

FYI on NDR

National Disaster Resilience



SEPTEMBER 2018

First NDR Affordable Housing Project Deemed a Big Success: The Park South Celebration

Park South Apartments, the City of Minot's first affordable housing rehabilitation project supported by the National Disaster Resilience (NDR) Program, is complete. A ribbon cutting and open house was held Tuesday, August 21.

The apartment building is one of the first projects in the country completed between the recipients of the 13 NDR grants provided by the U.S. Department of Housing and Urban Development (HUD) program.

"We're proud that Minot continues to be an example of how the National Disaster Resilience Program is expected to help communities," said City of Minot Mayor, Shaun Sipma. "This project was a great first step for the community utilizing the HUD grant, NDR dollars, and it's a great illustration of what all three levels of governments working together can accomplish."

\$21 million of the \$74.3 million HUD grant through NDR is designated for affordable multi-family housing. The City awarded \$1.97 million to Essential Living Inc., the non-profit owner of Park South, to renovate the building's 35 existing apartments and add five new units. Seventy-five percent of Park South's apartments are now reserved for income-qualified households, four of these units are fully handicapped accessible.

"The project completion on a timely basis fulfills a critical commitment the city made in 2016 when HUD approved

the NDR Action Plan," said Disaster Resilience Program Manager John Zakian. "Park South's completion is a milestone for the City of Minot in carrying out the goal of fulfilling unmet housing needs in the community."

Essential Living also received \$2.23 million from North Dakota Housing Finance Agency (NDHFA) through the Housing Incentive Fund. The state's program supports the development and preservation of affordable multi-family rental housing targeted to low-to moderate-income households and essential service workers.

"The assistance the North Dakota Housing Finance Agency provided through the Housing Incentive Fund extended the affordability of these homes and ensures that the individuals and families that live at Park South have a place to live that is both safe and desirable," said NDHFA Executive Director Jolene Kline.

The project received additional support through the North Dakota Department of Commerce, in the form of \$714,950 from the Governor's Community Development Block Grant Discretionary Funds for the storm water management work that benefitted the whole neighborhood; and an interest-rate buy down from Bank of North Dakota's FlexPACE program. The total project cost exceeded \$7.4 million.

"Minot was extremely fortunate to receive the NDR Funds, and we are pleased that this project really demonstrates how the private sector can

work with the public sector to provide affordable housing for our community," said Essential Living President Bruce Walker. "Working with the City of Minot, North Dakota Housing Finance Agency, and our other project partners has been a very positive experience."

Located at 234 14th Ave SE in Minot, Park South was constructed in 1948 and originally served as a convent. It was converted into apartments in the 1980s with the last major renovation taking place at that time. Essential Living updated all the existing units' kitchens and bathrooms, plumbing, electrical, hardware and flooring.





PROJECT HIGHLIGHTS

Acquisition Program

- Since the NDR program started, the City has demolished 40 properties, with another 16 demolitions anticipated before the end of the year.
- Home Sweet Home was moved and placed on the foundation on August 20th.
- The city's structure and salvage auctions continue.

Affordable Housing

- The Gap Financing program was launched in February and has 26 applicants: 11 passed the initial review and eligibility is being verified by their lender, 3 are under initial review, 9 are ineligible and 3 withdrew their application.
- The team met with local lenders and NDHFA to discuss the progress of the gap financing program.
- Four potential projects are under review, including ones with the Parker Suites, Community Land Trust, Milton Young Towers and a Park South Phase 2 project.
- The team continues to work on an action plan technical amendment and plans on presenting the framework to HUD in September.

Downtown Gathering Place

- The environmental assessment has begun. Stantec is completing the Phase I Environmental Site Assessment through the Brownfields Grant, with CDM Smith working in parallel completing the HUD-required Environmental Assessment. Working in collaboration will help streamline and fast-track the process, as both assessments are scheduled to be finished in late fall.

Family Homeless Shelter

- Two meetings were held in August with the vulnerable population group to discuss the proposal. A proposal is being finalized with hopes of presenting it to Committee of the Whole in September or October.

PROJECT OVERVIEW

Reduce Flood Risk/ Improve Water Management

A. Buyouts / Acquisitions /

Demolitions / Relocations

- a. Total Budget - \$20,024,935
- b. Spent to Date - \$9,389,563

Build Affordable Resilient Neighborhoods

A. Multi-Family Affordable Housing

- a. Total Budget - \$20,897,000
- b. Spent to Date - \$2,162,691

B. Single-Family Affordable Housing

- a. Total Budget - \$12,807,750
- b. Spent to Date - \$667,696

C. Gathering Place

- a. Total Budget - \$6,000,000
- b. Spent to Date - \$135,553

D. Family Shelter

- a. Total Budget - \$3,041,500
- b. Spent to Date - \$88,274

Foster Economic Resilience and Diversification

A. Center for Technical Education

- a. Total Budget - \$1,540,000

B. Relocate City Hall

- a. Total Budget - \$3,750,000

Completed Projects

- Affordable Housing Supply & Demand Study
- Souris River Decision Support Tool
- Park South Renovations