

United States Senate

WASHINGTON, DC 20510

May 17, 2024

Laura Hogshead
Director, North Carolina Office of Recovery & Resiliency
P.O. Box 110465
Durham, NC 27709

Dear Director Hogshead:

I write to you today to request further information on the North Carolina Office of Recovery & Resiliency (NCORR)'s coordination of disaster relief and its efforts to effectively administer federal funds. Specifically, I seek further information on why thousands of North Carolina families remain without permanent housing and whether much-needed federal funds will be disbursed before their scheduled expiration.

As you know, Hurricanes Matthew and Florence devastated Eastern North Carolina, taking lives, inflicting billions of dollars of damage to communities and businesses, and rendering thousands of homes uninhabitable. Recognizing the urgency of the situation, North Carolina's Congressional delegation came together in a bipartisan, bicameral fashion to secure desperately needed funding as families and communities sought to rebuild in the wake of these storms. Though these storms hit North Carolina several years ago, many North Carolinians' daily lives remain upended.

NCORR was established as a division of the Department of Public Safety (DPS) in 2018 to oversee North Carolina's recovery efforts after federal metrics revealed significant shortcomings in utilizing recovery resources.¹ The Governor and General Assembly intended NCORR to facilitate effective and prompt recovery for North Carolinians; however, reports of ReBuild NC's missed deadlines, continued expenditures on temporary housing, denial of legitimate claims, and subpar construction all suggest it has missed that mark.

For years, NCORR has pointed to the federal government and contractors hired by NCORR as the source of these shortcomings.² There are undoubtedly factors that may make NCORR's mission challenging. As you noted before the North Carolina General Assembly Oversight Committee, the lack of formal authorization for the Community Development Block Grant Disaster Recovery (CDBG-DR) program delays funding and changes program requirements with each appropriation. I agree this is a problem and introduced legislation to improve the process by fully authorizing the CDBG-DR program.³ That said, this still does not adequately explain why NCORR has fallen short of its mission while the relief programs of numerous other states have already used federal funds to successfully execute their mandate.

¹ <https://www.rebuild.nc.gov/about-us>

² <https://www.wunc.org/politics/2023-05-15/thousands-north-carolina-hurricane-victims-waiting-help-home>

³ <https://www.tillis.senate.gov/2019/11/tillis-burr-introduce-bill-to-bring-disaster-relief-to-north-carolinians-sooner;>
[https://www.tillis.senate.gov/2023/5/tillis-sponsors-bill-to-help-expedite-disaster-recovery-assistance-to-n-c.](https://www.tillis.senate.gov/2023/5/tillis-sponsors-bill-to-help-expedite-disaster-recovery-assistance-to-n-c)

As North Carolina heads into hurricane season, I am concerned this may jeopardize future recovery efforts should another devastating storm occur. For these reasons, I respectfully request your response to the following questions:

1. Policymakers and experts - including J.R. Sanderson, the former Director of the South Carolina Disaster Recovery Office and now a Senior Advisor at the St. Bernard Project (SBP), a nonprofit disaster relief organization previously contracted by ReBuild NC - have indicated it is unclear whether North Carolina will fully utilize its allocated federal funding prior to expiration, given NCORR's track record of delays.⁴
 - a. What performance metrics demonstrate NCORR is on pace to properly allocate all remaining federal funding before it expires in August 2026?⁵
2. As of 2022, NCORR spent over \$13 million, approximately 20 times that of South Carolina's Disaster Recovery Office, on temporary housing for residents impacted by storm damage.⁶ Reports have shown that families had no choice but to live in cramped hotel rooms with no kitchens for years. Moreover, monthly costs for hotel rooms far exceed the cost of other forms of temporary housing in Eastern North Carolina.⁷
 - a. What changes in policy has NCORR enacted to address the \$30+ million spent on temporary housing and hotels?
 - i. How many North Carolinians are still housed in hotels? What is the new total amount spent on temporary housing?
 - b. Has NCORR established standards based on economic analysis to determine when long-term hotel stays are a cost-effective form of temporary housing?
 - c. Has NCORR calculated the number of homes it is now unable to build as a result of its allocating resources toward temporary housing costs?
3. ReBuild NC recently announced the completion of 2,000 homes, yet approximately 2,200 families impacted by hurricanes Matthew and Florence are still awaiting completion of repairs or construction.⁸
 - a. How many individuals who submitted claims to ReBuild NC in 2021 and prior years are still awaiting long-term housing?
 - b. What has NCORR done to ensure that multi-year waits are no longer the norm?
4. Documented cases demonstrate ReBuild NC has started, even completed, homes that were later deemed to be structurally unsound.⁹ Other cases show that unfinished homes on which repairs had begun were subject to costly damage from sitting incomplete.¹⁰

⁴ <https://ncnewsline.com/2022/09/16/hurricane-survivors-testify-before-legislative-oversight-committee-unveiling-the-truth-about-rebuild-ncs-bungled-disaster-relief-program/>

⁵ <https://sites.ncleg.gov/houseoversight/2023/04/rebuild-nc-makes-changes-must-do-more/>

⁶ <https://ncnewsline.com/2022/09/16/hurricane-survivors-testify-before-legislative-oversight-committee-unveiling-the-truth-about-rebuild-ncs-bungled-disaster-relief-program/>

⁷ <https://ncnewsline.com/2022/07/11/as-construction-delays-continue-rebuild-nc-is-incurring-enormous-costs-to-house-displaced-hurricane-matthew-survivors-in-motels/>

⁸ <https://abc11.com/storm-damage-rebuild-nc-hurricane-matthew/14369751/>

⁹ <https://ncnewsline.com/2022/07/11/as-construction-delays-continue-rebuild-nc-is-incurring-enormous-costs-to-house-displaced-hurricane-matthew-survivors-in-motels/>

¹⁰ <https://ncnewsline.com/2023/10/12/while-3100-hurricane-survivors-lack-permanent-homes-rebuild-nc-employees-earn-big-salaries/>

- a. What changes has NCORR enacted to ensure resources are no longer squandered on homes that are irreparable or potentially subject to further damage?
5. SBP's aforementioned report stated that NCORR's effectiveness is hindered by a lack of coordination across function areas, consistent deviation from standards, a strong desire to protect program leaders from public scrutiny or missteps, and a lack of a formalized decision-making process.¹¹
- a. How has NCORR addressed these issues and others cited in SBP's report?
 - b. Has North Carolina Emergency Management Director Will Wray, DPS Secretary Eddie Buffaloe, their predecessors, or Governor Cooper ever conducted a review of your job performance as Director of NCORR?
 - c. Have you ever received professional communication training in your capacity as Director of NCORR?
 - i. If yes, were CDBG-DR funds used to pay?
6. ReBuild NC recently released guidance and resources on extreme heat, citing climate change's impact on heat events. The 70+ page toolkit, along with other materials, includes sample community heat surveys from non-N.C. jurisdictions such as Philadelphia, PA, and merits consideration as to whether this is an effective use of time and resources.¹² As stated, ReBuild NC is responsible for facilitating disaster recovery through financial assistance to eligible homeowners for repairs and construction.
- a. Does NCORR consider the Heat Action Plan Toolkit and broader effort aligned with ReBuild NC's statutory mission?
 - b. How does this effort, in conjunction with the State Climate Office, assist North Carolinians left without homes from past natural disasters?
 - c. Does NCORR acknowledge that safe, well-constructed permanent housing is critical in taking effective precautions against extreme heat?

Thousands of individuals and families in North Carolina still await solutions years after Congress appropriated federal funding. We can all agree that they should not have to wait this long to be made whole again. As I work with members of North Carolina's Congressional delegation to push for reforms to the federal disaster management and response system, I hope NCORR redoubles its efforts to serve North Carolinians affected by past disasters.

Please respond to this inquiry no later than Friday, May 31, 2024. Thank you for your consideration of these important issues and for your service to North Carolina.

Sincerely,



Thom Tillis
United States Senator

¹¹ <https://www.documentcloud.org/documents/24025859-saint-bernard?responsive=1&title=1>

¹² <https://www.rebuild.nc.gov/heat-action-plan-toolkit#WebinarNavigatingNorthCarolinasRisingTemperatures-4487>

CC:

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