

## Attachment G: Waiver Request

*City of Minot, North Dakota*

AttachmentG\_WaiverRequest.pdf



# City of Minot



## City of Minot, Section 904(c) Waiver Request

Section 904(c) under Title IX of Public Law 113-2 requires that all funds be expended within two years of the date that HUD obligates funds to a grantee. The City is requesting a waiver of the two year requirement because some of the complex activities proposed in this application will require a longer period of time to complete. As indicated in our proposed schedule in *Exhibit E: Soundness of Approach* of this application, the following activities will require a waiver extending the two year expenditure time period:

### **1. Project A: Reduce flood risk and improve water management**

- a. Acquisition and buyout
- b. Community meetings
- c. Eco-restoration of flood storage areas
- d. Greenway and Oak Park improvements

Acquisition and buyout is a very complex activity. In our experience, many property owners require extensive ongoing support and assistance throughout the process. In implementing Minot's two existing buyout programs, it has taken 24 to 36 months to complete 200 buyouts. Even when given deadlines for responding to offer letters, property owners still take significant time to respond and negotiate offers because the decision has such a great impact on their lives. Cases when the owner files an appeal can take even longer. Some property owners want to keep their home and relocate it to another part of the city. This requires searching for vacant lots out of the floodplain, getting permits, and so forth. This process alone has been shown to take over a year to complete.

We are proposing to buy out 340 homes in the strategic buy-out areas outlined in our proposal. Once the city is notified about the NDRC award we will begin work on the buyout program, recognizing the time consuming nature of this activity. Four hundred of the homes proposed for buyout are mobile homes and they will require relocation to another suitable mobile home park and rental payments. Our goal is to have 365 buyouts completed by September 2019, with 375 properties remaining to be completed by September 2021.

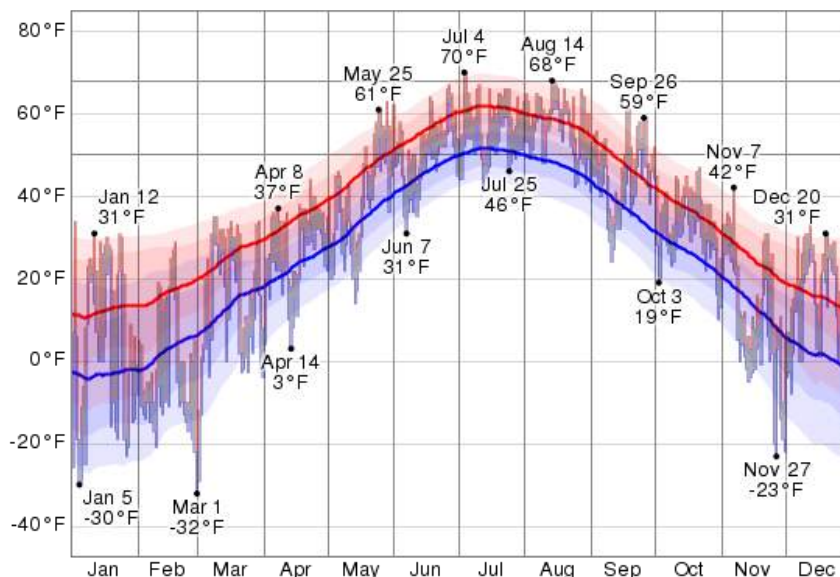
The city cannot start construction on the flood storage areas, the greenway, and the Oak Park improvements until the properties discussed in the previous paragraph are acquired. Although other actions such as community meetings, design, and other activities will be conducted immediately, the actual construction cannot begin until property buyouts are complete. The city will need a waiver in order to complete these construction projects. The estimated time of completion can be found in the schedule that begins on page 73 of *Exhibit E, Soundness of Approach*.

**2. Project B: Build affordable, resilient neighborhoods**

- a. Construct downtown student housing
- b. Home builder Section 3 construction skills classes
- c. Construct multifamily units and townhomes
- d. Construct single family homes

Because Minot is located in the northern half of North Dakota, with 6 months of sub-zero temperatures, the construction season is much shorter than in most cities across the country. According to the ACEC (American Council of Engineering Companies) and the Minot Homebuilders Association, the construction season in Minot and northwest North Dakota runs from mid-April through October. However, even in April, according to U.S. Climate Data, the average low temperatures at night are still below the freezing point. This prohibits certain types of below-grade and at grade construction (see graph below). Because Minot’s heavy construction season is limited to approximately six months out of the year, the City will require a time extension to complete several of the construction activities listed above.

**High and Low Temperatures in Minot, North Dakota**



The City's goal is to complete 249 rental units, 125 affordable housing units, and 24 units of affordable student housing by September 2019. The City is requesting a waiver to complete construction on 110 additional rental units, 125 additional affordable housing units, and 40 affordable student housing units, respectively. The completion dates for these activities are also provided in the schedule that begins on page 73 of this application in *Exhibit E: Soundness of Approach*.

Average lows in the 30s for the months of April and October and fewer daylight hours reduce the construction season even further. Because Minot's construction season is approximately five months out of the year, the City will require a time extension to complete construction of the activities listed above.

The city's goal is to complete 249 rental units, 125 affordable housing units and 24 units of affordable student housing units by September 2019 leaving 110 affordable rental units, 125 affordable housing units and 40 affordable student housing units to be completed. The completion dates for these activities are provided in the time schedule under Section 4, approach.

**3. Project C: Foster economic resilience and diversification**

a. Construct Minot State University art facility

For the same reasoning provided in item 2 above, the city will need a waiver to complete the construction. The construction will be completed by December 19, 2019 as shown in the schedule that begins on page 73 of *Exhibit E: Soundness of Approach*.

Your careful consideration of this request will be greatly appreciated. If you have any questions relating to this request for a waiver, please call Melissa A. Ziegler, a consultant to the City of Minot, at 865-414-7847.

Sincerely,



Mark Jantzer  
Council President