at monthly Continuum of Care meetings, which are attended by nearly all organizations in the community that work with homeless and low-income individuals and families. The comments provided during the public meetings and consultation sessions inform the goals and strategies contained in the plan. The citizen participation process will continue throughout the implementation of the 2025-2029 Consolidated Plan and this Annual Action Plan.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

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The issues discussed with local nonprofit organizations included increased opportunities for homeless programs, programs focused on youth for low to moderate income individuals and families. Organizations also identified affordable owner occupied and rental housing, more comprehensive services to the homeless, and more emphasis on educational opportunities for at risk youth as high priority needs.

6. Summary of comments or views not accepted and the reasons for not accepting them

There were no comments or views not accepted.

7. Summary

Significant efforts were made to obtain public input through public meetings, meetings with nonprofit organizations, and individual conversations. The public input process was used to identify priority needs to be addressed with CDBG funds. All of the objectives and goals contained in the plan address a specific priority identified by the public. The City of Hickory will continue to obtain public input annually to ensure the plan is up to date and activities undertaken with grant funds address current community needs.

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PR-05 Lead & Responsible Agencies - 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	Hickory	
CDBG Administrator	Hickory	Office of Business Development

Table 1 – Responsible Agencies

Narrative

The City of Hickory's Community Development Department, part of the Office of Business Development, Business Services Division, manages the City's Community Development Block Grant allocation.

Consolidated Plan Public Contact Information

Written comments can be submitted to:

Anna Beth Walker
Community Development Specialist
City of Hickory
PO Box 398
Hickory, NC 28603

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AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

During the 2025 Consolidated Plan Development Process, City of Hickory Staff spoke with numerous housing and human service agencies to determine the greatest needs in the community. The City has continued to consult with these organizations on an ongoing basis to ensure that their needs are addressed to the greatest extent feasible as the City develops the 2026-2027 Annual Action Plan.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

The Community Development Division of the Office of Business Development is responsible for administering the CDBG program and developing the Consolidated Plan and subsequent Annual Action Plans. Community Development staff consulted with numerous public service agencies and the Western Piedmont Council of Governments Regional Housing Authority during development of the Consolidated Plan. Consultation took place at both public meetings and through individual meetings and phone conversations. This Annual Action Planning Process continued that effort. Additional conversations are happening around equity and inclusion in housing.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The Catawba County Housing Visions Continuum of Care meets monthly in person. The City's Community Development Specialist serves on the committee, which includes representatives from organizations that serve the homeless and those in need in Catawba County. This group makes decisions on the allocation of Emergency Solutions Grant funding and also provides a forum for member agencies to discuss their needs. The City regularly funds public service organizations that serve the homeless community with CDBG funds. Examples of these organizations are Exodus Homes and the Hickory Soup Kitchen. The Hickory Soup Kitchen assists those in need by providing hot meals every day. Exodus Homes provides shelter and job opportunities to homeless people recovering from addiction and returning to the city from treatment centers, hospitals, jails, and prisons. The City also supported Greater Hickory Cooperative Christian Ministries with the CDBG funding in 2025. By supporting this agency's Client Services Specialist, the City assisted citizens with housing needs and therefore helped reduce the chances of those most in need becoming homeless. Additionally, Exodus Homes, a non-profit the City supports has a representative that is serving on the NC Department of Health and Human Services Strategic Stakeholder Leadership Committee. This group was recently formed to create a strategy to address housing needs of people with disabilities who are homeless or living in congregate living programs.

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Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The Catawba County Housing Visions Continuum of Care participates in the North Carolina Balance of State Continuum of Care, which applies for ESG funds (Emergency Solutions Grants) for non-entitlement communities throughout the state. The Salvation Army Shelter of Hope and the Family Care Center have each received funding in recent years. These applications are made through the Continuum of Care, which makes recommendations on which organizations to support annually. City staff serves on this committee and supports the Continuum of Care in their decisions surrounding ESG funds.

2. Agencies, groups, organizations and others who participated in the process and consultations

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Table 2 – Agencies, groups, organizations who participated

1	**Agency/Group/Organization**	HABITAT FOR HUMANITY OF CATAWBA VALLEY 1
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Community Development Staff meet frequently with the executive director to discuss the organization's specific needs and housing needs in the community in general. Staff talks with organization staff regularly to determine ways to improve partnership and coordination between the organizations. Habitat has indicated a need for additional affordable rental housing in the community. The City and Habitat are exploring ways that their partnership could increase affordable rental housing options and home ownership including possible land conveyance of city owned property for construction of affordable housing.
2	**Agency/Group/Organization**	Hickory Soup Kitchen
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Community Development Staff has regular phone and in-person meetings with Hickory Soup Kitchen staff to review the organization's specific needs and other service gaps related to the City's homeless and hungry population. Community Development Staff also participates as a steering committee member for the HOPE Project which is a transportation program organized by the Hickory Soup Kitchen to help those in need secure steady employment.

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3	**Agency/Group/Organization**	Western Piedmont Council of Governments
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Employment Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homelessness Strategy Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Community Development staff consulted with staff from the Western Piedmont Workforce Development Board to determine gaps in workforce skills and development programs within the area. Community Development Staff continue to work in conjunction with NC Works to promote a Workforce Development Initiative in a predominantly minority low-mod census tract. This initiative included survey data from residents of the community and ultimately a satellite career center in this low-mod census tract. In addition to incorporating career counseling services. The WPCOG also administers HOME funds for the area's Unifour HOME Consortium. Community Development and WPCOG staff speak regularly to coordinate program activities. The WPCOG is also the sole Public Housing Authority in the Hickory region. In the last three years, it has created a Homelessness Response Team that offers hands-on support and coordination to navigate individuals experiencing homelessness towards stability and safety.
4	**Agency/Group/Organization**	ALFA
	Agency/Group/Organization Type	Services-Persons with HIV/AIDS

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	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs HOPWA Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Community Development staff continues to meet with ALFA's Executive Director to discuss the organization's needs. Regular communications with the City maintain awareness about the needs of persons living with HIV and AIDS in the region. This effort between City and Agency will continue to assist those living in need in the area with the expansion of their PReP Program and their continued success with their needle exchange program to reduce the occurrence of HIV/Aids. Recently a large portion of their work centers around syringe exchange with approximately 400 individuals participating monthly with each person receiving 100 syringes. They also offer free HIV, Hepatitis C, STI screenings and are now serving as a COVID testing site.
5	**Agency/Group/Organization**	Catawba Science Center
	Agency/Group/Organization Type	Services-Education Foundation
	What section of the Plan was addressed by Consultation?	Science Education
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization features the Portal to Science program specifically to children that are considered low to moderate income to increase overall educational outcomes. Their program offers free access to children and their families to explore technology, life sciences, astronomy, live animals and planetarium experiences to increase interest and knowledge in science. Accessibility to STEM education is very important to the development of low- and moderate-income youth.
6	**Agency/Group/Organization**	Exodus Homes
	Agency/Group/Organization Type	Services-homeless

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	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Community Development Staff has regular phone and in person meetings with the executive director to discuss the organization's specific needs related to providing supportive housing to homeless, recovering people returning to the city from treatment centers, hospitals, jails, and prison. The organization works with residents to obtain employment and provides transitional housing and transportation to its residents. It also supports residents with job education and training programs. The organization includes a thrift store where residents may also work. Staff talks with organization staff regularly to determine ways to improve partnership and coordination between the organizations and to determine any service gaps related to the homeless population in the City.
7	**Agency/Group/Organization**	SALVATION ARMY HICKORY
	Agency/Group/Organization Type	Services-Education
	What section of the Plan was addressed by Consultation?	Summer Camp and After School Education

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	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Community Development staff has regular phone and in-person meetings with the staff of The Salvation Army to discuss their needs and potential gaps in services. The City supported The Salvation Army Red Shield Youth with CDBG funding for their summer camps and after school program specifically to children that are considered low to moderate income to provide positive enrichment resources to at risk youth. It allows working parents to have an affordable and safe environment for the life of their child to be enriched. The campers in the Summer camp get to participate in educational trips like the Catawba Science Center, Lazy 5 Ranch and the Hickory Aviation Museum.
8	**Agency/Group/Organization**	Greater Hickory Cooperative Christian Ministries
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Community Development staff has regular phone and in-person meetings with the staff of Greater Hickory Cooperative Christian Ministries to discuss their needs and potential gaps in services. The City also supported Greater Hickory Cooperative Christian Ministries with the CDBG funding in 2025. By supporting the client services support staff of this agency, the City assisted citizens with showering, laundry, mail services, dispensing Crisis Closet items, hygiene packets, and other essentials to those experiencing homelessness, client intake and determining eligibility for ministry programs & services and scheduling appointments with the Crisis Financial Assistance department when necessary to prevent households from becoming homeless.

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9	**Agency/Group/Organization**	Women's Resource Center
	Agency/Group/Organization Type	Services-Victims of Domestic Violence Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Community Development Staff met with the Executive Director to review the organization's needs. The organization provides support to women as they work toward stability and self-sufficiencyÃ¿Â¢Ã¿Â¿Ã¿Â¿one step at a time. Whether someone is facing a crisis or just needs help navigating lifeÃ¿Â¢Ã¿Â¿Ã¿Â¿s next chapter, they offer personalized support. Most of the women that receive services from Women's Resource Center are homeless or facing homelessness.
10	**Agency/Group/Organization**	Council on Adolescents of Catawba County
	Agency/Group/Organization Type	Services-Children
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Community Development Staff met with the Executive Director to review the organization's needs regarding the Lunch Buddy program. The Lunch Buddy program provides mentors to middle school aged youth that are at risk of dropping out of school and masking unhealthy choices as well as early-intervention for other students who are already headed down a path of being unsuccessful in school and making poor choices outside of school. City and COA staff will continue to work together to help at-risk students.

Identify any Agency Types not consulted and provide rationale for not consulting

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The City conducted an extensive outreach process in 2025 during its Consolidated Plan development process and has consistent contact with partner organizations throughout the development process of each year's annual action plan. It is not anticipated that the needs have changed significantly since the Consolidated Plan was adopted.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	North Carolina Coalition to End Homelessness Balance of State	The Continuum of Care oversees application for ESG and Continuum of Care funds. The City of Hickory works with the Continuum of Care by providing funds to many public service agencies that work with the homeless.

Table 3 - Other local / regional / federal planning efforts

Narrative

Community Development staff meet regularly with the staff from local housing and human service agencies to ensure an understanding of needs within the community. The Catawba County Housing Visions Continuum of Care participates in the North Carolina Balance of State Continuum of Care, which applies for ESG funds (Emergency Solutions Grants) for non-entitlement communities throughout the state. Community Development staff also attend the monthly Continuum of Care meetings to learn what is happening among the local agencies that provide support services to the homeless and those in need and to give updates on the planning process at monthly Continuum of Care meetings. Nearly all nonprofit public service providers that work with the homeless or within anti-poverty programs attend these meetings. In addition, the City of Hickory's Community Navigator continues to work specifically with the homeless population in the area. His role as an experienced leader of a local homeless shelter gives him the unique opportunity to assist those that are homeless in getting services they need and to attempt to find them supportive housing. In the first six months of program year 2025, he received 48 total referrals of homeless individuals and was able to assist a total of 18 individuals with homeless services and 9 housed or relocated to friends or family.

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AP-12 Participation - 91.401, 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting

During the annual planning process, the City of Hickory encouraged citizen participation, especially among residents of low to moderate income communities. Comments were solicited from citizens, nonprofit organizations, and government agencies during neighborhood meetings, public hearings, and other commission meetings. Three public hearings were conducted to obtain input on the plan. Additional discussions were held individually with nonprofit organizations. These were discussed in the previous section.

The comments received at public meetings are summarized below. Complete notes from the public meetings are included as an appendix.

The City's Citizen Participation Plan is also attached to this plan as an appendix. This provides a more comprehensive description of the activities the City will undertake during plan implementation to encourage citizen participation.

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Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Newspaper Ad	Non-targeted/broad community	The two public meetings were advertised in the local newspaper in ads describing the CDBG program. Despite these advertisements, no on attended the public meetings.	There were no comments received.	There were no comments received.	
2	Public Meeting	Minorities Non-targeted/broad community	There were not any citizens that attended this meeting at the Ridgeview Recreation Center on January 29, 2026.	There were no comments received.	There were no comments received.	
3	Public Meeting	Minorities Non-targeted/broad community	There were not any citizens that attended this meeting at Hickory City Hall on February 5, 2026.	There were no comments received.	There were no comments received.	

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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Newspaper Ad	Non-targeted/broad community	People had opportunities to make comments on the plan from April 20, 2026 through May 20, 2026 from advertisements in local newspapers and in the two city libraries and City Hall describing the CDBG program.	See Citizen Participation Outreach Appendix 2 for full details.		
5	Internet Outreach	Non-targeted/broad community	People had opportunities to make comments on the plan from April 20, 2026 through May 20, 2026 from advertisements on the City website.	See Citizen Participation Outreach Appendix 2 for full details.		

Table 4 – Citizen Participation Outreach

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Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

The City of Hickory intends to apply to the US Department of Housing and Urban Development for CDBG funds for each of the five years covered by this plan.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	361,188.00	100,000.00	0.00	461,188.00	1,480,000.00	The City anticipates receiving approximately $300,000 per year as its entitlement grant and roughly $70,000 per year in program income from the repayment of loans made with CDBG funds and proceeds from the sale of property.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

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The City of Hickory continuously works to identify matching funds that will help leverage additional resources to spur redevelopment in its economically distressed neighborhoods. The City plans to supplement its housing rehabilitation efforts by continuing to apply for Urgent Repair funding from the North Carolina Housing Finance Agency. These funds are disbursed as forgivable loans to pay for urgently needed home repairs for low income homeowners with special needs. In addition, the City has hopes to continue its partnership with the Unifour Consortium's HOME Funds to continue to develop affordable housing while also encouraging future homeowners to use the Unifour Consortium's Downpayment Assistance Program and potential funding from the North Carolina Housing Finance Agency to assist with mortgage costs.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City of Hickory owns lots located within residential neighborhoods in the SE and SW sections of the City. The City will continue to investigate potential uses for these properties. The City partnered with a builder to develop two single-family homes with the use of the Unifour Consortium's HOME funds. After these units were built, the City sold part of the land to a builder/developer to construct 16 affordable housing units for residents that are 80% or below of the area median income. All 16 of those units are now occupied.

Discussion

The anticipated resources discussed in this section will be used to address the goals outlined within this strategic plan. While the amount of funding anticipated will not be enough to address all of the City's housing and community development needs, the City plans to work continuously to identify additional resources in order to stretch these dollars further.

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Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Preserve the City's Housing Stock	2015	2019	Affordable Housing	CDBG ELIGIBLE AREA City-Wide	Preservation of the City's Housing Stock	CDBG: $175,000.00	Homeowner Housing Rehabilitated: 6 Household Housing Unit
2	Public Infrastructure and Facility Improvements	2015	2019	Non-Housing Community Development	CDBG ELIGIBLE AREA	Public Infrastructure and Facility Improvements	CDBG: $150,000.00	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 4000 Persons Assisted
3	Homeless Services and Prevention	2015	2019	Homeless	CDBG ELIGIBLE AREA City-Wide	Homelessness Services	CDBG: $35,500.00	Public service activities other than Low/Moderate Income Housing Benefit: 400 Persons Assisted
4	Provide Services to Persons Living with HIV/AIDS	2015	2019	Non-Homeless Special Needs	CDBG ELIGIBLE AREA City-Wide	Services for Persons with HIV/AIDS	CDBG: $7,500.00	Public service activities other than Low/Moderate Income Housing Benefit: 40 Persons Assisted
5	Increase Entrepreneurship Opportunities	2015	2019	Non-Housing Community Development	CDBG ELIGIBLE AREA City-Wide	Small Business and Entrepreneurship	CDBG: $4,000.00	Businesses assisted: 1 Businesses Assisted

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Increase Fair Housing Outreach and Awareness	2015	2019	Affordable Housing	CDBG ELIGIBLE AREA City-Wide	Fair Housing Outreach and Education	CDBG: $2,000.00	Public service activities other than Low/Moderate Income Housing Benefit: 150 Persons Assisted
7	Youth Services	2025	2029	Non-Housing Community Development	CDBG ELIGIBLE AREA City-Wide	Youth Services	CDBG: $15,500.00	Public service activities other than Low/Moderate Income Housing Benefit: 92 Persons Assisted

Table 6 – Goals Summary

Goal Descriptions

1	**Goal Name**	Preserve the City's Housing Stock
	Goal Description	The proposed funding in the Annual Action Plan seeks to increase affordable housing opportunities for at least six households. Additional households should be assisted using housing rehabilitation funds that are left over from previous years.
2	**Goal Name**	Public Infrastructure and Facility Improvements
	Goal Description	It is anticipated that at least 5000 persons living in low to moderate income neighborhoods will benefit from improvements to public infrastructure and public facilities through funding provided by this Annual Action Plan.
3	**Goal Name**	Homeless Services and Prevention
	Goal Description	This plan will provide funding to support local non-profits including but not limited to those that assist with homelessness and food scarcity.

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4	**Goal Name**	Provide Services to Persons Living with HIV/AIDS
	Goal Description	This annual action plan will provide funding to ALFA in order to provide support for a case manager position that will assist persons living with HIV and AIDS to ensure that they receive necessary health care and other needed services.
5	**Goal Name**	Increase Entrepreneurship Opportunities
	Goal Description	In conjunction with the City's Business Development Committee, the City has developed a program that will provide assistance to microenterprises through a microenterprise grant and small businesses through a low-interest loan.
6	**Goal Name**	Increase Fair Housing Outreach and Awareness
	Goal Description	Conduct fair housing outreach and education activities for citizens and housing professionals.
7	**Goal Name**	Youth Services
	Goal Description	The City plans to provide funding to support education initiatives for at-risk school age students.

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AP-35 Projects - 91.420, 91.220(d)

Introduction

This section details the projects that will be undertaken with CDBG funding in the 2025-2026 program year.

#	Project Name
1	Housing Rehabilitation and Purchase
2	Public Infrastructure and Facility Improvement
3	Grants to Non-Profit Public Service Agencies
4	Increase Entrepreneurship Opportunities
5	Program Administration and Fair Housing Activities
6	Contingency

Table 7 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The Small Business Assistance projects are funded at a lower level than in previous years due to the fact that the City anticipates carrying over unspent funds from a prior year.

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AP-38 Project Summary

Project Summary Information

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1	**Project Name**	Housing Rehabilitation and Purchase
	Target Area	City-Wide
	Goals Supported	Preserve the City's Housing Stock
	Needs Addressed	Preservation of the City's Housing Stock
	Funding	CDBG: $175,000.00
	Description	The City aims to help preserve the City's housing stock by acquiring and/or rehabilitating housing units. The units rehabilitated may be owner occupied units or vacant units that are purchased for resale to low- and moderate- income homeowners or rental housing purchased for rehabilitation by nonprofit affordable housing providers. The City also plans to assist low- and moderate-income homeowners with home repairs through its Housing Rehabilitation Program.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that at least six low-and moderate-income homeowners will benefit from the proposed activities.
	Location Description	It is estimated that at least six low-and moderate-income homeowners within the City of Hickory will benefit from the proposed activities.
	Planned Activities	These funds will be used for the purchase and rehabilitation of housing to income eligible owner or rental households. Funding may also be used to provide loans for the rehabilitation of housing occupied by low- and moderate-income homeowners.
2	**Project Name**	Public Infrastructure and Facility Improvement
	Target Area	CDBG ELIGIBLE AREA
	Goals Supported	Public Infrastructure and Facility Improvements
	Needs Addressed	Public Infrastructure and Facility Improvements
	Funding	CDBG: $15,000.00
	Description	This project involves improvements to public infrastructure and facilities in low-and moderate-income neighborhoods
	Target Date	6/30/2027

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	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that all families living within the neighborhood will benefit from the public infrastructure and facility improvements.
	Location Description	This project will include public infrastructure and facility improvements in low-and moderate-income neighborhoods within the City of Hickory limits.
	Planned Activities	This project will include public infrastructure and facility improvements in low-and moderate-income neighborhoods. Improvements may include resurfacing of existing streets, installation of sidewalks, street trees, or other necessary public infrastructure or facilities including the rehabilitaiton of City parks.
3	**Project Name**	Grants to Non-Profit Public Service Agencies
	Target Area	City-Wide
	Goals Supported	Homeless Services and Prevention Provide Services to Persons Living with HIV/AIDS Youth Services
	Needs Addressed	Homelessness Services Services for Persons with HIV/AIDS Youth Services
	Funding	CDBG: $59,000.00
	Description	This project will involve the provision of funding to nonprofit public service agencies that serve low-and moderate-income individuals and families.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is anticipated that at least 350 individuals will benefit from the public services grant program.
	Location Description	These activities will take place throughout the city at local non-profit agencies that serve low-and moderate-income individuals and families.

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	Planned Activities	This project will involve the provisions of grants to public service agencies to assist low and moderate income youth; those that are homeless or are under threat of becoming homeless; as well as persons living with HIV/AIDS.
4	**Project Name**	Increase Entrepreneurship Opportunities
	Target Area	City-Wide
	Goals Supported	Increase Entrepreneurship Opportunities
	Needs Addressed	Small Business and Entrepreneurship
	Funding	CDBG: $4,000.00
	Description	This project will provide continued funding to micro-enterprise businesses through the City's micro-enterprise grant program. The project also provides funding in the form of partially forgivable loans to small businesses through the Small Business loan program.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that up to one business or family could benefit from these microenterprise grants and small business forgivable loans.
	Location Description	This funding will be available city-wide to qualified business owners.
	Planned Activities	The City will provide grants to low/mod income business owners. Funds can be used to purchase business equipment, inventory, marketing or other similar expenses. The City also has a small business loan program that provides funds to businesses that create jobs for low/moderate income persons. Funds can be used to purchase business equipment.
5	**Project Name**	Program Administration and Fair Housing Activities
	Target Area	CDBG ELIGIBLE AREA City-Wide
	Goals Supported	Preserve the City's Housing Stock Public Infrastructure and Facility Improvements Homeless Services and Prevention Provide Services to Persons Living with HIV/AIDS Youth Services Increase Entrepreneurship Opportunities Increase Fair Housing Outreach and Awareness

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	Needs Addressed	Preservation of the City's Housing Stock Public Infrastructure and Facility Improvements Homelessness Services Services for Persons with HIV/AIDS Youth Services Small Business and Entrepreneurship Removal of Dilapidated Structures Fair Housing Outreach and Education
	Funding	CDBG: $63,000.00
	Description	Provide funding to support administration of the CDBG program along with funding for Fair Housing outreach activities.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	These general administrative activities should benefit all the citizens of Hickory.
	Location Description	These activities will take place city-wide wherever CDBG funds are allocated.
	Planned Activities	This project will include funding for the administration of the CDBG program along with funding for fair housing outreach activities and additional community planning funds as necessary.
6	**Project Name**	Contingency
	Target Area	CDBG ELIGIBLE AREA City-Wide
	Goals Supported	Preserve the City's Housing Stock Public Infrastructure and Facility Improvements Homeless Services and Prevention Provide Services to Persons Living with HIV/AIDS Youth Services Increase Entrepreneurship Opportunities Increase Fair Housing Outreach and Awareness

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	Needs Addressed	Preservation of the City's Housing Stock Public Infrastructure and Facility Improvements Homelessness Services Services for Persons with HIV/AIDS Youth Services Small Business and Entrepreneurship Removal of Dilapidated Structures Fair Housing Outreach and Education
	Funding	CDBG: $10,188.00
	Description	This project will be used to set up a small contingency fund to assist with cost overruns on other projects in this Annual Action Plan.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	These funds will be used for cost overruns on other eligible community development projects.
	Location Description	These funds will be used to supplement the budgets of the projects described earlier in this action plan.
	Planned Activities	These funds will be used to supplement the budgets of the projects described earlier in this action plan.

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AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City of Hickory's CDBG funds for owner occupied housing rehabilitation will be allocated city-wide to income eligible homeowners. The majority of funds will be allocated for area benefit activities, which include areas where a majority of the households are low and moderate income.

Geographic Distribution

Target Area	Percentage of Funds
CDBG ELIGIBLE AREA	70
City-Wide	30

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Area benefit activities are required to take place in areas where a majority of the households have incomes below 80 percent of the area median income. The City targets its public infrastructure activities to low and moderate income areas. Specific projects are chosen based on community input and existing city plans.

Discussion

The City of Hickory does not have a specific target area for CDBG funds. Allocating housing rehabilitation funding city wide is one of the City's methods for affirmatively furthering fair housing. Public infrastructure improvements are generally targeted towards low and moderate income neighborhoods in order to ensure that these activities meet a HUD national objective.

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AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

In recent years, the City has greatly reduced many of the barriers to multi-family and affordable housing development. The City's current Land Development Code now permits multi-family housing in all commercial districts by right and increased the allowable density of residential units in medium and high-density residential zoning districts. This significantly reduces the regulatory burden for potential affordable housing developers by increasing the amount of land on which they can build affordable housing. The City has further increased the allowable density in its central business district to assist affordable housing developers looking to build in the downtown area. The City is supporting efforts to build additional market rate housing by making the planning approval process as simple and easy as possible. This has attracted several national production builders and the city currently has more than 2,700 housing units at some phase of the planning or construction process.

Actions it planned 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

The City's Land Development Code has greatly reduced many of the barriers to affordable housing development. Multi-family housing development is now permitted by right in all four quadrants of the city. There do not appear to be additional structural barriers to the construction of affordable housing. Since the fall of 2021, the rising costs and the total supply of housing has been a barrier. Families that could afford a more expensive home are choosing to stay in those that would be affordable to families at or below 80% of area median income due to lack of supply of market rate housing. The City is supporting efforts to build additional market rate housing by making the planning approval process as simple and easy as possible. This has attracted several national production builders, and the city currently has more than 2,700 housing units at some phase of the planning or construction process.

Discussion

One of the largest barriers to affordable housing development is the fact that demand for affordable housing tax credits continues to vastly outstrip supply. The fierce competition for these tax credits makes it difficult for more than one project in the county to be funded each year. Fortunately, the City recently had three multi-family tax credit projects approved, with the final one completed in 2022.
As part of the city's investment in affordable housing, in 2020 the city partnered with the Unifour HOME Consortium to construct two homes on city-owned property in the Ridgeview area which is part of census tract 109. These homes were completed and sold in 2021 to qualified

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homebuyers at 80% of area median income. This program was so successful that they City entered into a partnership with a local developer by selling them lots on which they will construct affordable housing with deed restrictions to maintain affordability to future home buyers. In October, 2022 these homes were sold to qualified low-moderate-income homeowners. In March of 2023 the City sold 10 additional lots to this developer in order to construct the next phase of affordable housing with deed restrictions to maintain affordability to future home buyers. Theses homes have been completed and there are now 18 units of affordable housing in addition to Habitat for Humanity housing in the vicinity. There are approximately six additional lots available for the construction of affordable single-family homes with a potential phase III being planned.

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AP-85 Other Actions - 91.420, 91.220(k)

Introduction

This sections identifies additional actions that the City will take as part of its annual action plan.

Actions planned to address obstacles to meeting underserved needs

The City plans to continue working with local organizations that serve the homeless population to determine ways that services to homeless individuals and families can be improved. The city plans to work with these agencies to improve transportation coordination for the homeless. Additional actions will include working with agencies to provide more extensive day shelter programs that will assist homeless individuals to find transitional housing and employment opportunities.

Actions planned to foster and maintain affordable housing

The City plans to continue working with Habitat for Humanity to identify locations where the two organizations can partner in the development of new affordable housing units. The City has recently completed a development process to construct affordable housing on city owned property. The City hopes to continue this effort on other lots to assist in the development of affordable housing and to promote infill development.

Actions planned to reduce lead-based paint hazards

The City will use portions of available CDBG funds to remedy lead-based paint hazards through its housing rehabilitation program. Homes will be rehabilitated in accordance with HUD's Lead Safe Housing Rule. The level of rehabilitation will determine the specific lead hazard reduction activities in accordance with program requirements.

Actions planned to reduce the number of poverty-level families

The City will continue to participate with local agencies, faith-based or church groups, and nonprofit organizations that provide shelter and transitional housing opportunities that benefit homeless and transient families and individuals. Funding is provided in this annual action plan to organizations that provide health and case management services, transitional housing, educational programming and food support for poverty level families. The City will continue to investigate additional partnerships to provide additional services aimed at decreasing the number of poverty-level families.

Actions planned to develop institutional structure

The City will continue to work with local nonprofit organizations to provide technical assistance to local nonprofits to ensure that they are aware of federal requirements and to increase their organizational

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capacity. In addition to annual monitoring, Community Development staff plans to work with agencies to determine priority needs in the community and develop partnerships to address those needs.

Actions planned to enhance coordination between public and private housing and social service agencies

The City plans to continue working with the Catawba County Housing Visions Continuum of Care to foster effective communication amongst agencies. City staff will continue to attend monthly Continuum of Care Meetings to provide updates on the City's Community Development activities and provide opportunities to discuss new initiatives.

Discussion

CDBG funds will not be sufficient to address all of the needs identified in this Consolidated Plan. However, it is the City's hope that through increased coordination and partnerships, it will be able to stretch these dollars as far as possible to have the greatest impact on the community possible.

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Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(l)(1,2,4)

Introduction

This section details program income that has been received but not yet reprogrammed. It also details the estimated percentage of CDBG funds that will be used to benefit low to moderate income individuals. It is anticipated that all funds will be used to benefit low to moderate income individuals.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	**0**

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income.Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

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Housing Trust Fund (HTF)
Reference 24 CFR 91.220(l)(5)

1. Distribution of Funds

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2).

b. Describe the jurisdiction's application requirements for eligible recipients to apply for HTF funds.

c. Describe the selection criteria that the jurisdiction will use to select applications submitted by eligible recipients.

d. Describe the jurisdiction's required priority for funding based on geographic distribution, which is a description of the geographic areas of the State (including areas of low-income and minority concentration) in which it will direct assistance during the ensuing program year.

e. Describe the jurisdiction's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner.

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f. Describe the jurisdiction's required priority for funding based on the extent to which rents for units in the rental project are affordable to extremely low-income families.

g. Describe the jurisdiction's required priority for funding based on the financial feasibility of the project beyond the required 30-year period.

h. Describe the jurisdiction's required priority for funding based on the merits of the application in meeting the priority housing needs of the jurisdiction (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations).

i. Describe the jurisdiction's required priority for funding based on the location of existing affordable housing.

j. Describe the jurisdiction's required priority for funding based on the extent to which the application makes use of non-federal funding sources.

2. Does the jurisdiction's application require the applicant to include a description of the eligible activities to be conducted with HTF funds?

3. Does the jurisdiction's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements?

4. **Performance Goals and Benchmarks.** The jurisdiction has met the requirement to provide for performance goals, consistent with the jurisdiction's goals established under 24 CFR 91.215(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

5. **Rehabilitation Standards.** The jurisdiction must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project

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completion. The jurisdiction's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The jurisdiction must attach its rehabilitation standards below. If the jurisdiction will not use HTF funds for the rehabilitation of housing, enter "N/A".

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; Capital Needs Assessments (if applicable); and broadband infrastructure (if applicable).

6. **Resale or Recapture Guidelines.** Below, the jurisdiction must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the jurisdiction will not use HTF funds to assist first-time homebuyers, enter "N/A".

7. **HTF Affordable Homeownership Limits.** If the jurisdiction intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the jurisdiction will not use HTF funds to assist first-time homebuyers, enter "N/A".

8. **Limited Beneficiaries or Preferences.** Describe how the jurisdiction will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the jurisdiction will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter "N/A."

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the jurisdiction must not limit or give preferences to students. The jurisdiction may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303 only if such limitation or preference is described in the action plan.

9. **Refinancing of Existing Debt.** Enter or attach the jurisdiction's refinancing guidelines below. The

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guidelines describe the conditions under which the jurisdiction will refinance existing rental housing project debt. The jurisdiction's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the jurisdiction will not refinance existing debt, enter "N/A."

Discussion

All the program income that has been received to date has been reprogrammed as part of this Annual Action Plan.

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