

FYI on NDR

National Disaster Resilience

July 2022



Resilient Homebuyer Program leaves lasting impact

After a successful run with more than 200 applicants, the Resilient Homebuyer Program stopped accepting applications on July 1, 2022. By the time this popular National Disaster Resilience (NDR) program closes its last transaction in late July, it will have helped 76 low-to-medium income (LMI) households purchase homes in resilient neighborhoods, which are outside the 100-year floodplain.

The program worked with Minot real estate brokers and financial institutions to provide gap financing in the form of a forgivable second mortgage, up to \$60,000, to cover costs needed by Minot's LMI households after they demonstrated they were impacted by the flood. Through a partnership with the North Dakota Housing Finance Agency (NDHFA), the Minot Disaster Recovery Program conducted the initial screening of applicants for eligibility, while NDHFA reviewed applicants for loan underwriting and final mortgage amount determination.

"Of all of the programs we have worked on with the National Disaster Resiliency funds, this program has had a direct impact on so many families that were impacted by the 2011 flood," said Emily Berg, Minot Interim NDR Program Manager. "We have to extend our thanks to the

realtors, the lenders, and the homebuyers for working through the process. This assistance has helped Minot residents find homes and stay in Minot, building a stronger community and a more resilient Minot."

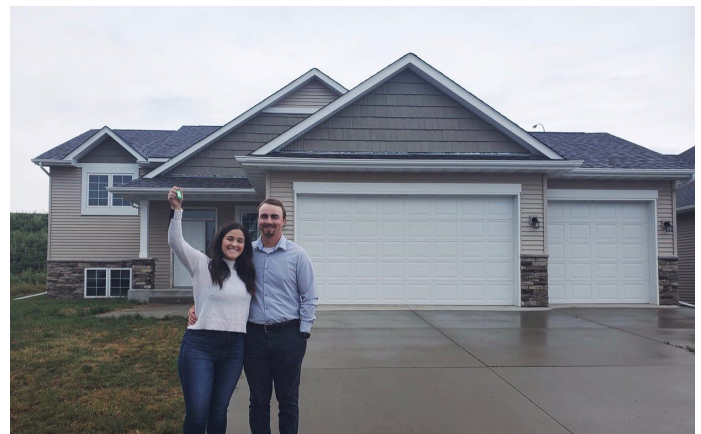
The program has been an innovative way to utilize NDR funds and deliver assistance directly to Minot residents. The first \$3 million assisted 51 households in buying a single-family home, with an average second mortgage of \$57,000. After seeing the program's success, the City Council added an additional \$1.5 million, which helped 25 more households.



From left to right: Former Minot Mayor Shaun Sipma, Tammy Small, CDM Smith, and Bryan Juenger the first homebuyer to purchase a home with the program in the fall of 2018.



Former Minot Mayor Shaun Sipma congratulates Alex Gorze, the 50th homebuyer to utilize the Resilient Homebuyer Program.



Alissa and Alex Mack celebrate in front of their new home purchased with the NDR Program in August of 2020.

PROJECT HIGHLIGHTS

Acquisition Program

- Overall, the City of Minot has acquired 213 properties to date: 87 properties using NDR-CDBG funds and 126 properties using State Water Commission Funds; 7 properties included in the 87 NDR properties were partially funded with State Water Commission funds. These properties are needed for on-going or upcoming flood mitigation projects.
- Under the NDR Program, the City has demolished 149 properties, with 66 of those being funded by NDR-CDBG funds; the City is preparing to demolish another 18 properties this spring and summer. The new demolition contract was awarded in May and the demolition activities have begun. 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

- So far, 209 people have applied, while 74 applicants have purchased a home under the program; 21 applicants are in the project pipeline (i.e., working with lender or realtor, looking for a property, etc.), and 116 applicants have withdrawn their application (i.e., moved away, lender determined they were not eligible, etc.). The program conducted its last intake in June.
- Milton Young Towers (MYT) renovations continue to move forward in a timely fashion; the next group of temporary tenant relocations is now underway. So far, 73 apartments have been rehabilitated.
- Construction is moving forward on Park South II, a 22-unit affordable housing development; the current scheduled completion date is in August, following the Labor Day holiday.
- Construction continues on Souris Heights, a 54-unit affordable senior housing complex; it is scheduled for completion in September.
- The City continues to work with Project BEE to move the development of the 17-unit Broadway Circle affordable housing complex forward. Project BEE has an executed agreement for construction services and will be scheduling a pre-construction meeting once their funding strategy is completed.

Family Homeless Shelter

- The City continues to work with Project BEE to move the development of the Family Homeless Shelter forward. Project BEE has an executed agreement for construction services and will be scheduling a pre-construction meeting once their funding strategy is completed.

City Hall

- Construction is making progress at the new City Hall location. Insulation work is complete and drywall work has started; 90% of the rough ins have been completed and sheet rock is mostly complete on the first and second floors, with the third floor now underway.

Center for Technical Education

- The Center for Technical Education project is on track. The bid opening for asbestos remediation services was held on June 7 and the bids came in under the engineer's estimate; the engineer has recommended the award.

PROJECT OVERVIEW

Reduce Flood Risk/ Improve Water Management

A. Buyouts / Acquisitions / Demolitions / Relocations

- a. Total Budget - \$21,085,967
- b. Spent to Date - \$20,224,166

Build Affordable Resilient Neighborhoods

A. Multi-Family Affordable Housing

- a. Total Budget - \$23,912,137
- b. Spent to Date - \$17,714,119

B. Single-Family Affordable Housing

- a. Total Budget - \$8,807,750
- b. Spent to Date - \$5,740,733

C. Family Shelter

- a. Total Budget - \$3,364,198
- b. Spent to Date - \$1,021,093

Foster Economic Resilience and Diversification

A. Center for Technical Education

- a. Total Budget - \$3,540,000
- b. Spent to Date - \$40,230

B. Relocate City Hall

- a. Total Budget - \$8,222,593
- b. Spent to Date - \$5,191,719

Administration

- a. Total Budget - \$3,752,270
- b. Spent to Date - \$2,318,140

Completed Projects

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