Perry County Community Development Block Grant
Disaster Recovery Projects

Neighborhood Revitalization Plan

Perry County, Kentucky

August 2026

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INTRODUCTION

CHAPTER 1

PURPOSE

Perry County Fiscal Court has recognized the need for affordable housing following the 2021 and 2022 historic flooding in Perry County and is pursuing Community Development Block Grant – Disaster Recovery (CDBG-DR) funding to address this concern. Perry County Fiscal Court has applied for CDBG-DR funding to revitalize and improve living conditions in the county. In pursuing CDBG-DR funding, the County is recognizing and responding to a shortage of suitable housing for low- and moderate-income families in the community as a result of the 2021 and 2022 historic flooding across eastern Kentucky.

The purpose of this Neighborhood Revitalization Plan is to outline the actions to be taken for the implementation of the Community Development Block Grant- Disaster Recovery projects. Through the activities specified herein, this program will seek to use federal funding for the development of affordable housing stock in Perry County. To achieve this, Perry County Fiscal Court will initiate a CDBG-DR single-family development projects to perform the activities specified in this plan in accordance with the provisions of the Kentucky Revised Statutes, Chapter 99.

In accordance with KRS 99.370(2) and KRS 99.540, this plan addresses the following topics:

1. Location, character and extent of public and private land ownership and uses proposed within the project areas.

2. Proposed land acquisition, demolition and clearance activities within the project areas.

3. Proposed redevelopment and improvements within the project areas.

4. Proposed rehabilitation activities of all types within the project areas*:*

5. Relationships of this plan to local development objectives, strategies and standards.

6. Maximum density and building requirements within the project areas.

The County does not have local zoning requirements. All applications and projects are reviewed and approved by the Perry County Fiscal Court and follow applicable local and state land use regulations.

7. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act) will be followed by the County during relocation procedures.

COMMUNITY BACKGROUND

Located in eastern Kentucky, Perry County contains 340 square miles of mountainous and rural terrain. As of 2024, the population of Perry County is 27,499 people (census.gov). The 2021 severe storms that resulted in a presidential disaster declaration impacted central and eastern Kentucky, including Perry County, which is a state-identified MID county in KY's 2021 CDBG-DR Action Plan. The Action Plan documented that at the time of the storm, 51.8% of Perry County was low-to-moderate income. In 2022, Perry County faced disaster damage in a subsequent severe storm and flooding event that also received a presidential declaration, and damaged over 20% of their housing stock (Federal Reserve Bank of Cleveland, 2023).

Presently, much of the available housing stock in Perry County is aging, in flood prone areas, or is unaffordable, and there is extremely limited rental housing available (realtor.com, 10/14/24). Perry County has a high percentage of low to moderate income households, significant disaster-related damage to its housing stock, and remains vulnerable to future events. The County needs affordable and safe housing options to recover from the 2021 and 2022 disasters.

PROJECT AREA LOCATION

The CDBG-DR funding awarded to Perry County will be used to develop new and affordable single-family housing.

PROJECT OVERVIEW

A Community Development Block Grant -Disaster Recovery applications have been approved by Kentucky's Department of Local Government (DLG) to provide funding for the development of CDBG-DR single family new construction homes. The project funded with this grant is known as the Perry County Single-Family CDBG-DR Project. These projects are expected to take approximately thirty-six months to complete and will accomplish the following tasks:

1. Acquisition of multiple properties in Perry County to be used for single-family housing developments. The properties will be acquired through voluntary acquisition and follow Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act) as applicable.
2. Infrastructure development at each site to support the needs of new housing developments, including water lines, sewer systems, electric lines, and grading.
3. Provide homebuyer intake and application services in compliance with program policies.

PROJECT GROUP RESPONSIBILITIES

For the project to succeed, a number of different groups must work together. Table 1 presents these groups and their responsibilities. Perry County Fiscal Court is ultimately responsible for all phases of the project and therefore retains all control of the project.

Table 1

Group Responsibilities for Perry County Single-Family CDBG-DR Project	
Group	**Responsibility**
Perry County Fiscal Court	Legal applicant for all funds; final approval of and responsibility for all project activities; approval of all project documents and plans; final decision on all administrative appeals.
Fahe, Inc.	Provides technical assistance to Perry County Fiscal Court regarding the Federal procedures and practices which most efficiently implement this plan. Responsible for establishing project accounting procedures. Implements the policies of Perry County Fiscal Court, conducting the day-to-day activities of the project. Complete administration of the project.
Housing Development Alliance (HDA)	Perry County has chosen to partner with HDA as the primary developer of the sites. HDA is a private, non-profit builder based out of Hazard, KY. in Perry County, that constructs and repairs homes in the region with a commitment to sustainable and affordable design.
KY Department for Local Government	Kentucky Department for Local Government administers the KY CDBG-DR funding allocation and provides project award determinations and oversight.

CHAPTER 2

PROJECT AREA DESCRIPTON

INTRODUCTION

The purpose of this chapter is to describe the project areas as each presently exists. Particular emphasis will be placed on housing and socioeconomic conditions as these matters are central to Perry County's determination that the projects will primarily serve households that are low-to-moderate income.

SOCIOECONOMIC AND HOUSING CONDITIONS

The 2021 severe storms that resulted in a presidential disaster declaration impacted central and eastern Kentucky, including Perry County, which was identified as a state MID county in DLG's 2021 CDBG-DR Action Plan. The Commonwealth's pre-disaster analysis in the 2021 CDBG-DR Action plan noted that the disaster took place amid an already outdated and shrinking housing stock. The disaster only worsened this problem throughout the state, resulting in unmet housing needs exceeding $110,000,000. This disaster impact is abundantly clear in Perry County, where the Action Plan unmet needs assessment documented that there were 21 owner-occupied unit applications for FEMA Individual Assistance (with 6 receiving assistance), 21 owner-occupied units with disaster damage, and 2 SBA home loans that received approval. Additionally, FEMA received 3 tenant applications for Individual Assistance, and 3 rental units were documented with real property damage. At the time of the disaster, 45.8% of Perry County was low-to moderate income. In 2022, Perry County faced disaster damage in a subsequent severe storm and flooding event that received a presidential declaration. Presently, much of the available housing stock in Perry County is aging, in flood-prone areas, or is unaffordable and there is extremely limited rental housing available (realtor.com 10/14/24). Perry County has a high percentage of low to moderate income households, significant disaster-related damage to its housing stock, and remains vulnerable to future events. The County needs affordable housing options to recover from the 2021 and 2022 disasters.

INFRASTRUCTURE

Across the sites of the Perry County CDBG-DR Projects, there will be comprehensive site preparation and infrastructure installation as needed. On the single-family sites, water lines, sewer systems, and electrical lines will be installed to provide access to utilities. Each single-family site will be graded to support safe and resilient housing developments and roadways. All infrastructure activities are designed and overseen by qualified engineers that adhere to all local, state, and federal guidelines to ensure durability and long-term functionality of the project.

CHAPTER 3

GOALS AND OBJECTIVES

INTRODUCTION

The purpose of this chapter is to develop goals and objectives to address identified housing needs in Perry County. These goals and objectives will guide the implementation of the project. This chapter will also present an approximate schedule for the implementation of the project.

GOALS AND OBJECTIVES

The following goals and objectives will define the project's mission and guide its implementation:

GOAL: To increase the housing stock in Perry County after major flooding events.

OBJECTIVE:

a. Acquisition of properties
b. Infrastructure development
c. Construction of single-family units

GOAL: To increase housing opportunities for low-to-moderate income residents of Perry County.

OBJECTIVE:

a. Utilize marketing and outreach for housing intake and application.
b. Provide intake and application services for housing opportunities created by the project in accordance with program policies.
c. This program will serve low to moderate income families as defined by households whose annual income is at or below 80% Area Median Income, as set by HUD Income limits.

PROJECT SCHEDULE

The project is expected to take 36 months and will work closely with the Kentucky Department for Local Government to adhere to the agreed timeline and schedule of work. Timelines are expected to change and be updated as needed.

CHAPTER 4

DEVELOPMENT PLAN

INTRODUCTION

The purpose of this chapter is to present and briefly discuss the development activities to be initiated and completed within the project areas. The project goals are categorized into four key activity groups:

1. Relationship to the Comprehensive Plan
2. Property Acquisition
3. Infrastructure Development
4. Housing Construction and Development
5. Homebuyer Intake and Application Services

RELATIONSHIP TO THE COMPREHENSIVE PLAN

Perry County Fiscal Court has identified the need for increased housing stock and increased resiliency to disasters after the 2021 and 2022 flooding events. The overall goal of the Perry County Single-Family CDBG-DR Project is to develop resilient and affordable single-family housing across Perry County. This project aligns with the local and regional economic development strategies. The Kentucky River Area Development District's 2025 Economic Development Strategy determined that "housing was the hardest hit as the area was in a shortage before the flood, and now, with thousands of damaged or destroyed homes, residents have been forced to relocate, stay with family, or become creative in their means to find shelter" (kradd.org).

PROPERTY ACQUISITION

Any property to be acquired by the County will be appraised to determine Fair Market Value. These appraisals are calculated in consideration of the characteristics of the properties as they presently exist and not on their potential value upon completion of the project. Property owners were issued letters providing notice of intent to voluntarily acquire their properties for the amount determined by the appraiser to represent Fair Market Value or "just compensation". Any acquisition will be conducted in accordance with all applicable federal and state regulations. Federal regulations are set forth in the "Uniform Act" and its implementing regulations. This Act covers such topics as procedures for acquisition and disposition; determination of just compensation; and the grievances and appeals procedure.

INFRASTRUCTURE DEVELOPMENT

The infrastructure improvements included in this neighborhood revitalization plan consist of site grading, installation of water lines, electric service, and construction of roadways to support safe, reliable, and long-term community use. All infrastructure work will be designed by engineers and implemented in compliance with Community Development Block Grant–Disaster Recovery (CDBG-DR) guidelines, ensuring that projects meet federal requirements for resiliency, accessibility, and cost reasonableness. Best practices in engineering and construction will be applied to promote durability, efficient service delivery, and reduced maintenance needs over time. Collectively, these infrastructure investments are intended to strengthen neighborhood functionality, support future development, and enhance quality of life for residents.

HOUSING CONSTRUCTION AND DEVELOPMENT

The neighborhood revitalization project will include the construction of new single-family homes designed to provide safe, decent, and affordable housing opportunities for Perry County residents. These homes will be thoughtfully integrated into the community, with designs that are compatible in scale, appearance, and function with surrounding area. These homes will be developed to meet federal standards for affordability, resiliency, and construction quality, including environmental review, fair housing, and labor compliance provisions. Through CDBG-DR funding, the project will expand access to safe, decent, and affordable single-family housing while supporting recovery, stabilization, and long-term revitalization of the neighborhood.

HOMEBUYER INTAKE AND APPLICATION SERVICES

This project will include services to interested homebuyers in accordance with program policies. These services may include intake, case management, housing counseling, verification of disaster benefits, duplication of benefits analyses, eligibility review, and award determinations.

CHAPTER 5

FINANCING AND COSTS

INTRODUCTION

KRS 99.370 requires disclosure of (1) the means of financing the proposed Neighborhood Revitalization Plan activities and (2) the costs associated with said Neighborhood Revitalization Plan activities.

COSTS

Table 2 presents the estimated costs associated with the implementation of the Perry County CDBG-DR Projects set forth in this Neighborhood Revitalization Plan.

Table 2

Perry County Single-Family CDBG-DR Project Costs		
Item	**Cost**	**Source**
Construction	$1,000,000	CDBG-DR
Engineering and Site Development	$693,714	CDBG-DR
Admin	$89,142	CDBG-DR
Rounded Total	**$1,782,856**	**CDBG-DR**

FINANCING

Table 3 presents information relative to the sources of funds available for defraying project costs. No deficits are expected to be incurred during the life of the project.

Table 3

Sources of Project Funds – Perry County Single-Family CDBG-DR Project	
Source	**Amount**
CDBG-DR Single Family Housing Construction	$1,693,714
CDBG-DR Admin/Planning	$89,142
Subtotal: CDBG-DR	**$1,782,856**

CHAPTER 6

MISCELLANEOUS

CITIZEN PARTICIPATION

Perry County Fiscal Court recognizes the critical role of citizen participation in assuring the success of the project. Public hearings were held to solicit citizen comments prior to submitting grant applications for funding. The public hearings are documented in the CDBG-DR grant applications.

DURATION OF PLAN

This Neighborhood Revitalization Plan is in effect until the completion of projects.

EVIDENCE OF ADOPTION

1. Perry County Fiscal Court will hold a public hearing at the Perry County Courthouse – District Courtroom, 1st Floor on September 11th, 2026 at 10:00 a.m. to solicit public comment on the proposed redevelopment projects and this plan.

ACCESSIBILITY

Perry County Fiscal Court does not discriminate on the basis of race, color, national origin, sex, sexual orientation, gender identify, age, religion or disability. Perry County Fiscal Court provides, upon request, reasonable accommodation, including auxiliary aids and services, to afford individuals with disabilities an equal opportunity to participate in all services, programs and activities. Any persons requiring special needs assistance or services for non-English speaking residents should contact 606-487 1376 at least five days prior to the meeting.

Americans with Disability Act (ADA) Contacts:

Department for the Blind	1/877/KYBLIND	
American Printing House	1/800/223-1839	adp.org
Commission for the Deaf and Hard of Hearing	1/800/372-2907	kcdhh.org
State Relay TDD Number	1/800/648-6057	