

AMENDMENT TO  
CDBG DISASTER RECOVERY PROGRAM AGREEMENT  
With  
BEYOND SHELTER, INC.

THIS AMENDMENT ("AMENDMENT") TO CDBG DISASTER RECOVERY PROGRAM (CDBG-DR) AGREEMENT is made and entered into May 18, 2020 by and among The City of Minot, ND, a municipal corporation ("City"), Beyond Shelter, Inc., a 501c3 non-profit organized as a North Dakota nonprofit corporation ("Developer"), and Sunset Ridge I, LLLP, a North Dakota limited liability limited partnership ("Phase I Partnership").

WHEREAS, The City and Developer entered into a CDBG-DR Program Agreement dated June 18, 2015 (the "Original Agreement"), as amended by that certain Amendment #1 to the Contract Between the City of Minot, North Dakota and Beyond Shelter for the Development of the rental apartment building project known as Sunset Ridge, by and between the City and Developer and dated March 7, 2016 (the "First Amendment"), as further amended by that certain Amendment to Services Agreement between City and Developer dated effective as of February 11, 2019 (the "Second Amendment"), and together with the Original Agreement and First Amendment, collectively (the "CDBG-DR Agreement") for the purpose of providing specific financial support to a Low/Moderate Income Multi-Family rental apartment development contemplated to be two separate apartment buildings primarily supported through and led by State of North Dakota financial resources; and

WHEREAS, In connection with the CDBG-DR Agreement, the City disbursed \$100,000 (the "CDBG-DR Funds") to Developer for the purchase of property located on Minot, North Dakota (the "Development Site") originally described within the CDBG Agreement as being approximately 6.7 acres located at the intersection of 36<sup>th</sup> Avenue NW and Kodiak Street NW, Minot, ND; and

WHEREAS, Developer, together with the prior owner of the Development Site, and through prescribed City Planning Department and Commission process, subdivided the Development Site into two separate lots legally described as follows (i) Lot 1, Block 1, Sunset Ridge Addition to the City of Minot, Ward County, North Dakota (the "Phase I Lot") and (ii) Lot 2, Block 1, Sunset Ridge Addition to the City of Minot, Ward County, North Dakota (the "Phase II Lot"); and

WHEREAS, The Developer subsequently conveyed the Phase I Lot to the Phase I Partnership pursuant to that certain Warranty Deed dated October 7, 2015 (the "Phase I Deed"), for purposes of constructing, developing and operating a 35-unit affordable housing project known as the "Sunset Ridge Apartments" ("Phase I Project"); and

WHEREAS, The Developer is the sole member and manager of Sunset Ridge I, LLC, a North Dakota limited liability company (the "MGP"), which is the Managing General Partner of the Phase I Partnership; and

WHEREAS, The Phase I Partnership entered into that certain Declaration of Land Use Restrictive Covenants North Dakota Housing Incentive Fund for the benefit of the Industrial

Commission of North Dakota acting as the North Dakota Housing Finance Agency on June 30, 2017 (the "LURA") and the LURA was recorded against the Phase I Lot on July 18, 2017; and

WHEREAS, The LURA requires that seven (7) units within the Phase I Project be occupied by tenants with total household income at or below 30% of the AMI as published by HUD for Ward County, and that an additional twenty-eight (28) units in the project must be occupied by tenants with total household income at or below 80% of the AMI as published by HUD for Ward County, and

WHEREAS, The LURA and the requirements contained therein are consistent with, or more restrictive than, the CDBG-DR Program Agreement for LMI restricted units except that the Period of Affordability for the LMI restricted units in the CDBG DR Program Agreement is longer.

NOW, THEREFORE, in consideration of the foregoing, the City and Developer, including Developer as the sole member and manager of the MGP, desire to amend the CDBG Agreement as follows:

1. The Developer agrees that, as the sole member and manager of the MGP, it shall cause the Phase I Partnership to comply with the Developer's obligations under the CDBG-DR Program Agreement with respect to the Phase I Project from and after the date of the Phase I Deed.
2. The Phase I Partnership, as a third party beneficiary under the CDBG-DR Program Agreement and as owner of the Phase I Project, agrees to comply with the Developer's obligations under the CDBG-DR Program Agreement solely with respect to the Phase I Project from and after the date of the Phase I Deed.
3. Exhibit A of the CDBG-DR Program Agreement is hereby amended and restated in its entirety in the form attached hereto as Exhibit A.
4. A copy of the Phase I Deed is hereby added to the CDBG-DR Program Agreement as a new "Exhibit G", in the form attached hereto as Exhibit B.
5. A copy of the LURA is hereby added to the CDBG-DR Program Agreement as a new "Exhibit H", in the form attached hereto as Exhibit C.
6. The recitals set forth above are true and correct statements of fact and are incorporated herein by reference with the same force and effect as though restated herein.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date set forth above.

Witness

Lance K. Beachum

Witness

Lance K. Beachum

Beyond Shelter, Inc.

Date

[Signature]

5-22-2020

Sunset Ridge I, LLLP, a North Dakota  
Limited liability limited partnership

Date

By: Sunset Ridge I, LLC  
Its: Managing General Partner

By: Beyond Shelter, Inc.  
Its: Sole Member

[Signature]

5-22-2020

Witness

Kelly Mataleka

City of Minot

[Signature]

5-27-2020



## **Exhibit A**

### **"Exhibit A CDBG-DR Agreement Project Description**

Beyond Shelter, Inc., a North Dakota nonprofit corporation ("BSI"), in partnership with the Minot Housing Authority ("MHA") will, collectively, develop 74 affordable housing units on approximately 6.7 acres at the intersection of 36<sup>th</sup> Avenue NW and Kodiak Street NW, Minot, ND, which has been subdivided into two separate legal lots described as follows: (i) Lot 1, Block 1, Sunset Ridge Addition to the City of Minot, Ward County, North Dakota (the "Phase I Lot") and (ii) Lot 2, Block 1, Sunset Ridge Addition to the City of Minot, Ward County, North Dakota (the "Phase II Lot").

BSI is the sole member and manager of Sunset Ridge I, LLC, a North Dakota limited liability company (the "MGP"), which is the Managing General Partner of Sunset Ridge I, LLLP, a North Dakota limited liability limited partnership (the "Phase I Partnership"). BSI conveyed the Phase I Lot to the Phase I Partnership pursuant to that certain Warranty Deed dated October 7, 2015 (the "Phase I Deed"), for purposes of constructing, developing and operating a 35-unit affordable housing project known as the "Sunset Ridge Apartments" ("Phase I Project").

BSI has caused the Phase I Partnership to construct, develop and operating the Phase I Project with mix of eight (8) one-bedroom units (3 fully accessible), twenty (20) two-bedroom units (3 fully accessible), and seven (7) three-bedroom units. All units are reserved for households having initial incomes at or below eighty percent (80%) of Area Median Family Income, adjusted for household size, as established by HUD.

MHA has formed MHA SR I, LLC, a North Dakota limited liability company, which serves as the Administrative General Partner of the Phase I Partnership and assists the MGP in the ownership and operating of the Phase I Project. MHA also serves directly as the property manager of the Phase I Project and provides seven (7) Project Based Housing Choice Vouchers to the Phase I Project.

**Exhibit B**

"Exhibit G  
Phase I Deed"

**Exhibit C**

**"Exhibit F  
Phase I Lot Warranty Deed"**