

City of Minot

COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY ACTION PLAN AMENDMENT #3



For CDBG-DR Disaster Recovery Funds
Section 239 of the Department of Housing and Urban Development Appropriations Act, 2012
(Public Law 112-55, enacted November 18, 2011)

February 28, 2013

City of Minot, North Dakota
Curt Zimbelman, Mayor

THE CITY OF MINOT ACTION PLAN AMENDMENT (NO.3)

Through this Community Development Block Grant (CDBG) Disaster Recovery (DR) Amendment #3, the City is changing the “Imagine Minot” parking facility project from a LMI housing related national objective to a public facility urgent need for economic revitalization. In addition the City is deleting one of its original proposed projects identified in the approved Action Plan as Southeast Tax Credit Rental Units Infrastructure. The project is being removed due to time sensitive issues which will not allow the project to move forward using CDBG disaster recovery funding. The funds from this project will be transferred to address additional costs associated with the Domestic Violence Center Infrastructure project. Attachment A provides a summary of the Action Plan changes, which are in red. The following project is being removed:

- Infrastructure/ Southeast Tax Credit Rental Units Infrastructure: (\$410,818.46)

Monies from the above deleted project will be allocated to the following existing project:

- Infrastructure/ Domestic Violence Shelter Infrastructure: \$410,818.46

Project	Total Costs	Original CDBG	Original Other Funds	Amended CDBG	Amended Other
Domestic Violence Shelter Infrastructure	\$19,94,865.83	\$204,182.37	\$1,379,865.00	\$615,000.83	\$1,379,865.00
Southeast Rental Units Infrastructure	\$6,632,019.46	410,818.46	\$6,221,201.00	\$0	\$6,221,201.00

Justification for Imagine Minot Parking Facility Change from LMI Housing to Urgent Need National Objective

The City of Minot’s CDBG-DR funding is appropriated in accordance with the 2012 Appropriations Act [FR-5628-N-01]. The Act defines the type of eligible activities allowed for the CDBG-DR funds. Part D of the Act, entitled *Clarification of disaster-related activities* defines Economic Revitalization in Section 3 as follows:

Economic Revitalization: Economic revitalization is not limited to activities that are “special economic development” activities under the HCD Act, or to activities that create or retain jobs. For CDBG disaster recovery purposes, economic revitalization can include any activity that demonstrably restores and improves some aspect of the local economy; the activity may address job losses, or negative impacts to tax revenues or businesses. Examples of eligible activities include providing loans and grants to businesses, funding job training, making improvements to commercial/retail districts, and financing other efforts that attract/retain workers in devastated communities. All economic revitalization activities must address an economic impact(s) caused by the disaster (e.g., loss of jobs, loss of public revenue). Through its needs assessment and

Action Plan, the grantee should clearly identify the economic loss or need resulting from the disaster, and how the proposed activities will address that loss/need.

The City's Action Plan identifies economic losses in its section on Economic Development found on pages 21-27. The Plan references a report prepared by the Minot Area Chamber of Commerce. The report shows there were substantial economic losses that included loss revenue due to flood, business relocation, building repairs, loss of inventory, and capital equipment losses totaling over \$300,000,000. This report also sites lack of affordable housing and appropriate employees as issues related to businesses recovering from the flood.

In the same section of the Action Plan, the Small Business Administration (SBA) reported on May 23, 2012 that 325 businesses had requested loans related to the flood impacts. Of these, 207 had been approved for \$41,249,600 in assistance averaging \$199,273.43 per business. A total unmet need of \$52,498,621 was identified for businesses in the City's Action Plan.

One of the factors impacting economic development in the downtown area is lack of parking and out dated infrastructure. The Economic Development Agency is assisting the City's flooded downtown area with \$19,000,000 in infrastructure repairs and upgrades in the same area where the parking facilities will be located. The City's use of CDBG-DR funds for economic revitalization in the downtown area provides more customer access for these recovering businesses and also provides additional parking for housing development. The City is in negotiation with a developer to leverage affordable rental units in 20% of the new units developed where tenants as well as the general public would have use of the parking facilities.

By providing the garages as a public facility the City can attract more business to the downtown area and meet the definition of economic revitalization by "making improvements to commercial/retail districts" and also leverage affordable rental units that can house employees.

Comment Period

Citizen participation is an essential component of the Citywide planning effort. The City of Minot strongly encourages public participation in identifying needs and the use of CDBG Disaster Recovery Funding. Citizens and other interested parties are invited to comment on Amendment 3.

A formal seven (7) day public comment period will began on February 28, 2013 for Amendment 3 to the Action Plan. Comments will be accepted until March 7, 2013. Comments may be submitted via email to www.minotrecoveryinfo.com or by mail to Public Information Officer, PO Box 5006, Minot North Dakota, 58702-5006. Amendment 3 to the Action Plan will be posted on the City's websites at: www.minotnd.org and www.minotrecoveryinfo.com no later than February 28, 2013.

Non-English speaking individuals and individuals with disabilities may request auxiliary aids and service necessary for participation by contacting Tami Stroklund, Executive Secretary, at PO Box 5006, Minot, North Dakota, 58702-5006, or tami.stroklund@minotnd.org. Alternatively, they may access the State of North Dakota assistance at the following numbers:

800.366.6888 or 711:TTY

800.366.6889 or 711:Voice

800.435.8590 or 711: Spanish

877.366.3709 : 900 Services

877.366.3709: Speech To Speech