

FYI on NDR

National Disaster Resilience

JANUARY 2020



2019 – A recap of auction, salvage and demolition in Minot for flood protection

The demolition portion of the Strategic Buyout/Acquisition program, under the National Disaster Resilience (NDR) Funds from the U.S. Department of Housing and Urban Development (HUD), has had a busy 2019. Eight separate demolition projects were bid out in 2019, seven of which are complete, with one to be finished in 2020.

In 2019, 41 properties were demolished – 26 residential properties and 15 commercial properties – with the majority happening in the Ben's Tavern area (Buyout Area #4, needed for the Phase MI-5 NE Tieback flood protection project). Nine of the demolitions this year were tied to the spot/blight program to clean up “zombie properties” in the valley, many of which were near Oak Park, the old Ramstad Middle School, or old Lincoln Elementary School. Just over \$1.2 million was spent in 2019 on removing dilapidated flood damaged properties or properties needed for future flood protection projects.

Three separate businesses were low general contract bidders on the various 2019 projects, Dig it Up Backhoe Service from Minot, Hight Construction LLC from Minot, and Berger Enterprises, LLC from Emerado, N.D.

To put these numbers all into perspective, since 2013, the City has used various funding sources to demolish just over 400 properties in Minot tied to the flood or the need for flood protection. These demolitions have been funded using the following sources: Allocation 1 or 2 of Community Development Block Grant-Disaster Recovery (CDBG-DR) funding, City of Minot funds, NDR or State Water Commission appropriations.

When it comes to auction/salvage associated with the program, 15 main or detached structures were relocated in 2019; salvage was done on four structures. More than \$30,000 in additional program income was gained from auction/salvage efforts last year, adding to the total of \$139,590 in program income from these efforts since the program started.

The NDR Strategic Buyout/Acquisition Program started in late 2016/early 2017. 74 identified properties remain to be acquired, salvaged and/or demolished in current buyout areas under NDR.



PROJECT HIGHLIGHTS

Acquisition Program

- Overall, the City of Minot has acquired 143 properties to date: 80 properties using NDR-CDBG funds and 63 properties using State Water Commission Funds; 7 properties included in the 80 NDR properties were partially funded with State Water Commission funds. These properties are needed for on-going or upcoming flood mitigation projects.
- The city has demolished 126 properties in the first three buyout areas. The 2019 Rounds 2 and 3 Structure Demolition and Site Restoration projects have been completed and the Round 4 project will be completed in summer 2020.
- The city's structure and salvage auctions continue, and all sales generate program income which will be fed directly back into acquisition program future purchases.

Affordable Housing

- 61 people have applied to the Resilient Homebuyer Program: 29 remain in the process of review and eligibility verification through a lender of their choice, 27 applied but were not eligible or withdrew, and five have closed to date. Program continues accepting applications.
- The Minot Housing Authority released an RFQ for architectural services on the Milton Young Towers project in August. As soon as the final scope can be determined, negotiations will be finalized and a contract signed.
- The Blu on Broadway mixed-use affordable rental housing facility proposal was received in response to the city's request for proposal and will provide 42 rental units built above a ground-level commercial space. The Blu on Broadway developer agreement has been drafted; presentation of the agreement to the City Council for approval is anticipated to be at a January City Council meeting. The acceptance of a developer's agreement would allow an environmental review of the property to begin, keeping the likely construction start on target for the summer/fall 2020.
- Minot entered into a sub-recipient agreement with Lutheran Social Services Housing, Inc. to build 17 units of multi-family affordable rental housing; the future site for the affordable housing project is set to be acquired in early January.
- The Minot Area Community Land Trust's single-family affordable housing activity is anticipated to begin in spring 2020.

Family Shelter

- The city entered into a sub-recipient agreement with Lutheran Social Services Housing, Inc. to create a 6-unit family shelter; the future site for the family homeless shelter project is set to be acquired in early January.

Gathering Place

- Based on unsuccessful negotiations or unwillingness to sell with first two site options, the City has moved on to the third option for a Downtown Gathering Place, located at 200 4th St. SE, just south of the Renaissance Building in the northeast section of downtown Minot. Since the landowner has expressed a current interest to sell the property, the environmental review process has begun. Negotiations on a potential purchase price have to wait until the environmental review is completed and approved by HUD.

City Hall

- In December, council members were given a report recommending two possible sites for a new City Hall location in downtown Minot. At the December 16 City Council meeting, members discussed the proposed locations, but voted to hold off pursuing a potential purchase until they have additional time to continue an in-depth review of their options.

PROJECT OVERVIEW

Reduce Flood Risk/ Improve Water Management

A. Buyouts / Acquisitions /

Demolitions / Relocations

- a. Total Budget - \$20,031,020
- b. Spent to Date - \$17,999,271

Build Affordable Resilient Neighborhoods

A. Multi-Family Affordable Housing

- a. Total Budget - \$20,897,000
- b. Spent to Date - \$3,646,951

B. Single-Family Affordable Housing

- a. Total Budget - \$12,807,750
- b. Spent to Date - \$1,258,274

C. Gathering Place

- a. Total Budget - \$6,000,000
- b. Spent to Date - \$194,076

D. Family Shelter

- a. Total Budget - \$3,041,500
- b. Spent to Date - \$608,391

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