Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The Annual Action Plan (Action Plan) is the portion of the Consolidated Plan that is prepared each year as the annual plan for the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), and National Housing Trust Fund (HTF) programs. For the State of North Dakota, North Dakota Department of Commerce, Division of Community Services (DCS) administers CDBG, HOME and ESG programs and North Dakota Housing Finance Agency (NDHFA) administers HTF.

The purpose of the Action Plan is to identify the various federal and state resources that might be expected to be available to address the priority housing and non-housing community development needs and objectives in the Strategic Plan section of the Consolidated Plan. In addition, the Action Plan describes how funds will be distributed through the CDBG, HOME, ESG, and HTF programs; the projects planned for homeless and other special needs persons; other actions required by U.S. Department of Housing and Urban Development (HUD); and the short-term non-housing objectives for each planning region in the state. The Action Plan contains summaries of the CDBG, HOME, ESG, and HTF programs, additional program details can be found in the respective program distribution statements and annual action plans found in the appendix of this Action Plan.

The State of North Dakota is required by the HUD to prepare an Action Plan for Housing and Community Development annually. Timely completion of the Action Plan in a HUD-acceptable format helps ensure continued funding of housing and community development activities throughout the state. Beginning in 2019, the State of North Dakota prepared its Five-Year Consolidated Plan (Con Plan), covering the program years 2020 – 2024. This Con Plan contains information about demographic, economic, and housing market trends in the state; analysis of statewide affordable housing needs; findings from the citizen participation process; and an analysis of the needs of special populations. The State uses the goals and priorities identified in the Con Plan as a basis for the Annual Action Plan draft. The following represents the second year of that five-year plan, the 2021 One-Year Action Plan for allocating the state’s federal block grant funds to address housing and community development needs. In order to make the document more informative for citizens and more useful for policy makers and those engaged in the production of affordable housing, the document describes actions and activities to be undertaken with resources beyond the federal grant programs and by organizations other than those administering the federal grant programs. It is intended to represent a comprehensive Action Plan for affordable housing and community development activities statewide. The goals and activities identified here can by no means be accomplished through the use of the federal grant programs alone. Where possible, the
plan specifies those actions or activities that are expected to be undertaken with other resources as well as the related outcomes expected to be achieved.

2. **Summarize the objectives and outcomes identified in the Plan**

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The goals of the programs administered by the State of North Dakota are to provide decent housing, a suitable living environment and expanded economic opportunities for the state's low- and moderate-income residents. DCS and NDHFA strive to accomplish these goals by maximizing and effectively utilizing all available funding resources to conduct housing and community development activities that will serve the economically disadvantaged residents of the state. By addressing need and creating opportunity at the individual and neighborhood levels, the State of North Dakota hopes to improve the quality of life for all residents of the state. These goals are further explained as follows:

- *Providing decent housing* means helping homeless persons obtain appropriate housing and assisting those at risk of homelessness; preserving the affordable housing stock; increasing availability of permanent housing that is affordable to low- and moderate-income persons without discrimination; and increasing the supply of supportive housing.

- *Providing a suitable living environment* entails improving the safety and livability of neighborhoods; increasing access to quality facilities and services; and reducing the isolation of income groups within an area through integration of low-income housing opportunities.

- *Expanding economic opportunities* involves creating jobs that are accessible to low- and moderate-income persons; making mortgage financing available for low- and moderate-income persons at reasonable rates; providing access to credit for development activities that promote long-term economic and social viability of the community; and empowering low-income persons to achieve self-sufficiency to reduce generational poverty in federally-assisted and public housing.

3. **Evaluation of past performance**

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The State's evaluation of its past performance has been completed in a thorough Consolidated Annual Performance and Evaluation Report (CAPER). These documents state the objectives and outcomes identified in each year's Annual Action Plan and includes an evaluation of past performance through measurable goals and objectives compared to actual performance. These documents can be found on DCS's website at:
The CDBG Program provided financial assistance to eligible units of local Governments in the form of grants and loans for public facilities, housing rehabilitation, and economic development projects. Housing projects include rehabilitation of very low and low-income homeowner units; public facilities include water and sewer projects, removal of architectural barriers, fire halls, and ambulances; and economic development activities include funding cities and counties to loan/grant to businesses which create jobs for low-income persons. CDBG activities and accomplishments report shows the program has funded a total of 89 activities and disbursing over $3.1 million in funds to-date for the FY2020 program year. The 89 activities include a total of 32 projects for public facilities improvements, 8 housing rehabilitation, and 13 economic development projects.

The ESG program awards grant funds directly to emergency/homeless shelters and agencies throughout the state to fund activities such as operational expenses, essential services, homeless prevention, rapid re-housing and the HMIS (Homeless Management Information System). In FY2020, 31 agencies received ESG awards totaling $549,008 in funding. FY2020 accomplishments will be reported in the 2020 CAPER report.

HOME – The HOME program is in the process of transitioning administration to NDHFA, with a goal effective date of July 1, 2021. NDHFA is working with DCS to evaluate the HOME program and identify areas of opportunity for improvement of policy and procedures. NDHFA has also requested TA from HUD to assist with the transition process. In FY 20 the HOME program was generally put on hold to process through existing projects. During 2020 program year, a total of $2.7 million HOME funds remain uncommitted to activities. Applications for homeowner rehabilitation activities will continue to be accepted from the Community Action Agencies. NDHFA and DCS are working with the CAAs to assess outstanding awards and reallocate funds to more active CAAs. There are three multifamily projects under development using HOME funds. All projects are progressing and will reach completion in the next year. NDHFA and DCS will look to commit multifamily production and rehabilitation project funds during the September 2021 competitive allocation round. For FY 2020 the current program performance report shows the following disbursements and unit completion: Rental 20 units completed, $769,350 disbursed, Tenant Based Rental Assistance (TBRA) 199 units, $51,788 disbursed and single-family rehabilitation 11 units, $262,704 disbursed.

HTF continues to be used in partnership with Low-Income Housing Tax Credits (LIHTC). This partnership allows HTF dollars to enhance LIHTC applicants’ ability to target units designated for extremely low-income households. There is a total of four activities, 99 HTF assisted units under construction and four activities, 63 assisted units, that received conditional commitments and are working towards a financial award. No projects have been completed so far in FY 2020.

4. **Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan.
2021 Proposed Amendment: 08/2021 North Dakota Housing Finance Agency (NDHFA) is amended the 2021 Action Plan and 2021 Home program distribution Statement (PDS) to reallocate all 2016-2020 unexpended project funds for multifamily rental production and rehabilitation.

Unexpended funds are as follows:

- 2016 – $189,497.58
- 2017 – $494,790.47
- 2018 – $832,355.38
- 2019 – $755,158.80
- 2020 – $1,780,000.00

The available funds were increased from $1,475,160 to $5,526,962 of which $1,350,859 will be set aside for CHDO multifamily rental applications. Applications for the funds will be accepted in the September 30, 2021 multifamily production and rehabilitation application round. Comments on the proposed amendment were accepted from August 18, 2021 – September 17, 2021.

CDBG /ESG

For the development of the CDBG portions of this Action Plan, DCS followed its Citizen Participation Plan by arranging the eight Regional Planning Councils to hold a public hearing in each region. The minutes and comments received at those hearings are found in the appendix to this plan.

HOME Program Distribution

The 2021 HOME program distribution plan (PDS) was made available for comment prior to the annual action plan. NDHFA intended to seek input on the plan prior from stakeholders, local advocates, community action agencies, homeless providers and other agency partners. A notice of public input meeting and solicitation of comments was published in all North Dakota daily newspapers on February 22, 2021, with a corresponding public input meeting held on March 10, 2021.

Housing Trust Fund

Prior to drafting the 2021 Housing Trust Fund Allocation Plan, development and non-profit partners and the supportive services collaborative partners are invited to provide input and suggested changes to the prior year allocation plan. There were no changes suggested this year. A draft plan was then developed and a notice of public hearing and solicitation of comments was published in all North Dakota daily newspapers on March 1, 2021, with a corresponding public hearing held on April 1, 2021.

The 2021 Action Plan was made available for public comment during the period of April 1, 2021 through April 30, 2021. The Citizen Participation Plan has been included as an attachment.
See attached Citizen Participation information for more details.

5. **Summary of public comments**

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

**2021 HOME Amendment** There were no comments received on the proposed amendment to reallocate unexpended funds to multifamily production and rehabilitation. The public notice details are attached to the citizen participation attachment.

**2021 HOME Program Distribution Plan Input Meeting**

There was a total of 6 attendees at the public input meeting. Comments were generally received regarding requests to ensure the HOME multifamily application process is similar to the LIHTC and HTF application processes that NDHFA undertakes. NDHFA does plan to have the September application round function similarly to all other programs.

Comments were received questioning whether preservation points could be awarded to a project that receives a HUD 8BB PBRA transfer. NDHFA agreed to align these points with LIHTC and HTF allocation plans and include 8BB in the point category.

Written comments were received from the Community Action Agency Partnership. Two of the comments were related to concerns with lead-based paint activities and contractors. NDHFA confirmed the threshold requirements for applicability are regulated under 24 CFR 35.915 and not adjustable. NDHFA and NDDOC agree that lack of contractors is a significant barrier and will work with other state agencies and partners to develop a plan to encourage certification. Comments also requested use of HOME funds for TBRA projects. At this time NDHFA is planning to narrow the scope of HOME program. TBRA will be considered in future plans.

**National Housing Trust Fund 2021 Allocation Plan**

There were a total of seven participants in the public hearing. Prior to the hearing one comment was received and incorporated into the hearing discussion. During the hearing, one comment was received and it was in support of the change in developer fee from Section III- General Provisions, page 10 of the HTF Allocation Plan, which is attached to this action plan. All comments and discussions from this hearing as well as proof of publication are available in the attachment- Citizen Participation.

**CDBG/ESG:** See the attached citizen participation information for details on public comments received.

6. **Summary of comments or views not accepted and the reasons for not accepting them**
2021 HOME Program Distribution- comments not accepted are listed above in the summary of public comments section.

2021 HTF Allocation Plan- there are no comments or views that were provided and not accepted.

CDBG/ESG - see attached citizen participation information for more information.

7. **Summary**

The following list presents the needs of the North Dakota Five-Year Consolidated Plan for Housing and Community Development.

The strategies the state will pursue over the five-year period are as follows:

- **Affordable Rental Housing:** As shown throughout this Plan in data and public input, low to moderate income households is a high priority for the State of North Dakota, particularly those facing housing problems (such as cost burden, overcrowding, and incomplete kitchen and plumbing facilities). Households with cost burdens account for almost over 35 percent of renter households in the State. Increasing the supply and access of affordable rental housing in the State is a high priority.

- **Affordable Homeowner Housing:** As shown throughout this Plan in data and public input, low to moderate income households is a high priority for the State of North Dakota, particularly those facing housing problems and cost burdens. Increasing the supply and access of affordable homeowner housing in the State is a high priority.

- **Homelessness:** While the State places a high need on those households that are currently homeless, it also finds households at imminent risk of homelessness are a high priority in order to further the effort to reduce homelessness throughout North Dakota.

- **Vital Public Facilities:** Providing suitable living environments through supporting vital public facilities is a high priority in the State.

- **Special Needs Populations:** Providing services to special needs populations, such as the elderly, persons with disabilities, persons with substance abuse disorders, and veterans is a high priority in the State. This also includes low to moderate income households in need of services.

- **Economic Development:** Promoting economic development to benefit low to moderate income households and promote self-sufficiency and economic growth is a high priority in North Dakota.

- **Priority Infrastructure:** Providing suitable living environments through funding infrastructure in the State is a high priority.
PR-05 Lead & Responsible Agencies - 91.300(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

<table>
<thead>
<tr>
<th>Agency Role</th>
<th>Name</th>
<th>Department/Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDBG Administrator</td>
<td>NORTH DAKOTA</td>
<td>Division of Community Services</td>
</tr>
<tr>
<td>HOME Administrator</td>
<td>NORTH DAKOTA</td>
<td>North Dakota Housing Finance Agency</td>
</tr>
<tr>
<td>ESG Administrator</td>
<td>NORTH DAKOTA</td>
<td>Division of Community Services</td>
</tr>
<tr>
<td></td>
<td>NORTH DAKOTA</td>
<td>North Dakota Housing Finance Agency</td>
</tr>
</tbody>
</table>

| Table 1 – Responsible Agencies |

Narrative

North Dakota Department of Commerce, Division of Community Services (DCS) in partnership with North Dakota Housing Finance Agency (NDHFA) prepared the Consolidated Plan and the Annual Action Plans. DCS administers CDBG, ESG, and HOME programs and NDFHA administers Housing Trust Fund. In 2021 DCS and NDHFA have been working to transition the administration of the HOME program to NDHFA. The transfer is being considered by the ND Legislative Assembly and if approved this legislative session will be effective July 1, 2021. Since publication of the action plan, the ND Legislative Assembly did approve the transfer of the program with an July 1, 2021 effective date.

Consolidated Plan Public Contact Information

Contact Person: Bonnie Malo, Director

ND Department of Commerce Division of Community Services

1600 East Century Avenue, Suite 2
PO Box 2057
Bismarck, ND 58502-2057

Phone: (701) 328-5300

Fax: (701) 328-5320

TTY: 800-366-6888

AP-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

The North Dakota Department of Commerce, Division of Community Services (DCS) in partnership with North Dakota Housing Finance Agency (NDHFA) prepare the Consolidated Plan and the annual action plans. The Consolidated Plan serves as a five-year strategic plan that DCS and NDHFA will use when preparing annual action plans. The 2020-2024 Consolidated Plan (Con Plan) was prepared with the consultation of public and private agencies that provide housing, health and social services. State health and child welfare agencies were also consulted concerning lead-based paint hazards. Through the use of focus groups, surveys and direct communication, DCS collected input from a variety of statewide and local agencies. This input was utilized to help develop the Con Plan and determine the priorities of the state for the next five years.

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies

The State encourages the coordination of public and private housing and service providers by utilizing statewide information to determine priorities for funding throughout the state. The State prioritizes funding activities that include coordination between public and private housing and service providers. HOME program distribution statement and HTF allocation plans are designed to prioritize projects that provide tenant support coordination and additional points for partnerships with Medicaid billable service providers.

The DCS and NDHFA participate in statewide meetings and efforts of the of the North Dakota Coalition for Homeless People (NDCHP) and North Dakota Continuum of Care (NDCoC) The NDCHP serves communities across the State, bringing advocacy, education, data collection, and resource development to over 70 agencies. ND has one CoC and NDHFA acts as the Collaborative Applicant for the statewide CoC.

The State attends monthly supportive housing collaborative meetings that are coordinated by Money Follows the Person (MFP) housing initiative. These meetings are held regionally across the State and bring together a variety of agencies including: Public Housing Authorities, Public Health Services, Law Enforcement, Hospital Providers, Developers, Business Leaders and the Department of Human Services (DHS). These meetings enhance the collaboration and coordination of service providers, government and private funding opportunities, local issues, and other housing related activities. Regionally these discussions have led to the development of housing resources and have identified specific need for PSH projects in certain communities. In August 2020, the State completed the technical assistance from the Medicaid-Housing Innovation Accelerator Program (IAP). Through this work a diver diagram with the main AIM to increase the number of individuals who are in supportive housing and receive services. The
IAP group identified goals and tasks necessary for the State to reach that AIM and created an implementation plan. This work has led to the state implementing a 1915(i) state plan amendment through Medicaid. The amendment expands Home and Community Based service delivery to include housing support services for a targeted population. NDHFA and DCS will continue to work with DHS to implement 1915(i).

For the development of the 2021 Action Plan, the DCS requires the eight Regional Planning Councils to hold one public hearing in each region. These meetings are attended by persons and agencies interested in CDBG funding for the upcoming year. The minutes and comments received from the eight regional public hearing meetings are included as an attachment to this plan.

For the development of the HOME Program Distribution Statement and the National Housing Trust Fund Allocation Plans, NDHFA requests agencies and partners to provide input and comments of suggested changes to prior year plans as the 2021 plans are prepared.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The ESG program works very closely with the 30 agencies in the state and the Continuum of Care (CoC) to identify and address the needs of the homeless and the chronic homeless. The DCS works closely with the Statewide CoC. Through statewide meetings with these agencies, coordination is always evolving to better serve the needs of the homeless. This may mean that more funding is allocated toward homeless prevention and/or rapid rehousing, if needed. DCS is looking into collaborating and being involved more on group discussions and committees/boards with entities throughout North Dakota.

Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Funds are allocated based on the priority needs as established in the 2020-2024 Consolidated Plan (Con Plan). Through the con plan planning process, the State consulted with the Statewide CoC and service agencies to determine how the needs of the homeless will best be addressed and how the State can meet the goals to reduce and end homelessness throughout North Dakota. NDDOC included the NDCoC collaborative applicant, NDHFA, and the NDHFA Planning and Housing Development Director in the ranking and scoring selection process for the 2021 ESG-CV funding round.
2. Agencies, groups, organizations and others who participated in the process and consultations
Table 2 – Agencies, groups, organizations who participated

<table>
<thead>
<tr>
<th></th>
<th>Agency/Group/Organization</th>
<th>Tri-County Regional Dev Council</th>
</tr>
</thead>
</table>
|   | **Agency/Group/Organization Type** | Regional organization  
Planning organization |
|   | **What section of the Plan was addressed by Consultation?** | Housing Need Assessment  
Non-Homeless Special Needs  
Market Analysis  
Economic Development |
|   | **Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?** | Tri-County Regional Development Council held a public hearing on February 26th, 2021. The Tri-County Regional Development Council did not receive any written or oral comments from any of the city/county entities within the region. The only comment received was at the public hearing from Ms. Abby Ritz of AE2S Engineering and Consulting firm in regard to questioning the CDBG program. Tri-County Regional Development Council is distributing their CDBG allocation to Housing Rehab, Housing Opportunity, & Multi-Jurisdictional programs. |

<table>
<thead>
<tr>
<th></th>
<th>Agency/Group/Organization</th>
<th>Souris Basin Planning Council</th>
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</thead>
</table>
|   | **Agency/Group/Organization Type** | Regional organization  
Planning organization |
|   | **What section of the Plan was addressed by Consultation?** | Housing Need Assessment  
Non-Homeless Special Needs  
Market Analysis  
Economic Development |
<table>
<thead>
<tr>
<th>Agency/Group/Organization</th>
<th>North Central Planning Council</th>
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<tbody>
<tr>
<td>Agency/Group/Organization Type</td>
<td>Regional organization</td>
</tr>
<tr>
<td></td>
<td>Planning organization</td>
</tr>
</tbody>
</table>
| **What section of the Plan was addressed by Consultation?** | Housing Need Assessment  
Homelessness Strategy  
Non-Homeless Special Needs  
Market Analysis  
Economic Development                                                                 |
| **Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?** | North Central Planning Council held a public meeting on February 26, 2021. Jill Haakenson from USDA-RD had questions on 504 plans. |

<table>
<thead>
<tr>
<th>Agency/Group/Organization</th>
<th>Red River Regional Council</th>
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<tbody>
<tr>
<td>Agency/Group/Organization Type</td>
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<td></td>
<td>Planning organization</td>
</tr>
</tbody>
</table>
| **What section of the Plan was addressed by Consultation?** | Housing Need Assessment  
Homelessness Strategy  
Non-Homeless Special Needs  
Market Analysis  
Economic Development                                                                 |
<table>
<thead>
<tr>
<th>Agency/Group/Organization</th>
<th>Lake Agassiz Regional Council</th>
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<tbody>
<tr>
<td>Agency/Group/Organization Type</td>
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<tr>
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<td>Planning organization</td>
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<tr>
<td>What section of the Plan was addressed by Consultation?</td>
<td>Housing Need Assessment</td>
</tr>
<tr>
<td></td>
<td>Homelessness Strategy</td>
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<tr>
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<td>Non-Homeless Special Needs</td>
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<tr>
<td></td>
<td>Market Analysis</td>
</tr>
<tr>
<td></td>
<td>Economic Development</td>
</tr>
<tr>
<td>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</td>
<td>Lake Agassiz Regional Council held their public hearing on February 26, 2021. Comments in general were made on potential projects. Lake Agassiz Regional Council is distributing their CDBG allocation to Public Facilities and Housing.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Agency/Group/Organization</th>
<th>South Central Dakota Regional Council</th>
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</thead>
<tbody>
<tr>
<td>Agency/Group/Organization Type</td>
<td>Regional organization</td>
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<td></td>
<td>Planning organization</td>
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<tr>
<td>What section of the Plan was addressed by Consultation?</td>
<td>Housing Need Assessment</td>
</tr>
<tr>
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<td>Homelessness Strategy</td>
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<td>Non-Homeless Special Needs</td>
</tr>
<tr>
<td></td>
<td>Market Analysis</td>
</tr>
<tr>
<td></td>
<td>Economic Development</td>
</tr>
<tr>
<td>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</td>
<td>South Central Dakota Regional Council held a public hearing on February 26, 2021. South Central Dakota Regional Council received questions in general pertaining to their scoring and ranking.</td>
</tr>
<tr>
<td>Agency/Group/Organization</td>
<td>LEWIS AND CLARK REGIONAL COUNCIL</td>
</tr>
<tr>
<td>---------------------------</td>
<td>---------------------------------</td>
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<tr>
<td>Agency/Group/Organization Type</td>
<td>Regional organization Planning organization</td>
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<tr>
<td>What section of the Plan was addressed by Consultation?</td>
<td>Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development</td>
</tr>
<tr>
<td>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</td>
<td>The Lewis and Clark Regional Development Council held a public meeting on February 25, 2021. Lewis &amp; Clark Regional Development Council is distributing their CDBG allocation to Public Facilities and Housing.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Agency/Group/Organization</th>
<th>Roosevelt Custer Regional Council for Dev.</th>
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</thead>
<tbody>
<tr>
<td>Agency/Group/Organization Type</td>
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<tr>
<td>What section of the Plan was addressed by Consultation?</td>
<td>Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development</td>
</tr>
<tr>
<td>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</td>
<td>Roosevelt-Custer Regional Council for Development held a public meeting on February 25, 2021. Four people from the surrounding communities were in attendance. USDA was also present. Roosevelt Custer Regional Council is distributing their funds to Public Facilities and Housing.</td>
</tr>
</tbody>
</table>

Identify any Agency Types not consulted and provide rationale for not consulting
Other local/regional/state/federal planning efforts considered when preparing the Plan

<table>
<thead>
<tr>
<th>Name of Plan</th>
<th>Lead Organization</th>
<th>How do the goals of your Strategic Plan overlap with the goals of each plan?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuum of Care</td>
<td>North Dakota Housing Finance Agency</td>
<td>The Plan coordinates to help address the unmet needs of the homeless population within the state by targeting funds to those priority needs.</td>
</tr>
</tbody>
</table>

Table 3 - Other local / regional / federal planning efforts

Narrative
AP-12 Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

DCS utilizes the eight regional councils to hold public hearings prior to the drafting of this annual action plan. Copies of the minutes and comments from each hearing are available in the appendix of this plan.

HOME and Housing Trust Fund (HTF) program administrators solicited comments from developers, non-profit organizations and other partners to provide input prior to the preparation of the draft HOME Program Distribution Statement and the HTF Annual Allocation Plan. Once the plans are drafted they are published for a comment period. Notification of the draft plan publication is published in the daily newspapers, NDHFA newsletters and social media platforms, emailed to partners, and published on NDHFA's website. Draft plans are made available for public comment, written comments are accepted for a period of time and then a public input meeting/ hearing is held. The Final HOME PDS and HTF allocation plans are attached to this plan for a final public comment period.

See Citizen Participation Attachment for details of the comments received during the Annual Action Plan Public Input meetings and comment period.

A substantial amendment for reallocation of HOME uncommitted funds was made available for public comment August 18, 2021 - September 17, 2021. No comments were received.
## Citizen Participation Outreach

<table>
<thead>
<tr>
<th>Sort Order</th>
<th>Mode of Outreach</th>
<th>Target of Outreach</th>
<th>Summary of response/attendance</th>
<th>Summary of comments received</th>
<th>Summary of comments not accepted and reasons</th>
<th>URL (If applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Newspaper Ad</td>
<td>Non-targeted/broad community</td>
<td></td>
<td></td>
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</tbody>
</table>

Table 4 – Citizen Participation Outreach
Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

The State of North Dakota receives annual funding from four HUD formula grant programs:

- CDBG Program, administered by Department of Commerce, DCS;
- HOME Program, administered by Department of Commerce, DCS;
- ESG Program, administered by Department of Commerce, DCS;
- HTF Program, administered by North Dakota Housing Finance Agency, NDHFA.

The state is also part of a tri-state program that receives Housing Opportunities for Persons with AIDS (HOPWA) funding. Tri-State Housing
Environment for Living Positively (HELP) administers this program for Montana, North Dakota, and South Dakota.

### Anticipated Resources

<table>
<thead>
<tr>
<th>Program</th>
<th>Source of Funds</th>
<th>Uses of Funds</th>
<th>Expected Amount Available Year 1</th>
<th>Expected Amount Available Remainder of ConPlan</th>
<th>Narrative Description</th>
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<tbody>
<tr>
<td>CDBG</td>
<td>public - federal</td>
<td>Acquisition Admin and Planning</td>
<td>$4,023,769 0 0 4,023,769 8,009,925</td>
<td>The CDBG program is a flexible program that provides communities with resources to address a wide range of unique community development needs. Beginning in 1974, the CDBG program is one of the longest continuously run programs at HUD. The CDBG program provides annual grants on a formula basis to general units of local government and states.</td>
<td></td>
</tr>
<tr>
<td>Program</td>
<td>Source of Funds</td>
<td>Uses of Funds</td>
<td>Annual Allocation: $</td>
<td>Program Income: $</td>
<td>Prior Year Resources: $</td>
</tr>
<tr>
<td>---------</td>
<td>----------------</td>
<td>---------------</td>
<td>----------------------</td>
<td>-------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>HOME</td>
<td>public - federal</td>
<td>Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA</td>
<td>3,000,000</td>
<td>565,160</td>
<td>4,051,802</td>
</tr>
<tr>
<td>Program</td>
<td>Source of Funds</td>
<td>Uses of Funds</td>
<td>Expected Amount Available Year 1</td>
<td>Expected Amount Available Remainder of ConPlan</td>
<td>Narrative Description</td>
</tr>
<tr>
<td>---------</td>
<td>----------------</td>
<td>---------------</td>
<td>----------------------------------</td>
<td>-----------------------------------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>ESG</td>
<td>public - federal</td>
<td>Conversion and rehab for transitional housing</td>
<td>Annual Allocation: $480,969</td>
<td>Program Income: $0</td>
<td>Prior Year Resources: $0</td>
</tr>
</tbody>
</table>
### Table 5 - Expected Resources – Priority Table

<table>
<thead>
<tr>
<th>Program</th>
<th>Source of Funds</th>
<th>Uses of Funds</th>
<th>Expected Amount Available Year 1</th>
<th>Expected Amount Available Remainder of ConPlan</th>
<th>Narrative Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>HTF</td>
<td>public - federal</td>
<td>Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership</td>
<td>Annual Allocation: $3,101,884 Program Income: $23,827 Prior Year Resources: $0 Total: $3,125,711</td>
<td>9,000,000</td>
<td>The Housing Trust Fund (HTF) is an affordable housing production program that complements existing Federal, state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low- and very low-income households, including homeless families. 100 percent of the funds must create units for extremely low-income households.</td>
</tr>
</tbody>
</table>

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

Federal funds will continue to be leveraged with nonfederal resources to achieve the objectives of this plan. Matching requirements will be achieved through a variety of methods. Grant recipients are encouraged to utilize funds from the private sector, state and local programs, and other sources to assist in meeting HUD matching requirements and to increase the amount of funds available to provide affordable housing, expand economic opportunities, improve infrastructure, and provide community facilities.

**Community Development Block Grant**
The Federal resources listed have limited funds available so the programs, when administered by the state, are generally designed to require the use of other funds to complete projects. For instance, all CDBG economic development projects require, by design, a 50 percent match of other funds. For CDBG public facilities projects, the Regional Councils generally require some percentage of other funds. Administrative costs that are required to be matched for the CDBG program is included in the DCS budget.

**Home Investment Partnerships Program**

The HOME program distribution statement provides priority points for multifamily funding applications that provide documentation supporting the use of leveraging sources to reduce the amount of HOME funds per HOME assisted unit. In addition, multifamily development applications may receive points for providing documentation of financial support from local sources. This can include but not limited to private contributions or tax abatements.

Applicants should use private funds, tax credits, Rural Development, Federal Home Loan Bank, CDBG, North Dakota Housing Incentive Fund, Department of Energy, Housing Trust Fund, or other grant/loan programs to help leverage HOME activities. All recipients are expected to locally meet the HOME Program match requirement of 25 percent unless specifically waived by HUD or NDHFA.

**Emergency Solutions Grant Program**

The state will continue to meet the ESG match requirements in the same manner as it has in past grant years. Each grant year, the State contributes $120,000 in general funds to match the federal allocation. The remaining matching funds are provided by ESG subrecipients. Matching funds are used to enhance and expand eligible ESG components and sub-activities.

**National Housing Trust Fund Program**

In accordance with the Interim Rule at 24 CFR Part 93, North Dakota’s HTF Qualified Allocation Plan identifies a preference in the selection of projects based on the amount of committed non-federal leveraging that can be demonstrated by the applicant. This includes firm commitments for contributions or incentives from state or local government, private parties and/or philanthropic, religious, or charitable organizations.
If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Not applicable.

Discussion

HOME Program available resources includes unexpended funds of $4,051,802 available from program years 2016-2020 and $565,160 of prior year program income. NDHFA anticipates holding a multifamily rental production application round in September, 2021 with a goal to conditionally commit a majority of those funds to multifamily activities.
Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

<table>
<thead>
<tr>
<th>Sort Order</th>
<th>Goal Name</th>
<th>Start Year</th>
<th>End Year</th>
<th>Category</th>
<th>Geographic Area</th>
<th>Needs Addressed</th>
<th>Funding</th>
<th>Goal Outcome Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 6 – Goals Summary

Goal Descriptions

1. **Goal Name**: Increase Access to Affordable Housing
   
   **Goal Description**: The State will use HOME, CDBG, and Housing Trust Fund to increase affordable housing through the construction of new rental housing, the rehabilitations of rental housing and the rehabilitation of owner housing. This will also include down payment and closing cost assistance for first-time homebuyers.

2. **Goal Name**: Support Efforts to Combat Homelessness
   
   **Goal Description**: The State will combat homelessness through the support of emergency shelters, transitional housing and permanent supportive housing, Tenant-based Rental Assistance (TBRA) for those at risk of homelessness, homeless prevention activities, and data collection.
<table>
<thead>
<tr>
<th></th>
<th>Goal Name</th>
<th>Goal Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Support Public Facilities and Services</td>
<td>The State will fund public facility improvements, including facilities for childcare facilities, recycling centers/services, and demolition of dilapidated structures, as well as any facilities rated as high or low in NA-50. This can also include increasing access to public services for special needs and low to moderate income households. This includes, but is not limited to, childcare, mental health care services, and chemical dependency services.</td>
</tr>
<tr>
<td>4</td>
<td>Encourage Economic Development</td>
<td>This goal provides employment opportunities for low- and moderate-income people and promotes businesses in the State.</td>
</tr>
<tr>
<td>5</td>
<td>Enhance Local Public Infrastructure and Planning</td>
<td>This goal will fund public infrastructure, such as, but not limited to, water systems, streets, sidewalks, and other vital public facilities.</td>
</tr>
</tbody>
</table>
**AP-25 Allocation Priorities – 91.320(d)**

**Introduction:**

The 2020-2024 State Consolidated Plan identified allocation priorities in the strategic planning section (SP-05) of the Con Plan https://www.communityservices.nd.gov/uploads/25/NorthDakotaConPlan2024.pdf. The table below reflects the percentages of funding that are likely to occur based off of the activities identified in the AP-30 Method of Distribution. Additionally, the CDBG Program Distribution Statement, ESG Program Distribution Statement, HOME Program Distribution Statement and the Housing Trust Fund Allocation plans are available in the appendix of this plan, which also outline the methods of distribution and the basis by which activities will be selected.

**Funding Allocation Priorities**

<table>
<thead>
<tr>
<th></th>
<th>Increase Access to Affordable Housing (%)</th>
<th>Support Efforts to Combat Homelessness (%)</th>
<th>Support Public Facilities and Services (%)</th>
<th>Encourage Economic Development (%)</th>
<th>Enhance Local Public Infrastructure and Planning (%)</th>
<th>Total (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDBG</td>
<td>10</td>
<td>0</td>
<td>40</td>
<td>40</td>
<td>10</td>
<td>100</td>
</tr>
<tr>
<td>HOME</td>
<td>100</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>ESG</td>
<td>0</td>
<td>100</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>HTF</td>
<td>100</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

**Table 7 – Funding Allocation Priorities**

**Reason for Allocation Priorities**

ESG: Homelessness was identified as a high priority in the 2020-2024 Consolidated plan. While the State places a high need on those households that are currently homeless, it also finds households at imminent risk of homelessness are a high priority in order to further the effort to reduce homelessness throughout North Dakota.

CDBG: According to the 2020-2024 Consolidated plan, both vital public facilities and priority infrastructure were identified as high priority. Providing suitable living environments through supporting vital public facilities is a high priority in the State. Providing suitable living environments through funding infrastructure in the State is a high priority. This also includes planning funds for local jurisdictions.
Affordable rental housing was identified in the 2020-2024 Consolidated plan as a high priority, particularly those facing housing cost burdens. In 2020 NDHFA published The Current State of Housing in North Dakota, which is available online at https://www.ndhfa.org/wp-content/uploads/2020/11/CurrentStateofHousing.pdf. According to the study, “North Dakota’s renters are substantially more cost burdened than homeowners with 39 percent spending more than 30 percent of their income on housing expenses. The largest segment of the population works in the state’s fourth largest industry, Accommodations and Food services, earing minimum wage.” Increased access to affordable homeowner housing is the second housing priority identified. According to the Current State of Housing, “a tight housing market and steadily increasing home values are preventing current and future residents from being able to afford a home.” The 2020-2024 Consolidated Plan identified homeowner rehabilitation as a high priority need through the need’s assessment survey. Within the affordable housing priorities, North Dakota will continue to support efforts to combat homelessness by prioritizing permanent supportive housing with HOME multifamily funding and HTF allocation plans.

**How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?**

**ESG:** Funding continues to be used for homeless activities in North Dakota. These include the support of homeless service providers, funding the development of new transitional housing, rapid re-housing, and homeless prevention. Eligible applicants must be able to demonstrate prior experience serving individuals and households at-risk of or experiencing homelessness. Also, applicants must have staff with demonstrated expertise in case management skills.

**CDBG:** Funding from CDBG supports CDBG priorities as noted in the Consolidated Plan for the State of North Dakota, including affordable housing, special needs population, economic development, infrastructure, and public facilities. The Regional Councils hold their own scoring and ranking to fund projects in their respective area. Their specific scoring and ranking criteria can be found in the CDBG Program Distribution Statement attached. A portion of CDBG funds has been set aside for the Governor’s Fund specifically for Community Development.

**HOME:** The HOME proposed distribution of funds creates set-asides for homeowner rehabilitation programs offered by local Community Action Agencies and homeowner down payment assistance piloted by the Grand Forks Community Land Trust. CHDO reserves and open multifamily funds are made available through a competitive application round which allows projects that meet more priorities identified in scoring to rise to the top of funding selections. HOME multifamily scoring includes points for supporting tenants with special needs by providing tenant support

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coordination.

**HTF:** The allocation plan for the HTF, like HOME, uses a competitive application round for funding selection. HTF will support multifamily development and rehabilitation of units dedicated to extremely low-income households. Priority points are provided to those applications that make commitments to supporting tenants with special needs that affect their long-term housing stability and provide tenant support coordination.
**AP-30 Methods of Distribution – 91.320(d)&(k)**

Introduction:

To distribute the CDBG funds, the state provides an allocation of funds to each of the state’s eight Regional Planning Councils to recommend grant awards on a competitive basis. Each Regional Council is responsible for developing a program distribution statement describing how it will award funds. The state’s role is to provide overall direction for the CDBG program and to review each project for compliance with the state CDBG Program Distribution Statement and the respective regional program statement. In addition, a set-aside is available for the Governor to fund economic development projects, new housing and emergency projects addressing health and safety concerns in coordination with the Regional Councils. For the HOME program, single family rehabilitation dollars are allocated to the seven Community Action Agencies (CAA). Each CAA may apply for funds on August 1, 2021. Any CAA with unexpended funds from 2016-2018 will need to expend their prior awards before applying for 2021 funds. CAAs that fully expend HOME awards can apply for additional funding until all single-family project funds are obligated. Homeowner down payment assistance project funds are distributed to the Grand Forks Community Land Trust. HOME project funds for rental production and rehabilitation are committed on a competitive basis through the scoring criteria identified in the 2021 HOME Program Distribution plan, which is attached to this annual action plan. HTF program funds are distributed on a competitive basis in accordance with the 2021 Annual Allocation Plan, attached to this annual action plan. Funds from the ESG program will be distributed on a competitive basis to eligible applicants. More detailed information for accessing and awarding funds may be found on the DCS web site.

The criteria for approving projects under the CDBG program for each region are based directly on the state’s affordable housing goals and long-term non-housing community development objectives, emphasizing all needs identified as a high priority and primary benefit to households of 0 to 51 percent MFI. ESG program is focused on broadening existing emergency shelter and homelessness prevention activities, emphasizing rapid rehousing, and helping people quickly gain stability in permanent housing after experiencing a housing crisis and or homelessness.

**Distribution Methods**

**Table 8 - Distribution Methods by State Program**

<table>
<thead>
<tr>
<th></th>
<th>State Program Name:</th>
<th>Community Development Block Grant (CDBG)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Funding Sources:</td>
<td>CDBG</td>
</tr>
</tbody>
</table>

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| **Describe the state program addressed by the Method of Distribution.** | The purpose of the Community Development Block Grant (CDBG) Program Distribution Statement is to describe how the state of North Dakota intends to distribute its CDBG Public Facilities, Housing and Economic Development funds. To better address local community development needs, the Governor has directed that the State’s allocation be divided among each of the eight Regional Planning Councils that have established procedures to review and rank applications submitted within their respective regions. |
| **Describe all of the criteria that will be used to select applications and the relative importance of these criteria.** | Program Goals and Objectives
- Creation of permanent jobs for very low and low income persons
- Economic diversification
- Leveraging of private and local investment
- Benefit to the state’s economy
- Water and sewer activities which currently present a threat to health and safety
- Removal of architectural barriers which will permit access for the handicapped
- Direct benefit to a locality’s very low and low income persons
- Leveraging local and other available financial resources to finance the cost of the activity
- Meeting the health and safety needs of very low income persons by bringing the rehabilitated housing up to a minimum of the Section 8 Housing Quality Standards
- Making more affordable housing available for very low and low income persons

Eligible Applicants
Eligible applicants under the North Dakota Community Development Block Grant Program are limited to counties and incorporated cities. |
<p>| If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only) | Application information will be available on the NDDOC's website at: <a href="https://www.communityservices.nd.gov/communitydevelopment/Programs/CommunityDevelopmentBlockGrant/">https://www.communityservices.nd.gov/communitydevelopment/Programs/CommunityDevelopmentBlockGrant/</a> |
| Process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only) | N/A |</p>
<table>
<thead>
<tr>
<th>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</th>
</tr>
</thead>
</table>

| Describe how resources will be allocated among funding categories. | FY2020 Allocation $3,965,349; less state administration $118,163; less regional council contracts $61,144; less 1% technical assistance $39,653; makes the total allocation for projects $3,746,389; less the Governor's set aside for community development $1,665,447; makes the total allocation for regional distribution $2,080,942; plus projected program income $1,000,000; then makes the total funds for distribution $3,080,942. Each region will receive a preset amount of funds. The dollar amount is derived by taking 50 percent of the total estimated funds available for regional distribution and equally distributing that to all eight planning regions. The remaining 50 percent is divided among the regions using the latest percentage of low and moderate income persons per region in comparison to the total LMI persons in the State of North Dakota (All Entitlement and Air Force Base LMI statistics are not included). Please refer to the attached CDBG Program Distribution for further information |

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<table>
<thead>
<tr>
<th>Describe threshold factors and grant size limits.</th>
<th>Governor’s Fund for Community Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Governor’s Fund for Community Development’s primary focus will be to fund primary sector economic development projects. However, other eligible CDBG projects may also be funded, including those that will alleviate an immediate health and safety condition in the community. Up to $100,000 of the Governor’s Fund may be used for permanent supportive housing to address long term homelessness. Housing projects funded with the Governor’s Fund will be based on increased housing needs due to economic development activities.</td>
<td></td>
</tr>
<tr>
<td>What are the outcome measures expected as a result of the method of distribution?</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Outcomes will be measured by the various Goal Outcome Indicators, as set forth in AP-20. Goal Outcomes are primarily measured by the number of households assisted, the number of businesses assisted, or the number of planning endeavors completed.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2</th>
<th>State Program Name:</th>
<th>Emergency Solutions Grant Program</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Funding Sources:</td>
<td>ESG</td>
</tr>
<tr>
<td>Describe the state program addressed by the Method of Distribution.</td>
<td>The State’s 2021 ESG allocation will be made available to eligible applicants and will be administered in accordance with the Interim (or Final) Rule regarding Homeless Emergency Assistance and Rapid Transition to Housing: Emergency Solutions Grant Program and Consolidated Plan Conforming Amendments.</td>
<td></td>
</tr>
</tbody>
</table>
| Describe all of the criteria that will be used to select applications and the relative importance of these criteria. | The Division of Community Services (DCS) will review, score, and fund applications based on the ability to achieve the following state program objectives:  
1. Demonstrated the need for funding. (Max. 30 points)  
2. Plan for distribution of the funds in an effective, efficient and timely manner. (Max. 15 points)  
3. Collaboration efforts with other targeted homeless services and mainstream resources. (Max. 20 points)  
4. Active participation in and providing services consistent with the needs identified by the North Dakota Continuum of Care, HMIS and Coordinated Assessment. (Max. 20 points)  
5. To fund projects which involve, to the maximum extent practicable, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG, and in providing service for occupants of these facilities. Also included is how the Housing First model is used with the agency. (Max. 15 points)  
To be eligible for funding, applications must receive a minimum subjective score of 15. All applications with a score of 15 or higher will receive funding based on the average recommended amounts by DCS’ application reviewers. |
<p>| If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only) | N/A |</p>
<table>
<thead>
<tr>
<th>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</th>
</tr>
</thead>
</table>
| Applicants must be federally recognized non-profits or units of local government. Governmental organizations such as public housing agencies and local housing finance agencies are not eligible applicants under the ESG Program. Applicants must be in compliance with the ESG Interim Rule (Final Rule when published), the State’s ESG written standards, and applicable state and federal policies and procedures, including compliance with federal and state non-discrimination laws. If an applicant is eligible they can submit an application for funds during the specific timeframe. All applications are scored and ranked based on the scoring criteria.

For further details please see the attached ESG Program Distribution Statement.

Eligible applicants for the Emergency Solutions Grants program are Units of Local Government, and private nonprofit organizations. Nonprofit entities located on Indian reservations are also eligible to receive funds. |
| Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only) |   |


<p>| <strong>Describe how resources will be allocated among funding categories.</strong> | For FY2021, federal and state funding will be available, up to 60% for street outreach and shelter operation activities, and 40% for homeless prevention, rapid re-housing activities or participation in the Homeless Management Information System (HMIS). For further details please see the attached ESG Program Distribution Statement |
| Describe threshold factors and grant size limits. | The maximum amount of funds that will be made available to any one homeless facility or agency providing assistance to the homeless is $50,000. |</p>
<table>
<thead>
<tr>
<th>What are the outcome measures expected as a result of the method of distribution?</th>
<th>Expected measures of outcome include the number of households assisted with funds and the number of emergency shelter or permanent supportive beds added.</th>
</tr>
</thead>
</table>

3 | **State Program Name:** | HOME Investment Partnership Program |
<p>| <strong>Funding Sources:</strong> | HOME |</p>
<table>
<thead>
<tr>
<th><strong>Describe the state program addressed by the Method of Distribution.</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The Department of Housing and Urban Development (HUD) has designated the State of North Dakota as a Participating Jurisdiction (PJ) and as such it may apply for and distribute HOME funds. The agency responsible for administration of the North Dakota HOME Program is the Department of Commerce, Division of Community Services (DCS). The program is transitioning administration to the North Dakota Housing Finance Agency effective July 1, 2021. The 2021 HOME Program Distribution statement identified three HOME projects and eligible activities, in addition to administration funds.</td>
</tr>
</tbody>
</table>

### Single-Family Homeowner Rehabilitation
A total of $840,000 in project funds and $60,000 in administrative funds have been set-aside for single-family homeowner rehabilitation. Each Community Action Agency (CAA) receives an estimated set-aside of $140,000 and must submit an application to receive their respective set-aside. CAAs who expend the total project funds may apply for any remaining unapplied for funds. Single-family homeowner rehabilitation programs must include all eligible rehabilitation activities required to bring an existing owner-occupied home to HOME property standards. After-rehab value of the home may not exceed the annually published HOME and Housing Trust Fund Homeownership Value Limits for the county in which the property is located. The minimum period of affordability for the homeowner rehabilitation projects is 5 years.

### Rental Production and Rehabilitation
A total of $5,976,962 in project funds has been made available for multifamily rental production and rehabilitation. This includes $450,000 CHDO reserves. Rental production and rehabilitation activities are selected in a competitive scoring application process as outlined in Section III, Scoring Criteria of the HOME 2021 Program Distribution Statement. Applications are due September 30, 2021.

### Homebuyer Down Payment Assistance.
A total of $500,000 of project funds have been set aside for homebuyer down payment assistance. The Grand Forks Community Land Trust will receive the set-aside to fund homebuyer activities.
Describe all of the criteria that will be used to select applications and the relative importance of these criteria.

Single family rehabilitation project funds are provided to Community Action Agencies (CAA) as subrecipients. Any CAA with outstanding compliance issues will not be eligible to apply for 2021 funds until outstanding issues are resolved. In addition, CAAs with outstanding funds from 2016-2018 program years will not be allowed to submit an application until those program years are closed.

Homebuyer Down Payment assistance project funds are delivered through the Grand Forks Community Land Trust (CLT) as a subrecipient. Grand Forks CLT information is available at https://www.gfclt.org/ Assistance may only be provided to homebuyers whose income does not exceed 80 percent area median income. The housing may either be single-family, condominium, cooperative unit, or manufactured housing. All homebuyers must receive housing counseling. The property must be occupied as principal residence through the period of affordability as determined by the amount of HOME assistance received.

Multifamily production and rehabilitation activities are selected through a competitive application process. Each application meeting the threshold requirements will be reviewed and assigned points according to the following selection criteria. Applications must achieve a minimum score of 80 points to be considered for funding. Scoring will be on entire project/units (not just HOME units). Applicants may request no more than 70% of the hard construction costs. Income targeting for HOME requires at initial occupancy that not less than 90% of the units assisted with HOME funds be occupied by families at 60% and below area median income. Projects with five (5) or more HOME units, 20% of those units must have low home rents for the period of affordability.

Scoring Criteria Includes

1. Income Targeting
2. Addresses Housing Shortage in Developing Communities of 20,000 or less
3. Leveraging
4. Financial Support from Local Sources
5. Readiness to Proceed
6. Rehab of Existing Vacant Habitable Structures or Infill Opportunities
7. Preservation
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>8.</td>
<td>Tenant Support Coordinator</td>
</tr>
<tr>
<td>9.</td>
<td>Walkability Score</td>
</tr>
<tr>
<td>10.</td>
<td>Cross-Cutting Requirements</td>
</tr>
</tbody>
</table>

More detailed scoring information is available in the attached HOME 2021 program distribution statement.

<table>
<thead>
<tr>
<th>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</th>
<th>N/A</th>
</tr>
</thead>
</table>

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2021
<p>| Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only) | N/A |</p>
<table>
<thead>
<tr>
<th>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</th>
</tr>
</thead>
</table>

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| Describe how resources will be allocated among funding categories. |  |
| Describe threshold factors and grant size limits. | Single-Family rehabilitation funds are limited to $140,000 per community action agency. Additional funds may be requested if there are unobligated project funds and the initial award has been expended. Homeowner down payment assistance program is limited to $500,000 set aside for the Grand Forks Community Land Trust. The minimum HOME assistance is $1,000 per unit. Multifamily production and rehabilitation application threshold requirements are identified in the HOME Underwriting criteria https://www.communityservices.nd.gov/uploads/9/HomeUnderwriting.pdf. Threshold items include:

1. Demonstrated Site Control
2. Zoning Eligibility
3. Utilities Availably
4. Identity of Interest
5. Local Support
6. Ownership
7. Ability
8. Firm Financial Commitments
9. Capital Needs Assessment (if applicable)
10. Housing Need
11. Financial projections
12. Financing Costs
13. Development Budget
14. Rent Assumptions
15. Project Costs
16. Maximum Fees |
17. Maximum Subsidy

Maximum subsidy levels are determined by HUD, both HOME and HTF use the same maximum per unit subsidy. The most recent published level was effective June 4, 2020 as follows,

<table>
<thead>
<tr>
<th>Unit Type / Unit Cost</th>
<th>Maximum Subsidy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Efficiency/Studio</td>
<td>$153,315</td>
</tr>
<tr>
<td>1 Bedroom</td>
<td>$175,752</td>
</tr>
<tr>
<td>2 Bedroom</td>
<td>$213,718</td>
</tr>
<tr>
<td>3 Bedroom</td>
<td>$276,482</td>
</tr>
<tr>
<td>4 Bedroom</td>
<td>$303,490</td>
</tr>
<tr>
<td><strong>What are the outcome measures expected as a result of the method of distribution?</strong></td>
<td>HOME outcome measures include the number of rental units constructed or renovated, the number of households assisted with direct financial assistance and the number of homebuyers assisted.</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td><strong>State Program Name:</strong></td>
<td>National Housing Trust Fund</td>
</tr>
<tr>
<td><strong>Funding Sources:</strong></td>
<td>HTF</td>
</tr>
</tbody>
</table>
| Describe the state program addressed by the Method of Distribution. | HTF funding will be awarded for the development and preservation of affordable multifamily rental housing to serve extremely low-income households, particularly those which are at risk of chronic homelessness. Eligible recipients for funding include units of local, state, and tribal government, local and tribal housing authorities, community action agencies, regional planning councils, nonprofit organizations, and for-profit developers. 

The HTF will be administered in accordance with North Dakota’s HTF Annual Allocation Plan (AAP), attached in full to this Annual Action Plan as Appendix C. Per federal statute and regulation, the AAP prioritizes funding based on:
1. Geographic diversity.
2. Applicant’s ability to obligate funds and undertake eligible activities in a timely manner.
3. The extent to which the project has rents that are affordable, especially to ELI households, and has federal, state, or local project-based rental assistance so that rents are affordable to extremely low income families.
4. The length of the units’ affordability period.
5. Merits of the application in meeting the state’s priority housing needs.
6. The extent to which the applicant makes use of non-federal funding sources. |
| Describe all of the criteria that will be used to select applications and the relative importance of these criteria. | North Dakota employs a set-aside of 10% of the state’s HTF allocation to the highest-scoring eligible Native American application. Remaining HTF funding is then awarded to the highest-scoring eligible applications. There is no maximum amount of HTF funding that any one project can receive, although the AAP does limit the amount of subsidy which each HTF-assisted unit can receive. The deadlines for applications will be due to the NDHFA by September 30, 2021. In order to be considered for funding applications must meet a minimum score of 85 points. Scoring criteria includes:

1. Serving extremely low-income households- 20-50 points.
2. Use of Low-Income Housing Tax Credits- 10-20 points.
3. Committed Non-Federal Leverage-5-20 points.
4. Use of Project-Based Rental Assistance- 5 points.
5. Redevelopment and Revitalization-5 points.
6. Tenant Support Coordinator-5-10 points.
7. Universal Design Elements-3-12 points.
8. Readiness to Proceed-3-10 points.
9. Housing for Families-10 points.
10. Period of Affordability-1 points.
11. Geographic Diversity- 5 points.
12. Missing threshold Items- point deduction of 5 points for each missing item. |
<p>| If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only) | N/A |</p>
<table>
<thead>
<tr>
<th>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
</tbody>
</table>

| Describe how resources will be allocated among funding categories. | Resources are allocated to the highest scoring applications until all available funding has been conditionally committed. |
Describe threshold factors and grant size limits.

<table>
<thead>
<tr>
<th></th>
<th>Threshold items applications must submit include:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Evidence of development team ability.</td>
</tr>
<tr>
<td>2.</td>
<td>Market conditions.</td>
</tr>
<tr>
<td>3.</td>
<td>Demonstrated site control.</td>
</tr>
<tr>
<td>4.</td>
<td>Evidence of appropriate zoning.</td>
</tr>
<tr>
<td>5.</td>
<td>Availability of infrastructure and utilities.</td>
</tr>
<tr>
<td>7.</td>
<td>Capital needs assessment, if applicable.</td>
</tr>
<tr>
<td>8.</td>
<td>Appraisal.</td>
</tr>
<tr>
<td>9.</td>
<td>Evidence of all financial subsidies awarded.</td>
</tr>
<tr>
<td>10.</td>
<td>Tenant recruitment and selection policy.</td>
</tr>
</tbody>
</table>

Applicants are limited by the maximum per unit subsidy that is annually calculated by HUD. HTF Annual Allocation Plan uses HOME maximum per unit subsidy limitations.
| **What are the outcome measures expected as a result of the method of distribution?** | HTF outcome measures include the number of rental housing units constructed or rehabilitated. |
Discussion:
AP-35 Projects – (Optional)

Introduction:

The State of North Dakota recognizes that funding and resources are limited to help the underserved. ND strives to meet gaps in the areas of housing, community development, and economic development. The funding is targeted for low-to-moderate income individuals and special needs populations.

<table>
<thead>
<tr>
<th>#</th>
<th>Project Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>ESG21</td>
</tr>
<tr>
<td>2</td>
<td>2021 CDBG Admin and TA Funds</td>
</tr>
<tr>
<td>3</td>
<td>CDBG Support Public Facility &amp; Services</td>
</tr>
<tr>
<td>4</td>
<td>CDBG Housing Projects</td>
</tr>
<tr>
<td>5</td>
<td>CDBG Economic Development Projects</td>
</tr>
<tr>
<td>6</td>
<td>Homebuyer Down Payment Assistance</td>
</tr>
<tr>
<td>7</td>
<td>2021 Multifamily Production and Rehabilitation HOME/NHTF</td>
</tr>
<tr>
<td>8</td>
<td>Homeowner Rehabilitation-HOME</td>
</tr>
<tr>
<td>9</td>
<td>2021 HTF Administration</td>
</tr>
<tr>
<td>10</td>
<td>2021 HOME Administration</td>
</tr>
<tr>
<td>11</td>
<td>CDBG Enhance Local Public Infrastructure and Planning</td>
</tr>
</tbody>
</table>

Table 9 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The allocation priorities were identified using the Con Plan needs assessment and market analysis, which identified seven priority needs. Access to affordable rental housing, affordable homeowner housing, homelessness, special needs populations, vital public facilitates, economic development and priority infrastructure. Obstacles to addressing underserved needs include, but not limited to, a lack of development capacity in rural communities and insufficient amount of funding to meet entire state needs.

September 2021- Multifamily Production and Rehabilitation goal estimates were increased under the HOME/NHTF Multifamily production project due to reallocation of 2016-2019 unexpended HOME funds to multifamily production.
### AP-38 Project Summary

**Project Summary Information**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Name</strong></td>
<td>ESG21</td>
</tr>
<tr>
<td><strong>Target Area</strong></td>
<td>Statewide</td>
</tr>
<tr>
<td><strong>Goals Supported</strong></td>
<td>Support Efforts to Combat Homelessness</td>
</tr>
<tr>
<td><strong>Needs Addressed</strong></td>
<td>Homelessness</td>
</tr>
<tr>
<td><strong>Funding</strong></td>
<td>North Dakota 2021 ESG Allocation* temporary emergency shelter* street outreach* emergency shelter* rapid re-housing assistance and homeless prevention* homeless management information system* training* hotel/motel costs* administrative activities</td>
</tr>
<tr>
<td><strong>Location Description</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Planned Activities</strong></td>
<td>Shelter operations</td>
</tr>
<tr>
<td></td>
<td>Shelter essential services</td>
</tr>
<tr>
<td></td>
<td>Street outreach</td>
</tr>
<tr>
<td></td>
<td>Rapid Rehousing</td>
</tr>
<tr>
<td></td>
<td>Homeless Prevention</td>
</tr>
<tr>
<td></td>
<td>HMIS</td>
</tr>
<tr>
<td>Project Name</td>
<td>2021 CDBG Admin and TA Funds</td>
</tr>
<tr>
<td>-------------------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td><strong>Target Area</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Goals Supported</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Needs Addressed</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Funding</strong></td>
<td>:</td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td>2021 CDBG Admin and TA Funds</td>
</tr>
<tr>
<td><strong>Target Date</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Estimate the number and type of families that will benefit from the proposed activities</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Location Description</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Planned Activities</strong></td>
<td>Administrative funds will be used to fund administrative activities at the state level and fund Regional Council administrative activities in support of scoring and ranking CDBG applications for submission to the state.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3</th>
<th>Project Name</th>
<th>CDBG Support Public Facility &amp; Services</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Target Area</strong></td>
<td>Statewide</td>
</tr>
<tr>
<td></td>
<td><strong>Goals Supported</strong></td>
<td>Support Public Facilities and Services</td>
</tr>
<tr>
<td></td>
<td><strong>Needs Addressed</strong></td>
<td>Vital Public Facilities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Special Needs Populations</td>
</tr>
<tr>
<td></td>
<td><strong>Funding</strong></td>
<td>:</td>
</tr>
<tr>
<td></td>
<td><strong>Description</strong></td>
<td>Funds will be used for childcare, mental health, chemical dependency, recycling, demolition of dilapidated structures, etc.</td>
</tr>
<tr>
<td></td>
<td><strong>Target Date</strong></td>
<td></td>
</tr>
<tr>
<td>Estimate the number and type of families that will benefit from the proposed activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Location Description</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planned Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Facilities funds in ND will fund water &amp; sewer projects, removal of architectural barriers for persons with disabilities, streets and public service activities.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<p>| 4 | Project Name       | CDBG Housing Projects |
|  | Target Area        | Statewide             |
|  | Goals Supported    | Increase Access to Affordable Housing |
|  | Needs Addressed    | Affordable Rental Housing, Affordable Homeowner Housing |
|  | Funding Description| Funds will be used to fund multi-family housing rehab and purchase of land in support of new multi-family housing |
|  | Target Date        |                         |
|  | Estimate the number and type of families that will benefit from the proposed activities |
|  | Location Description |
|  | Planned Activities |
| Housing funds in ND will be used to rehabilitate owner occupied, multi-family housing that meet the LMI criteria. Housing funds will also be used in support of LMI multi-family housing through the purchase of land in which the housing will be developed. |
|  | Project Name       | CDBG Economic Development Projects |</p>
<table>
<thead>
<tr>
<th></th>
<th>Target Area</th>
<th>Statewide</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>LMI Areas</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Goals Supported</td>
<td>Encourage Economic Development</td>
</tr>
<tr>
<td></td>
<td>Needs Addressed</td>
<td>Economic Development</td>
</tr>
<tr>
<td></td>
<td>Funding</td>
<td>:</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>These funds will be used to fund business start ups and expansions to create additional jobs</td>
</tr>
<tr>
<td></td>
<td>Target Date</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Estimate the number and type of families that will benefit from the proposed activities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Location Description</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planned Activities</td>
<td>The Economic Developomt projects in ND primarily will fund business who create jobs with at least 51 of those jobs being filled by individuals who are LMI. ED funds will also be used for facade improvements that will encourage business development or expansion, therefore, creation of or retention of jobs in communities.</td>
</tr>
<tr>
<td>5</td>
<td>Project Name</td>
<td>Homebuyer Down Payment Assistance</td>
</tr>
<tr>
<td></td>
<td>Target Area</td>
<td>Statewide</td>
</tr>
<tr>
<td></td>
<td>Goals Supported</td>
<td>Increase Access to Affordable Housing</td>
</tr>
<tr>
<td></td>
<td>Needs Addressed</td>
<td>Affordable Homeowner Housing</td>
</tr>
<tr>
<td></td>
<td>Funding</td>
<td>HOME: $500,000</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Homebuyer Down Payment Assistance Program set-aside for the Grand Forks Community Land Trust</td>
</tr>
<tr>
<td></td>
<td>Target Date</td>
<td>7/1/2022</td>
</tr>
<tr>
<td>Estimate the number and type of families that will benefit from the proposed activities</td>
<td>20 households served.</td>
<td></td>
</tr>
<tr>
<td>----------------------------------</td>
<td>----------------------</td>
<td></td>
</tr>
<tr>
<td>Location Description</td>
<td>Activities are undertaken in the service area of the Grand Forks Community Land Trust, primarily located in Grand Forks, ND.</td>
<td></td>
</tr>
<tr>
<td>Planned Activities</td>
<td>Provide homebuyer down payment assistance to income qualified homebuyers.</td>
<td></td>
</tr>
<tr>
<td><strong>7</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Project Name</strong></td>
<td>2021 Multifamily Production and Rehabilitation HOME/NHTF</td>
<td></td>
</tr>
<tr>
<td><strong>Target Area</strong></td>
<td>Statewide</td>
<td></td>
</tr>
<tr>
<td><strong>Goals Supported</strong></td>
<td>Increase Access to Affordable Housing</td>
<td></td>
</tr>
<tr>
<td><strong>Needs Addressed</strong></td>
<td>Affordable Rental Housing</td>
<td></td>
</tr>
<tr>
<td><strong>Funding</strong></td>
<td>HOME: $5,976,962 HTF: $2,723,827</td>
<td></td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td>HOME Program Funds and National Housing Trust Fund program funds to provide new construction or rehabilitation funds for multifamily rental projects.</td>
<td></td>
</tr>
<tr>
<td><strong>Target Date</strong></td>
<td>7/1/2025</td>
<td></td>
</tr>
<tr>
<td><strong>Estimate the number and type of families that will benefit from the proposed activities</strong></td>
<td>The State estimates a total of 90 multifamily rental units rehabilitated and a total of 40 rental housing units constructed using HOME and National Housing Trust Fund.</td>
<td></td>
</tr>
<tr>
<td><strong>Location Description</strong></td>
<td>Statewide</td>
<td></td>
</tr>
<tr>
<td><strong>Planned Activities</strong></td>
<td>Activities will be selected during the competitive application round scheduled for September 2021.</td>
<td></td>
</tr>
<tr>
<td><strong>8</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Project Name</strong></td>
<td>Homeowner Rehabilitation-HOME</td>
<td></td>
</tr>
<tr>
<td><strong>Target Area</strong></td>
<td>Statewide</td>
<td></td>
</tr>
<tr>
<td><strong>Goals Supported</strong></td>
<td>Increase Access to Affordable Housing</td>
<td></td>
</tr>
<tr>
<td>Needs Addressed</td>
<td>Affordable Homeowner Housing</td>
<td></td>
</tr>
<tr>
<td>-------------------------</td>
<td>-------------------------------</td>
<td></td>
</tr>
<tr>
<td>Funding</td>
<td>HOME: $840,000</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Homeowner rehabilitation program executed through the Community Action Agency Set-Aside</td>
<td></td>
</tr>
<tr>
<td>Target Date</td>
<td>7/1/2025</td>
<td></td>
</tr>
<tr>
<td>Estimate the number and type of families that will benefit from the proposed activities</td>
<td>Annual estimated 25 household housing units assisted</td>
<td></td>
</tr>
<tr>
<td>Location Description</td>
<td>Statewide</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Planned Activities</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Name</strong></td>
<td><strong>2021 HTF Administration</strong></td>
</tr>
<tr>
<td><strong>Target Area</strong></td>
<td><strong>Statewide</strong></td>
</tr>
<tr>
<td><strong>Goals Supported</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Needs Addressed</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Funding</strong></td>
<td>HTF: $310,188</td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td>National Housing Trust Fund administrative activities.</td>
</tr>
<tr>
<td><strong>Target Date</strong></td>
<td>7/1/2025</td>
</tr>
<tr>
<td><strong>Estimate the number and type of families that will benefit from the proposed activities</strong></td>
<td>Administration activities only.</td>
</tr>
<tr>
<td><strong>Location Description</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Planned Activities</strong></td>
<td>Administrative Activities</td>
</tr>
<tr>
<td><strong>Project Name</strong></td>
<td>2021 HOME Administration</td>
</tr>
<tr>
<td></td>
<td>Target Area</td>
</tr>
<tr>
<td>---</td>
<td>-------------</td>
</tr>
<tr>
<td></td>
<td>HOME: $300,000</td>
</tr>
<tr>
<td></td>
<td>Statewide</td>
</tr>
<tr>
<td></td>
<td>LMI Areas</td>
</tr>
<tr>
<td>Planned Activities</td>
<td></td>
</tr>
<tr>
<td>--------------------</td>
<td>---</td>
</tr>
</tbody>
</table>

Annual Action Plan
2021

OMB Control No: 2506-0117 (exp. 09/30/2021)
AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

Available Grant Amounts

Not applicable.

Acceptance process of applications

Not applicable.
AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

State’s Process and Criteria for approving local government revitalization strategies
AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

The HOME, ESG, and NHTF program funds will be available to eligible applicants statewide. The CDBG program is available to eligible applicants in every city and county, except the three entitlement cities of Grand Forks, Fargo, and Bismarck.

Geographic Distribution

<table>
<thead>
<tr>
<th>Target Area</th>
<th>Percentage of Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statewide</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The HOME, ESG, and NHTF program funds will be available to eligible applicants statewide. The CDBG program is available to eligible applicants in every city and county, except the three entitlement cities of Grand Forks, Fargo, and Bismarck. 50 percent of CDBG funds are distributed evenly by population and 50 percent is distributed to areas of higher rates of low to moderate income households.

Discussion
Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

The one year goals identified below are based on past years' activities and goals that were identified during the development of the 2020-2024 Consolidated Plan.

<table>
<thead>
<tr>
<th>One Year Goals for the Number of Households to be Supported</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Homeless</strong></td>
</tr>
<tr>
<td><strong>Non-Homeless</strong></td>
</tr>
<tr>
<td><strong>Special-Needs</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Table 11 - One Year Goals for Affordable Housing by Support Requirement

<table>
<thead>
<tr>
<th>One Year Goals for the Number of Households Supported Through</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rental Assistance</strong></td>
</tr>
<tr>
<td><strong>The Production of New Units</strong></td>
</tr>
<tr>
<td><strong>Rehab of Existing Units</strong></td>
</tr>
<tr>
<td><strong>Acquisition of Existing Units</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion:

DCS and NDHFA recognize that CDBG, HOME, HTF, and ESG alone may not meet the goals identified above. Many housing activities completed may need to engage in resources beyond these federal program. As an example, NDHFA administers the Low-Income Housing Tax Credit (LIHTC) program and requires developers looking to use the LIHTC to document a particular housing need and demonstrate that the need is consistent with the Consolidated Plan. Each project is rated against specific criteria, eighteen of which are intended to assure a project is targeted to benefit low-income families. HOME and HTF funds are often used in partnership with LIHTC funds. One year goals were increased due to the 2021 Amendment reallocating unexpended 2016-2019 HOME funds to multifamily rental production and rehabilitation.
AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

North Dakota DCS and NDHFA have a good working relationship with local public housing authorities (PHAs). DCS, NDHFA and PHAs participate in Housing Services collaboratives to create an open dialog with housing providers and service providers. The goal of the collaborative is to ensure affordable housing is available and services are accessible for North Dakota households. DCS and NDFHA anticipate the PHAs to continue to access funding sources such as HOME and Housing Trust Fund for activities such as renovation and/or demo/disposition of housing developments in their portfolio.

Actions planned during the next year to address the needs to public housing

PHAs are encouraged and eligible to apply for funding under the HOME and HTF programs. PHAs have actively used North Dakota’s HOME funds under both CHDO and non-and-for-profit competitive application round as well as under HTF’s competitive funding round.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

NDHFA, CommunityWorks North Dakota, and the Village Family Service center have partnered to provide individuals and families with access to eHome America’s online Homebuyer Education program.

Other specific actions are dependent on local PHA’s programs.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Fargo Housing and Redevelopment Authority (FHRA) have been designated as troubled. FHRA is working directly with HUD CPD and the ND HUD State Director to reach a resolution. To date the State has not been requested to be involved in the resolution discussions.

Discussion:

No additional discussion.
AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

There is one CoC in the State of North Dakota, the North Dakota Statewide CoC. The North Dakota Housing Finance Agency is the lead entity of the North Dakota CoC. Eight regional coalitions carry out the work of the statewide CoC at the local level. At least one representative from each regional coalition, one homeless or formerly homeless representative, and two members at large serves on the CoC Steering Committee.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The State of North Dakota’s method of distribution provides funding to engage homeless individuals and families living on the street (Street Outreach).

Addressing the emergency shelter and transitional housing needs of homeless persons

ESG funds will be used to improve the number and quality of emergency shelters for homeless individuals and families (Shelter Renovation); help operate these shelters through eligible activities such as maintenance, rent, repair, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies (Shelter Operations); provide essential services to shelter residents (Essential Services).

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Funding will be available for rapid re-housing and homeless prevention activities to both shorten and prevent incidents of homelessness throughout the State. The North Dakota Homeless Grant (NDHG) has prevention and rapid rehousing components that provide temporary financial assistance and case management. CAPND utilizes the Supportive Services for Veteran Families (SSVF) program. The goal of SSVF is promoting housing stability among very low-income veteran families who reside in or are transitioning to permanent housing. Like ESG, SSVF supports a Housing First approach by helping the
veteran family meets its primary need of housing, while addressing barriers to housing stability.

CARES is a collaborative initiative between the North Dakota and West Central Minnesota Continuums of Care (CoC) designed to create a more effective and efficient homeless response system. CARES is a system shift from agency centric to client centric AND from managing homelessness to preventing and ending homelessness. CARES has three main purposes:

1. To reduce new entries into homelessness (by consistently offering prevention and diversion resources upfront, reducing the number of people entering the system unnecessarily)

2. To help people move through the homeless response system and stabilize their housing faster and more successfully (by reducing the amount of time people spend moving from program to program before finding the right match); and

3. To gain quality data to drive system planning, improved service linkage, funding decisions, and for performance measurement.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

Through the use of funds for rapid re-housing and homeless prevention as the State strives to help individuals and families avoid homelessness. At this time DCS does not have a discharge plan. In discussion with the CoC they do not have a discharge plan either. It was further discussed between the DCS Program Manager and CoC lead that a discharge plan will be created through a joint effort along with a few other key entities.

Discussion
AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

The 2020-2024 North Dakota Consolidated plan conducted a Housing and Community Development survey which found the biggest barriers to the development of affordable housing include cost of labor, cost of materials, cost of land, and lack of access to affordable housing financial resources. As the affordable housing resources administered by the State continue to be aligned, we hope to see a reduction in the access barrier.

NDHFA, as it transitions HOME program from DCS, will look to coordinate HOME funding and processes to align with the LIHTC, state Housing Incentive Fund, and HTF allocation plans, where possible.

The assessed other barriers are primarily local market issues that are difficult to overcome. NDHFA and DCS will continue to work to align financing programs and prioritize projects that are able to leverage local private and government resources. DCS will continue to promote its adoption and enforcement of the State Building Code and continue to provide training support to local building officials through the North Dakota Building Officials Association.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment.

DCS is responsible for updating and amending the North Dakota State Building Code, but enforcement of code is the responsibility of jurisdictions that elect to adopt and enforce building codes. The North Dakota legislative assembly has mandated that the state building code consist of the International Building Code (IBC), International Residential Code (IRC), International Mechanical Code (IMC), and International Fuel Gas Code (IFGC). These are nationally recognized codes published by the International Code Council and updated nationally every three years. On September 5th, 2019 eligible cities and counties, along with eligible members of the Building Code Advisory Committee, adopted the 2018 updates to the International Building Code (IBC), International Residential Code (IRC), International Mechanical Code (IMC), and International Fuel Gas Code (IFGC) and the proposed amendments. The 2018 versions of the International Energy Conservation Code and the International Existing Building Code and proposed amendments to these codes were also adopted. The new North Dakota State

**Discussion:**

The assessed barriers of public policy are primarily local issues. DCS encourages local communities to adopt the North Dakota State Building Code in efforts to have similar codes statewide. NDHFA also administers a program to certify qualified non-profit organizations operating affordable housing as tax exempt. Annually these exemptions provide needed property tax relief for affordable multifamily projects statewide.
AP-85 Other Actions – 91.320(j)

Introduction:

Addressing the needs of the underserved requires coordination at the State and local level to bring many agencies together in order to coordinate the efforts of both housing, homeless providers, and service providers.

Actions planned to address obstacles to meeting underserved needs

Streamlining access to resources for low income households, developer partners, and service providers is key to overcoming these obstacles. NDHFA and DCS’s involvement with statewide councils, coalitions, and collaborations create relationships and conversations to identify gaps in resources and opportunities to increase access and streamline efforts. NDHFA is working with ND Department of Human Services (DHS) on several plans to address needs of individuals who are being served by DHS services. In 2020, DHS completed a 1915i state plan amendment which included efforts to allow pre and post tenancy supports to be paid by Medicaid for target populations. Allocation plans will continue to support service provisions in multifamily unit development.

Actions planned to foster and maintain affordable housing

Continue to fund existing rental and owner-occupied housing stock with an emphasis in rehabilitation of low-income households and older individuals. Continue to focus on assistance in buying or renting affordable housing.

Actions planned to reduce lead-based paint hazards

During this program year we will continue working with the North Dakota State Health Department and the University of North Dakota to provide training for lead-based paint risk assessors. In addition, we expect to see more coordination with the CAAs to increase the amount of lead-based paint testing activities.

Actions planned to reduce the number of poverty-level families

The primary activities will be to create jobs with CDBG funds, encourage referrals of low-income persons and families to the Self-Reliance program (although no data can be obtained showing referrals because of confidentiality), and, as reflected in our affordable housing goals, to target HOME and CDBG funds to low-income households.

Much of the work to reduce the number of poverty-level families is done through partnerships with the Community Action Agencies (CAAs) and DHS. CAAs are located in 7 regions and provide services statewide. CAAs work to combine local, state, private, and federal resources to deliver programs and...
opportunities for poverty-level families to obtain and maintain self-sufficiency.

Community Services Block Grant (CSBG) program. This program provides funds to the CAAs to ameliorate the causes and conditions of poverty. CAAs also currently play a key role in providing housing opportunities, most of which are included in the state’s affordable housing goals, through the implementation of the state’s HOME program. Their low-income clientele, most of who live in poverty, are the primary beneficiaries of HOME funds for single-family rehab programs and tenant based rental assistance programs. Additionally, families are also provided assistance in weatherizing their homes through the Weatherization program, which is a program within DCS, and is often used in conjunction with HOME and CDBG funds that are used for housing rehabilitation. Households experiencing homelessness may also benefit utilize the CAAs to enroll in the state’s Self-Sufficiency Program. Utilizing the CAAs for program administration allows for a local service delivery system.

**Actions planned to develop institutional structure**

Community development institutional structure consists of building capacity and maintaining partnerships with local community governments and regional councils.

Housing and homeless institutional structures are carried out together through partnerships with non-profit developers, affordable housing owners and property managers, service providers, local non-profit service agencies, NDHFA, DCS, and CAAs. NDHFA and NDDOC will continue to participate in the statewide gatherings and coalitions in order to support and identify actions needed.

NDHFA will continue to fund the Housing Market Survey Grant program to help rural communities fund an analysis of the community's current and future housing needs. Comprehensive plans are key to effective and efficient community development.

**Actions planned to enhance coordination between public and private housing and social service agencies**

The State will continue to actively participate in the housing services collaborative, the Interagency Council on Homelessness, the North Dakota Coalition of Homeless Persons, the North Dakota Apartment Association, the ND NAHRO (Housing Authority Association) and the Olmstead Commission. Maintaining active participation maintains open communication between housing and service providers and identifies areas needed to enhance coordination.

NDHFA is currently working with the ND Department of Aging Services to develop a Housing 101 training PowerPoint for Aging Services to incorporate into staff training. The goal is to introduce those providing home and community-based services to housing and how they can help those they are providing services to maintain their housing. The hope is to roll this training out to other service providers once
NDHFA will continue to administer the Opening Doors Landlord Risk Mitigation program which promotes communication between service providers, tenants, and housing providers by providing coverage for tenants who may cause excessive damages or lost rent due to eviction.

Discussion:
Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

Specific program specific requirements are generally available in the applicable program distribution statement and annual allocation plans. The 2021 plans for each program are available as attachments to this plan. Below is a summary of certain provisions.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.
3. The amount of surplus funds from urban renewal settlements
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan
5. The amount of income from float-funded activities

Total Program Income:

Other CDBG Requirements

1. The amount of urgent need activities

2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is
as follows:

HOME will not be used for other forms of assistance beyond those identified in Section 92.205. Applicants should use private funds, tax credits, Rural Development, Federal Home Loan Bank, Community Development Block Grant, North Dakota Housing Incentive Fund, Department of Energy, Housing Trust Fund, or other grant/loan programs to help leverage HOME activities.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

A summary of recapture guidelines is included below. Please refer to the attached 2021 HOME Program Distribution Statement (PDS) for additional information.

Recapture provisions will be used for homebuyers who received down payment assistance but do not purchase a property owned by GF CLT and subject to a GF CLT ground lease. Resale provisions will be used for transactions in which homebuyers purchase a property owned by the GF CLT and the property is subject to a GF CLT ground lease.

**Recapture Requirements for Homebuyer Assistance**

In order to ensure the period of affordability (POA) the recapture provisions will be included in the written agreement with the DCS, the homebuyer agreement and a recapture mortgage. Direct Home Subsidy is defined as the amount of HOME Assistance, including any program income, that enabled the homebuyer to purchase the unit. This includes down payment, closing costs, interest subsidies, or other HOME assistance provided directly to the homebuyer. Net Proceeds is defined as the sales price minus superior loan repayment and any closing costs. Under no circumstances can DCS recapture more than is available from proceeds of sales. Subsequent Sale of Home to an Income Eligible Homebuyer

a. The subsequent low-income homebuyer is required to assume the remainder of the POA in effect and the principal residence requirement, as initially determined by the GF CLT based on the amount of HOME investment in the unit.

b. The GF CLT is permitted to assist the subsequent low-income homebuyer in purchasing the housing. The additional HOME homebuyer assistance must be treated as an amendment to the original project and will be combined with their assumption of the existing note to determine the new POA and execute a new (replacement) note for the total assistance.

**Subsequent Sale of Home to a non-income qualified Homebuyer**
Should the homeowner sell the home to a subsequent homebuyer that is not low-income and not approved by the GF CLT, the GF CLT must enforce recapture provisions, requiring repayment, subject to net proceeds of the sale, as calculated in the recapture formula below.

**Recapture Formula**

The GF CLT will follow the recapture option that requires the entire amount of direct HOME subsidy provided to the homebuyer before the homebuyer receives a return. This amount cannot exceed what is available from net proceeds.

See PDS for additional information.

**Resale Provisions**

The GF CLT intends to provide HOME assistance to eligible homebuyers using the following resale provisions:

1. The GF CLT will follow the resale option for the duration of the period of affordability.

   a) The housing will be made available for subsequent purchase only to a buyer whose family qualifies as a low-income family and will use the property as the family’s principal residence.

   b) The resale requirement will ensure that the price at resale provides the original HOME-assisted owner a fair return on investment (including the homeowner's investment and any capital improvement) and

   c) Ensure that the housing will remain affordable to low-income homebuyers whose income does not exceed eighty percent (80%) of the area median income for that area.

   d) Affordable is defined as a household paying between 20-30 percent of gross monthly income towards monthly mortgage payments including principal, interest, taxes, property insurance, mortgage insurance (if applicable), and the ground lease payment.

2. **Fair Return** will be determined using the initial appraised value of the home and calculating a
Purchase Option Price and a Formula Price.

3. Fair return may take into account certain capital improvements.

See PDS for additional information.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The period of affordability for units acquired using HOME funds is shown below. Additional information is included in HOME Program distribution statement at the following link: https://www.communityservices.nd.gov/communitydevelopment/Programs/HOMEProgram/

Period of Affordability

The recapture provisions are in effect for a period of affordability. This period is based on the amount of direct HOME subsidy to the buyer, as follows:

HOME Assistance to the Buyer Minimum Period of Affordability
Less than $15,000 5 yrs.
$15,000 - $40,000 10 yrs.
More than $40,000 15 yrs.

Compliance

Property must be occupied as a principal residence by the homebuyer and subsequent low-income buyers throughout the POA. No subleasing is allowed. The GF CLT must monitor and verify primary residency of the homebuyer on an annual basis for the affordability period. The most current utility statement, proof of paid taxes, and homeowner’s insurance are acceptable documentation. During grant monitoring of the GF CLT, the DCS will review deed restrictions, covenants attached to the land, mortgages, or other similar mechanisms placed on the HOME-assisted property to ensure the provisions being used are in accordance with those stated in the written agreement with the GF CLT.

Noncompliance

Under recapture provisions, the homeowner is noncompliant, if during the POA, any of the following events occur:
1. The homebuyer does not occupy the home as their primary residence without a sale,
2. Vacates the home; or
3. Sublets and rents the home to another household.

The GF CLT must then enforce full repayment of the original amount of the direct home subsidy.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

HOME funds will not be used to refinance debt along with rehabilitation in this program year.

**Emergency Solutions Grant (ESG)**
**Reference 91.320(k)(3)**

1. Include written standards for providing ESG assistance (may include as attachment)

   The written standards for provision of ESG assistance in North Dakota is included as an attachment to this Plan (ESG Program Distribution Statement). Refer to this for additional information. A summary is included below.

   Per 24 CFR 576.401 ESG sub-recipients must conduct an initial evaluation to determine each individual or family's eligibility for ESG assistance and the amount and types of assistance the individual or family needs to regain stability in permanent housing. These evaluations must be conducted in accordance with the centralized or coordinated assessment requirements set forth under §576.400(d).

   ESG sub-recipients must re-evaluate the program participant's eligibility and the types and amounts of assistance the participant needs; not less than once every 3 months for participants who are receiving homelessness prevention assistance, and not less than once annually for participants who are receiving rapid re-housing assistance.

   At the sub-recipients discretion, re-evaluations may be conducted more frequently than required by 24 CFR 576.401 and may also be incorporated into the case management process which must occur not less than monthly for homeless prevention and rapid re-housing participants See 24 CFR
2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

CARES is a collaborative initiative between the North Dakota and West Central Minnesota Continuums of Care (CoC) designed to create a more effective and efficient homeless response system. CARES is a system shift from agency centric to client centric AND from managing homelessness to preventing and ending homelessness. CARES has three main purposes:

1. To reduce new entries into homelessness (by consistently offering prevention and diversion resources upfront, reducing the number of people entering the system unnecessarily)
2. To help people move through the homeless response system and stabilize their housing faster and more successfully (by reducing the amount of time people spend moving from program to program before finding the right match); and
3. To gain quality data to drive system planning, improved service linkage, funding decisions, and for performance measurement.

CARES PHASES CARES involves a consistent and coordinated process to access, prioritize and link households in a housing crisis to appropriate housing and services.

1. Diversion: Designed to divert households from entering the homeless response system towards mainstream or prevention services. To prioritize who gets limited shelter beds.
   Tool: Housing Crisis Screen
   When is this done? At first point of contact. Prior to entering the homeless system.
2. Prevention: Used to screen for eligibility for prevention services.
   Tool: Prevention Screen
   When is this done? After diversion screen as identified on screening tool.
   Who: Community Action Programs in MN, TBD in ND.
3. Housing Assessment: Used to assess for vulnerability and linkage to appropriate supportive housing intervention (currently only TH, RRH, PH, LTH, or PSH beds/units dedicated as homeless).
   Tool: VI-SPDAT & F-VI-SPDAT
   When is this done? 7-14 days recommended, but can be done sooner if appropriate
   Who: Designated assessors/assessment sites.
4. Prioritization: Used prioritize the limited number of supportive housing beds based on vulnerability and eligibility.
   Tool: Prioritization list
   When is this done? After completing Housing Assessment.
   Who: Designated assessor/assessment sites place people on list. Housing agencies choose households.
5. Barriers Assessment: Recommended as a best practice for housing case management (as the basis for a housing stability plan), measuring outcomes, or to further prioritize vulnerability if VI-
SPDAT is not sufficient (in cases of a tie or if provider feels person did not score accurately).

**Tool:** SPDAT & F-SPDAT

**When is this done:** Prior to entering supportive housing OR during prioritization.

**Who:** Trained Assessor.

See additional information following question #5 below.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

Applicants are eligible to apply for funds on a competitive basis. Faith-based or religious organizations are eligible, on the same basis and any other organization, to receive ESG funds. Additional information is provided as an attachment. The description of eligible applicants is provided below.

Applicants must be federally recognized non-profits or units of local government. Governmental organizations such as public housing agencies and local housing finance agencies are not eligible applicants under the ESG Program. Applicants must be in compliance with the ESG Interim Rule (Final Rule when published), the State’s ESG written standards, and applicable state and federal policies and procedures, including compliance with federal and state non-discrimination laws.

By virtue of submitting an application, applicants agree to: adopt and consistently apply the State's written standards for the administration of the ESG program; and maintain standard accounting practices including internal controls and fiscal accounting procedures; track agency and program budgets by revenue sources and expenses; and have an available cash flow to effectively operate their programs since ESG funding is provided on a reimbursement basis.

Applicants with outstanding monitoring or audit findings issued by the Internal Revenue Service, HUD, or DCS are not eligible ESG applicants and will not be eligible to receive an allocation of ESG funding. Applicants are encouraged to contact DCS to ensure no unresolved monitoring findings exist or to work to resolve any outstanding items.

Eligible applicants must be able to demonstrate prior experience serving individuals and households at-risk of or experiencing homelessness. Also, applicants must have staff with demonstrated expertise in case management skills.

Applicants will be required to utilize the HMIS and the State-wide Continuum of Care ¿¿s centralized or coordinated assessment system. Domestic violence service providers must establish and operate a comparable database that collects client level data over time and can generate
unduplicated aggregate reports based on the data. Applicants are strongly encouraged to be active members of the North Dakota Continuum of Care and their local homeless coalition.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The following represents the requirements for homeless participation for ESG recipients.

Homeless participation
a. Unless the recipient is a State, the recipient must provide for the participation of not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policy-making entity of the recipient, to the extent that the entity considers and makes policies and decisions regarding any facilities, services, or other assistance that receive funding under Emergency Solutions Grant (ESG).

b. If the recipient is unable to meet requirement under paragraph (a), it must instead develop and implement a plan to consult with homeless or formerly homeless individuals in considering and making policies and decisions regarding any facilities, services, or other assistance that receive funding under Emergency Solutions Grant (ESG). The plan must be included in the annual action plan required under 24 CFR 91.220.

c. To the maximum extent practicable, the recipient or subrecipient must involve homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under ESG, and in providing services for occupants of facilities assisted under ESG. This involvement may include employment or volunteer services.

5. Describe performance standards for evaluating ESG.

The ESG/NDHG Monitoring Report and Guidelines form is included as an attachment to this Plan.

Continuation of ESG Question #2

Continuation of Emergency Solutions Grant (ESG) Question #2.

**Governance Structure:** CARES is governed by a joint board of elected members from the ND CoC, West Central CoC, and the FM Coalition for the Homeless. The board also includes non-voting
advisory seats for the State of MN, State of ND, IT, FM Coalition, and CoC Coordinators. Four committees are designated to help develop, implement and evaluate CARES. They include: Protocols, Implementation, Performance Assessment, and Data Collection. Additional information is included in the attachments.

Housing Trust Fund (HTF)
Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

☑ Applications submitted by eligible recipients

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter “N/A”.

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

The organization or agency that applies to NDHFA for funds to carry out the HTF project must be an eligible recipient. Eligible recipients include units of local, state, and tribal government; local and tribal housing authorities; community action agencies; regional planning councils; nonprofit organizations, and for-profit developers. Individuals are not eligible to receive direct assistance from the HTF.

Eligible recipients must demonstrate their familiarity with the requirements of other Federal, State, or local housing programs that may be used in conjunction with HTF funds to ensure compliance with all applicable requirements and regulations of such programs.
b. Describe the grantee’s application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Applicants must apply using NDHFA forms to receive a conditional commitment of financial assistance from the HTF program. The complete application must be received by 5:00 p.m., Central Time, on the closing date to be eligible for consideration in the funding round. The application rounds will be as follows until all HTF funds have been obligated:

Maximum Amount of HTF Assistance Available Per Application Closing Date

| Round 1: September 30, 2021 | Up to $3,000,000 |
| Round 2: December 31, 2021 | Balance of available HTF assistance, if any |
| Round 3: March 31, 2022 | Balance of available HTF assistance, if any |

Threshold Requirements

When an application is received, it shall first be reviewed for eligibility to be scored and ranked. In order to be eligible for scoring and ranking, the application must be complete and include the following information, unless waived by NDHFA for good cause. Application packages missing any of the threshold items after the application deadline will be deemed incomplete and will be given reasonable time to submit the missing information. However, a 5-point deduction will be assessed during the scoring process for each missing item. See Section V. Application Process of the attached NHTF Allocation Plan for a complete description of each threshold item.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Each application meeting the threshold requirements will be reviewed and assigned points according to the following selection criteria. Representations made by applicants for which points are given will be binding and will be monitored through the annual compliance review process. Applications must achieve a minimum score of 85 points to be considered for funding. Based on ranking, projects will be selected for a conditional commitment. Once a property is selected, NDHFA will determine the amount of housing trust fund dollars to be awarded, which may not equal the amount requested in the
application.

In the event of a tie between two or more projects when insufficient program funds remain to fund each one, the tie breaker will go to the project which best meets the Housing Strategies outlined in the current North Dakota Consolidated Plan in effect at the time of HTF application.

d. Describe the grantee’s required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

North Dakota distributes the NHTF funding statewide but limits the number of projects selected in one single community. This is accomplished Scoring Criteria L. Geographic Diversity. Projects located in the same city as a project which has already been selected in the current NHTF application round shall receive a scoring deduction of five points.

e. Describe the grantee’s required priority for funding based on the applicant’s ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Applicants must provide a timeline for completion of the project. Points awarded in this category are based on earliest achievable completion of the activity. Such things as letters of interest or commitment for all sources of project financing; ownership of the land; and availability of infrastructure will be considered in the award of points. Points will be awarded at the sole discretion of NDHFA in comparison to other projects competing in the application round.

f. Describe the grantee’s required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Projects which have received binding commitments for federal, state, or local project-based rental assistance for all of the extremely low-income units in the project will receive 5 points.
g. Describe the grantee’s required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

All projects are required to submit a financial pro-forma. Applications that commit to a period of affordability for a period of 31 years or longer will receive one point.

h. Describe the grantee’s required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Projects which are committed to supporting tenants with special needs affecting their long-term housing stability and which create an environment that encourages and provides service coordination may receive up to 10 points

Tenant Support Coordinator and Medicaid-Approved Service Provider

Projects which provide the TSC provisions and which also enter into a formal letter of intent with one or more qualified service agencies with demonstrated experience providing housing stability services consistent with the needs of the project’s residents will receive 10 points. The service provider(s) must also be able to process for Medicaid reimbursement, and provide their Medicaid biller number issued by the State of North Dakota. The letter of intent must be detailed regarding the suite of supports and services to be made available to tenants who need and want them.

Properties which meet the minimum universal design features below are eligible for points in this scoring category based on a percentage of units. A maximum of 25 percent of the project units may incorporate the universal design features.

Complete details of each scoring criteria are outlined in the Scoring Criteria section of the attached 2021 Housing Trust Fund Annual Allocation Plan.

i. Describe the grantee’s required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.
An applicant who provides signed, firm commitments for contributions or incentives from state or local government, private parties and/or philanthropic, religious or charitable organizations, excluding entities with an identity of interest or those with a significant role in the property (e.g. contractors, accountants, architects, engineers, consultants, etc.), will receive points in this category. Not eligible as sources of leverage under this category are interest bearing loans to the project, LIHTCs, HRTCs, HOME, CDBG, NAHASDA, or any other federal source of funding. Also not eligible as leverage under this category is project-based rental assistance which earns points in scoring category D.

4. Does the grantee’s application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select “N/A”.

Yes

5. Does the grantee’s application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select “N/A”.

Yes

6. **Performance Goals and Benchmarks.** The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee’s goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

7. **Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.** Enter or attach the grantee’s maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME’s maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description
of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

NHTF uses the maximum subsidy limits provided by HUD. The most readily available limits are 2020 limits.

Unit Type / Unit Cost

Efficiency/Studio $153,315

1 Bedroom $175,752

2 Bedroom $213,718

3 Bedroom $276,482

4 Bedroom $303,490

The State uses the single limit for maximum per-unit development subsidy based on HOME maximum per unit limits, across the state. The State determined this based off of a per unit development cost analysis from the Low-Income Housing Tax Credit and Housing Trust Fund application rounds and no substantial variation between applications received state-wide. When a variation arises, the statewide subsidy limit will be re-evaluated.

8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee’s description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and
local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; Capital Needs Assessments (if applicable); and broadband infrastructure (if applicable).

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable). The Minimum Housing Rehab and Property Standards is attached below.
MINIMUM HOUSING REHABILITATION AND PROPERTY STANDARDS

North Dakota Housing Finance Agency
2624 Vermont Avenue
PO Box 1535
Bismarck, ND 58502-1535
800/292-8621 or 701/328-8072
800/366-6888 (TTY)
www.ndhfa.org • hfainfo@nd.gov

Equal Housing Opportunity

Revised 4/4/2018

Annual Action Plan
2021

OMB Control No: 2506-0117 (exp. 09/30/2021)
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I. PREFACE

This document is intended to provide the minimum acceptable standards for existing multifamily household dwelling units rehabilitated in whole or in part with North Dakota Housing Finance Agency (NDHFA) program funds. Any reference in this document to “rehabilitation” is meant to include rehabilitation of existing housing and adaptive reuse of existing non-residential building(s) which create new multifamily rental housing. These standards are not intended to reduce or exclude the requirements of any local or state building or housing codes, standards, or ordinances that may apply. In the event of any conflicting code(s), the more restrictive code(s) will apply. Housing rehabilitated with NDHFA assistance must meet all applicable State and local codes, ordinances, and requirements or, in the absence of a State or local building code, the International Existing Building Code of the International Code Council.

These standards were designed to assist in achieving consistency throughout the state for all rehabilitation activities assisted with NDHFA funds.

These standards assume that a knowledgeable inspector will thoroughly inspect each dwelling to verify the presence and condition of all components, systems, and equipment of the dwelling. All components, systems, and equipment of a dwelling referenced in this document shall be in good working order and condition and be capable of being used for the purpose for which they were intended and/or designed. Components, systems and/or equipment that are not in good working order and condition shall be repaired or replaced. When it is necessary to replace items (systems, components, or equipment), the replacement items must conform to these standards. These standards also assume that the inspector will take into account any extraordinary circumstances of the occupants of the dwelling (e.g., physical disabilities) and reflect a means to address such circumstances in their inspection and in the preparation of work write-ups and project specifications for that dwelling.

All interior ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing components or other serious damage. The roof must be structurally sound and weather-resistant. All exterior walls (including foundation walls) must not have any serious defects such as leaning, buckling, sagging, large holes, or defects that may result in the structure not being weather-resistant or that may result in air infiltration or vermin infestation. The condition of all interior and exterior stairs, halls, porches, walkways, etc. must not present a danger of tripping or falling.

If an inspector determines that the specific individual standards of this document cannot be achieved on any single dwelling due to it being structurally impossible and/or cost prohibitive, the inspector shall document the specific item(s) as non-conforming with these standards. The inspector shall prepare, for NDHFA’s consideration, a list of any and all non-conforming items along with his/her recommendation to waive, or not to waive, the individual non-conforming items. Any waiver of non-conforming items are at the sole discretion of NDHFA. Items necessary to meet HUD Uniform Physical Conditions Standards may not be waived.

Rehabilitation projects (including adaptive reuse) must address any and all deficiencies identified in Section XV of this Property Standards document as part of the project’s scope of work so that, upon completion, all such deficiencies are cured. For projects which include acquisition and/or rehabilitation of occupied housing, any life threatening health and safety deficiencies, as defined in Section XV, must be addressed and corrected immediately.
Energy Star rated systems, components, equipment, fixtures and appliances are encouraged.

II. DEFINITIONS

A. Egress – A permanent and unobstructed means of exiting from the dwelling in an emergency escape or rescue situation.

B. Habitable Space (Room) – Space (rooms) within the dwelling for living, sleeping, eating, or cooking. Bathrooms, toilet rooms, closets, halls, storage, or utility spaces, and similar areas (rooms) are not considered habitable spaces (rooms).

C. Energy Star Rated – Includes all systems, components, equipment, fixtures, and appliances that meet strict energy efficiency performance criteria established, as a joint effort, by the federal Environmental Protection Agency, the U.S. Department of Energy, and the U.S. Department of Housing and Urban Development and that carry the Energy Star label as evidence of meeting this criteria.

III. MINIMUM STANDARDS FOR BASIC EQUIPMENT AND FACILITIES

A. Kitchens – Every dwelling shall have a kitchen room or kitchenette equipped with the following:

1. Kitchen Sink. The dwelling shall have a kitchen sink, connected to both hot and cold potable water supply lines under pressure and to the sanitary sewer waste line. When replacing such components, water supply shut off valves shall be installed.

2. Oven and Stove or Range. The dwelling shall contain an oven and a stove or range connected to the source of fuel or power, in good working order and capable of supplying the service for which it is intended.

3. Refrigerator. The dwelling shall contain a refrigerator connected to the power supply, in good working order and capable of supplying the service for which it is intended.

4. Counter Space Area. Every kitchen or kitchenette shall have an adequate storage area. Every kitchen or kitchenette shall have adequate counter space.

B. Toilet Room: Every dwelling shall contain a room which is equipped with a flush toilet and a lavatory. The flush water closet shall be connected to the cold potable water supply, under pressure, and to the sanitary sewer system. The lavatory shall be connected to both a hot and cold potable water supply, under pressure, and connected to the sanitary sewer system. When replacing such components, water supply shut-off valves shall be installed.

C. Bath Required: Every dwelling shall contain a bathtub and/or shower.
1. The bathtub and/or shower unit(s) need not be located in the same room as the flush water closet and lavatory. The bathtub and/or shower unit may be located in a separate room.

2. The bathtub and/or shower unit shall be connected to both hot and cold potable water supply lines, under pressure, and shall be connected to the sanitary sewer system. Where feasible, shut off valves shall be installed on the water supply lines. All faucets, when replaced, shall be water balancing scald guard type faucets.

D. Privacy in Room(s) Containing Toilet and/or Bath: Every toilet room and/or every bathroom (the room or rooms containing the bathtub and/or shower unit) shall be contained in a room or rooms that afford privacy to a person within said room or rooms. Every toilet room and/or bathroom shall have doors equipped with a privacy lock or latch in good working order.

E. Hot Water Supply: Every dwelling shall have supplied water-heating equipment (water heater and hot water supply lines) that is free of leaks, connected to the source of fuel or power, and is capable of heating water to be drawn for general usage.

1. No atmospheric water heaters shall be allowed in a confined space. No water heaters shall be allowed in the toilet rooms, bathrooms, bedrooms, or sleeping rooms. No gas water heaters shall be allowed in a clothes closet.

2. All gas water heaters shall be vented in a safe manner to a chimney or flue leading to the exterior of the dwelling. Unlined brick chimneys must have a metal liner installed to meet manufacturer’s venting requirements. If metal chimney venting cannot be added, a power vented water heater may be installed. Install according to manufacturer’s specifications.

3. All water heaters shall be equipped with a pressure/temperature relief valve possessing a full-sized (non-reduced) approved discharge pipe to within six (6) inches of the floor. The discharge pipe shall not be threaded at the discharge end.

4. All water heaters must be installed to manufacturer’s installation specifications.

5. Replacement water heaters shall meet Energy Star requirements at the time of installation.

6. Where feasible, tankless water heaters may be installed in accordance with manufacturer’s guidelines and sized to provide adequate hot water supply to all fixtures. Gas supply lines and/or electrical capacity must be evaluated before installing tankless water heaters. Before installing, careful consideration should be made regarding supply and water temperature to owners.
F. **Exits:** Every exit from every dwelling shall comply with the following requirements:

1. Every habitable room shall have two (2) independent and unobstructed means of egress. This is normally achieved through an entrance door and an egress window.

2. All above grade egress windows from habitable rooms shall have a net clear opening of 5.7 square feet. The minimum net clear opening width dimension shall not be less than twenty inches (20") wide, and the minimum net clear opening height dimension shall not be less than twenty-four inches (24") wide. Note that the combination of minimum window width and minimum window height opening size does not meet the 5.7 square feet requirements. Therefore, the window size will need to be greater than the minimum opening sizes in either width or height. Where windows are provided as a means of escape or rescue, they shall have a finished sill height of not more than forty-eight inches (48") above the floor in basements. Egress windows with a finished sill height of more than forty-eight inches (48") shall have a permanently installed step platform that is in compliance with stair construction standards.

All at-grade egress windows from habitable rooms may be reduced in size to 5.0 square feet of operable window area, but the area must meet the minimum width and height requirements of all egress windows.

When windows are being replaced within existing openings, the existing window size shall be determined to be of sufficient size even if current window sizes do not meet current egress standards. However, if the specification writer determines that changing the window size is beneficial, such egress window size modification will be allowed but not required. If new construction windows are being installed, these windows must meet all egress window requirements (for example, if adding on to existing building in a rehabilitation or adaptive reuse).

3. In habitable basements (or habitable rooms within a basement) where one means of egress is a window, the window shall have a net clear opening of 5.0 square feet. The window shall open directly to the street or yard or, where such egress window has a finished sill height that is below the adjacent ground elevation, shall have an egress window/area well. The egress window/area well shall provide a minimum accessible net clear opening of nine square feet that includes a minimum horizontal dimension of thirty-six inches (36") from the window. Egress window/area wells with a depth of more than forty-four (44") shall be equipped with an affixed ladder, stairs or platform according to local code that are accessible with the window in the fully opened position. Such ladder will have rungs at 12 inches on-center and projecting out a minimum of three inches from the side of the window well.

G. **Stairs:** If replacing existing stairs, stairs will need to conform as close as possible to new construction standards, but replacement stairs do not need to be in compliance with new codes. All newly constructed stairs (interior and exterior...
stairways) shall comply with the following requirements and local code requirements:

1. All stairways and steps of four (4) or more risers shall have at least one (1) handrail. All stairways and steps which are five (5) feet or more in width shall have a handrail on each side.

2. All handrails shall be installed not less than thirty-four inches (34") nor more than thirty-eight inches (38"), measured plumb, above the nosing of the stair treads. Handrails adjacent to a wall shall have a space of not less than one and one-half inches (1 1/2") between the wall and the handrail. All handrails shall be turned back into the wall on railing ends. The size of a round railing must be a minimum of 1.25 inches, but not more than 2 inches. Railings must be continuos from the top riser to the bottom riser.

3. Porches, balconies, decks, or raised floor surfaces, including stairway riser and/or landing, located more than thirty (30) inches above the floor or the grade, shall have guardrails installed that are not less than thirty-six inches (36") in height. Open guardrails and stair railings shall have intermediate rails or ornamental pattern such that a sphere four inches (4") in diameter cannot pass through.

4. All stairs and steps shall have a riser height of not more than eight inches (8") and a tread depth of not less than nine inches (9''). All newly constructed stairs, not replacement stairs, shall have a riser height of not more than seven and three quarters (7 3/4") and a tread depth of not less than ten inches (10''). Risers and treads cannot be different in size by more than 3/8 of an inch from the top to the bottom of the stairs.

H. Smoke Detectors: All smoke detectors shall be dual sensor detectors. They shall be hard-wired with battery back-up and interconnected with all other alarms. Smoke detectors shall be located as follows:

1. On the ceiling or wall outside of each separate sleeping area in the immediate vicinity of bedrooms.

2. In each room used for sleeping purposes,

3. In each story within a dwelling unit, including basements but not including crawl spaces and uninhabitable attics. In dwellings or dwelling units with split levels and without an intervening door between the adjacent levels, a smoke alarm installed on the upper level shall suffice for the adjacent lower level provided that the lower level is less than one full story below the upper level.

All smoke detectors shall be installed per manufacturer’s installation instructions.

I. Carbon Monoxide Detectors: Where a heating system source, other than solid fuel burning appliances (e.g., wood stoves), and/or water heater that burns solid,
liquid or gaseous fuels is located horizontally adjacent to any habitable room, a hard-wired with battery back-up carbon monoxide detector is required and is to be installed per the manufacturer’s instructions. Any dwelling that has a fuel source heating system (not electric), other solid fuel burning appliances (e.g., wood stoves, pellet, or corn stoves), and/or fuel source water heater (not electric), a hard-wired with battery back-up combination smoke alarm/carbon monoxide detector is required to be installed per the manufacturer’s instructions on the main living area floor.

IV. MINIMUM STANDARDS FOR VENTILATION

A. In general, sufficient ventilation shall be present to ensure adequate air circulation in the dwelling.

B. Bathrooms, including toilet rooms, shall be provided with an exhaust fan. If it is being installed or replaced, it shall be rated at a minimum of 60 CFM and 4 sones or less. Fans shall have insulated ducting vented to the exterior. A fan needs to be installed if there is no window or a non-operable window is present.

V. MINIMUM STANDARDS FOR ELECTRICAL SERVICE

A. Minimum Electrical Service: Every dwelling unit, at a minimum, shall have a 100-ampere breaker controlled electrical panel. All electrical work shall be in compliance with adopted State electrical code requirements. The panel, service mast, etc. shall also be installed to local utility company requirements.

B. Convenience Outlets:

1. Every habitable room within the dwelling shall contain at least two (2) separate duplex, wall-type electrical outlets. Placement of such outlets shall be on separate walls. All newly installed receptacles shall be grounded duplex receptacles or GFCI protected.

2. All electrical outlets used in bathrooms and toilet rooms, all outlets within six feet (6'-0") of a water source (excluding designated simplex equipment circuits for clothes washing machines and sump pumps), outlets located on open porches or breezeways, exterior outlets, outlets located in garages and in non-habitable basements, except those electrical outlets that are dedicated appliance outlets, and all kitchen receptacles serving the countertop area shall be ground fault circuit interrupter (GFCI) protected. All exterior receptacles shall be covered by a receptacle cover that when a cord is plugged in, the GFCI outlet will stay covered and protected.

3. All accessible knob and tube, unsafe, and/or illegal wiring shall be removed and replaced with type NM cable (Romex) or as required by code.
4. All broken, damaged or nonfunctioning switches or outlets shall be replaced. All fixtures and wiring shall be adequately installed to ensure safety from fire so far as visible components are observed.

5. All missing or broken switch and outlet covers (including junction boxes) shall be replaced. Each receptacle or switch located on an exterior wall shall have a foam seal placed under the cover.

C. Lighting:

1. Every habitable room and every bathroom (including toilet room), laundry room, furnace or utility room, and hallway shall have at least one (1) ceiling or wall-type electric light fixture, controlled by a remote wall switch. Habitable rooms (except kitchens or kitchenettes) may have a wall-type electrical outlet controlled by a remote wall switch in lieu of a ceiling or wall-type light fixture. Energy efficient fixtures that meet energy star ratings and compact florescent bulb equivalent or better shall be installed in all new fixture installations.

2. All stairwells shall have at least one light fixture controlled by a remote wall switch at the top and bottom of the stairs.

3. Porcelain type fixtures with pull chains are acceptable for use in basements (except for the one controlled by a remote wall switch) cellars, and attics.

4. All pendant type lighting fixtures that are supported only by the electrical supply wire shall be removed or replaced. If replaced, replace with Energy Star rated fixtures.

VI. MINIMUM STANDARDS FOR HEATING SYSTEMS

A. Heating System: All heating systems (and central air-conditioning systems where they exist) shall be capable of safely and adequately heating (or cooling as applicable) for all living space.

B. Cooling System: Non-working or improperly functioning central air conditioning systems may be replaced as part of the rehabilitation work. The installation of a central air conditioning system, where it currently does not exist, is permissible where feasible and practical. New A/C installation will not be a priority unless project funds are available.

C. Requirements for Heating and or Cooling Systems:

1. All existing heating systems, including but not limited to, chimneys and flues, cut-off valves and switches, limit controls, heat exchangers, burners, combustion and ventilation air, relief valves, drip legs and air, hot water, or steam delivery components (ducts, piping, etc.) that are not being replaced, shall be inspected to be in a safe and proper functioning
condition at the time of inspection, by means of written project file documentation.

2. Every heating system burning solid, liquid or gaseous fuels shall be vented in a safe manner to a chimney or flue leading to the exterior of the dwelling. The heating system chimney and/or flue shall be of such design to assure proper draft and shall be adequately supported.

3. No heating system source burning solid, liquid or gaseous fuels shall be located in any habitable room or bathroom, including any toilet room.

4. Every fuel burning appliance (solid, liquid or gaseous fuels) shall have adequate combustion air and ventilation air. All new furnaces will have sealed combustion with combustion air brought in from the exterior of the house and installed in accordance with manufacturer’s guidelines.

5. Every heat duct, steam pipe and hot water pipe shall be free of leaks and shall function such that an adequate amount of heat is delivered where intended. All accessible duct joints must be sealed with mastic or any other acceptable product. Newly installed ductwork must also be sealed. All accessible steam piping and hot water piping must be installed with an approved material.

6. Every seal between any of the sections of the heating source(s) shall be air-tight so that noxious gases and fumes will not escape into the dwelling.

7. No space heater shall be of a portable type.

8. Minimum requirements for forced air furnaces, when installed, will be no less than a 92% AFUE, or the minimum AFUE, if greater than 92%, to obtain a local utility rebate (Energy Star rated for northern climates). A digital programmable thermostat must be installed. Condensate lines will drain to a floor drain or have a condensate pump installed and piped to discharge. All furnace ductwork shall be equipped with an air filter clean out location that has a tight fitting cover installed over it.

9. All boilers, when replaced, will have an “A” rating and be no less than 90% AFUE rating. All combustion air will be from the exterior of the house. The addition of zone valves may be useful to reduce energy cost. Heat lines shall be insulated with approved material. Programmable thermostats will be installed.

10. A/C units, if added or replaced, shall not be less than 14.5 SEER or the lowest SEER rating that is available at the time of installation but not less than 14.5 SEER. All units shall be installed, when possible, on either the north or east side of the dwelling or in an area that will provide shade for the unit. The correct coil will be installed that is compatible with both the furnace and A/C unit. Homeowners who use window air conditioners will be encouraged to purchase Energy Star rated air conditioners. No window A/C units may be purchased with NDHFA funds.
11. All wood, pellet, corn, switch grass, hydrogen, or other biomass fuel stoves must be installed in accordance with manufacturer’s guidelines. Where such guidelines are not available, the heating unit will be removed. Venting and combustion air must be installed in accordance with manufacturer’s requirements.

D. Energy Conservation: All structures shall comply with certain energy conservation measures (U.S. Department of Energy recommendations). These measures include, but are not necessarily limited to, the following:

1. When siding is being replaced and/or interior wall finishes of exterior walls are being replaced on a dwelling, such exterior walls are to be provided with insulation and at the recommended resistance factor (R-value) or R-11, or that which is allowed by the stud cavity space. In addition, an air infiltration barrier, such as Tyvek or approved equal, shall be installed on all exterior walls. If new walls are being framed and insulated, the minimum R factor is R-19 or R-13 plus R-5 foam. The installation of fan-fold foam or foam sheathing may be added to increase household R-ratings.

2. When new windows are to be installed, windows must be current Energy Star rated for northern climates. All rood weight openings will be insulated and all new windows will have the window jamb sealed. Where SHPO requirements will restrict the installation of vinyl windows, the specifications will be written to come as close as possible to achieving Energy Star requirements.

3. All heat ducts and hot water or steam heat distribution piping shall be insulated or otherwise protected from heat loss where such ducts or piping runs are located in unheated spaces. Similarly, distribution piping for general use hot water shall also be protected from heat loss where such piping is located in unheated spaces. All water distribution piping shall be protected from freezing.

4. Attic access passage ways (scuttle holes) shall be no less than 22” by 30” or the size of original construction. If it is impossible to conform to this standard, the largest attic access hole possible will be installed.

VII. MINIMUM STANDARDS FOR THE INTERIOR OF STRUCTURES

A. Interior Walls, Floors, Ceilings, Doors, and Windows:

1. All interior walls, floors, ceilings, doors and windows shall be capable of being kept in a clean and sanitary condition by the owner.

2. Every bathroom and/or toilet room, kitchen or kitchenette, and utility room floor surface shall be constructed such that they are impervious to water and can easily be kept in a clean and sanitary condition by the owner.
3. All interior doors shall be capable of affording the privacy for which they are intended.

4. No dwelling containing two or more bedrooms shall have a room arrangement that access to a bathroom, toilet room, or a bedroom can be achieved only by going through another bathroom, toilet room, or another bedroom.

5. It is encouraged that all paints, stains, varnishes, lacquers and other finishes used in the rehabilitated dwelling shall be low or no VOC paint finishes and installed as required by the manufacturer.

VIII. MINIMUM STANDARDS FOR THE EXTERIOR OF STRUCTURES

A. Foundations, Exterior Walls, Roofs, Soffits and Fascia:

1. Every foundation, exterior wall, roof, soffit and fascia shall be made weather resistant. Products for exterior walls, roofs, soffits, and fascia shall be installed in accordance with the manufacturer’s guidelines.

2. Roof replacement shall be installed in accordance with the manufacturer’s requirements. When installing asphalt or fiberglass shingles, a minimum of a 30-year shingle shall be used. Other products such as metal roofing may be considered.

B. Drainage:

1. All rainwater shall be conveyed and drained away from every roof so as not to cause wetness or dampness in the structure. No roof drainage systems shall be connected to a sanitary sewer, or directly to a storm sewer system.

2. The ground around the dwelling shall be sloped away from foundation walls to divert water away from the structure.

3. If feasible, the collection of roof water is encouraged.

C. Windows, Exterior Doors and Basement Entries (Including Cellar Hatchways):

1. Every window, exterior door, basement entry and cellar hatchway shall be tight fitting within their frames, be rodent-proof, insect-proof and be weatherproof such that water and surface drainage is prevented from entering the dwelling. In addition, the following requirements shall also be met:

   a. All exterior doors and windows shall be equipped with security locks. Deadbolts are not required.
b. Every window sash shall be fully equipped with glass windowpanes which are without cracks or holes. Every window sash to be replaced shall use Energy Star rated for northern climate windows unless the existing windows have insulated glass. Stained or leaded glass found to be historically significant may be protected by a fixed low-E glass storm window. Every window sash shall fit tightly within its frame, and be secured in a manner consistent with the window design. All window jambs will be sealed. All rope weight openings shall be insulated before installing the new window. Energy Star rated for Northern climate.

c. Storm doors, when installed, shall also be equipped with a self-closing device.

d. Every exterior door, when closed, shall fit properly within its frame and shall have door hinges and security locks or latches. All exterior doors will be no less than metal clad insulated (foam filled) doors. All jambs and thresholds will be sealed.

e. Every exterior door shall be not less than two foot-four inches (2'4") in width and not less than six foot-six inches (6'6") in height. Existing door sizes will be grandfathered, but an attempt shall be made to have at least one exterior door that is not less than 36 inches wide and no less than 6'-8' high.

IX. MINIMUM SPACE, USE, AND LOCATION REQUIREMENTS

A. No cellar space shall be converted to habitable space.

B. Habitable Basement Space: No basement space shall be used as habitable space unless all habitable space requirements are met and all of the following requirements are met:

1. The floor and walls are waterproof or damp proof construction.

2. Such habitable space has a hard surfaced floor of concrete or masonry.

3. Such space shall have a minimum of two exits. In addition to the stairs, this would normally consist of one egress window.

X. MINIMUM STANDARDS FOR PLUMBING SYSTEMS

A. All dwelling plumbing systems shall be capable of safely and adequately providing a water supply and wastewater disposal for all plumbing fixtures. Every dwelling plumbing system shall comply with the following requirements.

1. All existing plumbing systems and plumbing system components shall be free of leaks. When repairing or adding to such systems, any type of pipe allowed by the State plumbing code shall be allowed.
2. All plumbing system piping shall be of adequate size to deliver water to plumbing fixtures and to convey wastewater from plumbing fixtures (including proper slope of wastewater piping) as designed by the fixture manufacturer.

3. All plumbing fixtures shall be in good condition, free of cracks and defects, and capable of being used for the purpose in which they were intended.

4. The plumbing system shall be vented in a manner that allows the wastewater system to function at atmospheric pressure and prevents the siphoning of water from fixtures. Venting by mechanical vents is accepted as an alternative to exterior atmospheric venting.

5. All fixtures that discharge wastewater shall contain, or be discharged through, a trap that prevents the entry of sewer gas into the dwelling.

6. All plumbing system piping and fixtures shall be installed in a manner that prevents the system, or any component of the system, from freezing.

7. All plumbing fixtures and water connections shall be installed in such a way as to prevent the backflow of water from the system into the plumbing system’s water source.

8. Valves shall be installed with the valve in the upright position. When replacing valves, the use of a full port ball-valve shall be encouraged.

XI. MINIMUM STANDARDS FOR POTABLE WATER SUPPLY

A. Every dwelling shall be connected to an approved (by the jurisdiction having authority) potable water source.

B. All potable water fixtures and equipment shall be installed in such a manner as to make it impossible for used, unclean, polluted or contaminated water, mixtures or substances to enter any portion of the potable water system piping. All equipment and fixtures shall be installed with air gaps (traps) to prevent back siphonage. All outlets with hose threads (except those serving a clothes washing machine) shall have a vacuum breaker for use with the application. Any plumbing equipment or fixtures that allow, or appear to allow, the previous conditions, or are otherwise deemed to be unhealthy, unsanitary, or unsafe shall be replaced. No water piping supplied by a private water supply system shall be connected to any other source of water supply without the approval of the jurisdiction having authority over the installation.

XII. MINIMUM STANDARDS FOR CONNECTION TO SANITARY SEWER

Every dwelling shall be connected to an approved (by the jurisdiction having authority) sanitary sewer system.
XIII. LEAD-BASED PAINT (Housing Trust Fund only)

Housing assisted by the Housing Trust Fund is subject to the regulations at 24 CFR Part 35, subparts A, B, J, K, and R which govern lead-based paint poisoning prevention in residential structures. Applicants, developers, and builders of any project requiring the rehabilitation or adaptive reuse of structures built prior to 1978 must read, fully understand, and comply with 24 CFR Part 35, subparts A, B, J, K, and R.

XIV. ACCESSIBILITY

Housing assisted with NDHFA funds must meet the accessibility requirements of 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act, implemented at 28 CFR Parts 35 and 36, as applicable. “Covered multifamily dwellings”, as defined at 24 CFR Part 100.201, must also meet the design and construction requirements at 24 CFR Part 100.205, which implements the Fair Housing Act.

XV. UNIFORM PHYSICAL CONDITION STANDARDS

Housing assisted with NDHFA funds and which are placed in service must follow property standards which include all inspectable items and inspectable areas specified by the US Department of Housing and Urban Development (HUD) based on the HUD physical inspection procedures, known as the Uniform Physical Condition Standards (UPCS) prescribed by HUD pursuant to 24 CFR Part 5, subpart G. Any and all deficiencies identified during annual compliance monitoring site visits of NDHFA-assisted properties must be cured. NDHFA will monitor property condition standards by the same processes and procedures as have been used by NDHFA for the federal Low Income Housing Tax Credit Program, which does not employ a scoring protocol or grade levels of deficiencies; all identified deficiencies must be corrected.

Rehabilitation projects (including adaptive reuse) must address any and all deficiencies identified in this section as part of the project’s scope of work so that, upon completion, all such deficiencies are cured. For projects which include acquisition and/or rehabilitation of occupied housing, any life threatening health and safety deficiencies, identified in this section in ALL CAPS, must be addressed and corrected immediately.

A. Housing assisted with NDHFA funds must be decent, safe, sanitary, and in good repair. Owners of NDHFA-assisted property must maintain such housing in a manner that meets the physical condition standards set forth in this section in order to be considered decent, safe, sanitary, and in good repair. These standards address the major areas of the NDHFA-assisted housing: the site; the building exterior; the building systems; the dwelling units; the common areas; and health and safety considerations.

1. Site: The inspectable items related to Site, such as fencing and gates, retaining walls, grounds, lighting, mailboxes/project signs, parking lots/driveways, play areas and equipment, refuse disposal, roads, market appeal, storm drainage, walkways, and steps must be free of health and...
safety hazards and be in good repair. The site must not be subject to material adverse conditions, such as abandoned vehicles, dangerous
dwalks or steps, poor drainage, septic tank back-ups, sewer hazards,
excess accumulation of trash, vermin or rodent infestation, or fire
hazards.

Examples of observable deficiencies for inspectable items related to Site
include, but are not limited to, the following:
- Fencing and Gates (both security/safety and non-security fences and
gates): Damaged, falling, or leaning; Holes; Missing sections.
- Grounds: Erosion; Rutting areas; Overgrown or penetrating vegetation;
Ponding or poor site drainage.
- Mailboxes/Project Signs: Missing or damaged.
- Market Appeal: Graffiti, Litter
- Parking Lots/Driveways/Roads: Cracks; Pounding; Potholes; Loose
material; Settlement or heaving.
- Play Areas and Equipment: Damaged or broken equipment;
Deteriorated play area surface.
- Refuse Disposal: Broken or damaged enclosure; Inadequate outdoor
storage space.
- Retaining Walls: Damaged, falling, or leaning.
- Storm Drainage: Damaged or obstructed.
- Walkways/Steps: Broken or missing handrail; Cracks; Settlement;
Heaving; Spalling; Exposed rebar.

2. Building exterior: Each building on the site must be structurally sound,
secure, habitable, and in good repair. The inspectable items related to
Building Exterior, which includes each building’s doors, fire escapes,
foundations, lighting, roofs, walls, and windows, where applicable, must
be free of health and safety hazards, operable, and in good repair.

Examples of observable deficiencies for inspectable items related to
Building Exterior include, but are not limited to, the following:
- Doors: Damaged frames, threshold, lintels, or trim; Damaged hardware
or locks; Damaged surface (Holes, paint, rusting, glass); Damaged or
missing screen, storm or security door; Deteriorated or missing caulking
or seals; Missing door.
- FIRE ESCAPES: BLOCKED EGRESS OR LADDERS; VISIBLY
MISSING COMPONENTS.
- Foundations: Cracks or gaps; Spalling; Exposed rebar.
- Lighting: Broken fixtures or bulbs.
- Roofs: Damaged soffits or fascia; Damaged vents; Damaged or
clogged drains; Damaged or torn membrane; Missing ballast; Missing or
damaged components from downspout or gutter; Missing or damaged
shingles; Ponding.
- Walls: Cracks or gaps; Damaged chimneys; Missing or damaged
caulking or mortar; Missing pieces, holes, or spalling; Stained, peeling,
or needs paint.
- Windows: Broken, missing, or cracked panes; Damaged sills, frames,
lintels, or trim; Damaged or missing screens; Missing or deteriorated
caulking, seals, or glazing compound; Peeling or missing paint; SECURITY BARS PREVENT EGRESS.

3. Building systems: The inspectable items related to Building Systems, which includes each building's domestic water, electrical system, elevators, emergency power, fire protection, HVAC, roof exhaust system, and sanitary system must be free of health and safety hazards, functionally adequate, operable, and in good repair.

Examples of observable deficiencies for inspectable items related to Building Systems include, but are not limited to, the following.

- **Domestic Water**: Leaking central water supply; Missing pressure relief valve; RUST OR CORROSION ON HEATER CHIMNEY; IMPROPER ANGLE OF OR DISCONNECTED FLUE ON WATER HEATER; Water supply inoperable.
- **Electrical System**: Blocked access or improper storage; Burnt breakers; Evidence of leaks or corrosion; Frayed wiring; MISSING BREAKERS OR FUSES; MISSING OUTLET COVERS.
- **Elevators**: Not operable.
- **Emergency Power**: Auxiliary lighting inoperable; Run-up records/Documentation not available.
- **Fire Protection**: Missing/disabled/painted/blocked/capped sprinkler head; Missing, damaged, or expired extinguishers.
- **HVAC**: Boiler or pump leaks; Fuel supply leaks; General rust or corrosion; MISALIGNED CHIMNEY OR VENTILATION SYSTEM.
- **Roof Exhaust System**: Roof exhaust fan(s) inoperable.
- **Sanitary System**: Broken, leaking, or clogged pipes or drains; Missing drain, cleanout, or manhole covers.

4. Dwelling units: Each dwelling unit within a building must be structurally sound, habitable, and in good repair. All inspectable items of the dwelling unit (for example, the unit's bathroom, call-for-aid (if applicable), ceiling, doors, electrical systems, floors, hot water heater, HVAC, kitchen, lighting, laundry area, outlets/switches, patio/porch/balcony, smoke detectors, stairs, walls, and windows) must be free of health and safety hazards, functionally adequate, operable, and in good repair.

Examples of observable deficiencies for inspectable items related to the Dwelling Units include, but are not limited to, the following.

- **Bathroom**: Bathroom cabinets damaged or missing; Lavatory sink damaged or missing; Plumbing has clogged drains or faucets or leaking faucet or pipes; Shower or tub is damaged or missing; Ventilation or exhaust system is absent or inoperable; Water closet or toilet is damaged, clogged, or missing.
- **Call-for-Aid (if applicable)**: Inoperable.
- **Ceiling**: Bulging, bucking, or leaking; Holes, missing tiles, panels, or cracks; Peeling or missing paint; Water stains, water damage, mold or mildew.
- **Doors**: Damaged frames, threshold, lintels, or trim; Damaged hardware or locks; Damaged or missing screen, storm or security door; Damaged
surface, including holes, bad paint, rusting, broken glass, or rotting; Deteriorated or missing seals on the entry door; Missing door.
- Electrical System: Block access to electrical panel; Burnt breakers; Evidence of leaks or corrosion; Frayed wiring; GFI inoperable; MISSING BREAKERS OR FUSES; MISSING COVERS.
- Floors: Bulging or buckling; Hard floor covering damage; Missing flooring tiles; Peeling or missing paint; Rotten or deteriorated subfloor; Water stains, water damage, mold, or mildew.
- Hot Water Heater: MISALIGNED CHIMNEY OR VENTILATION SYSTEM; Inoperative unit or components; Leaking valves, tanks, or pipes; Pressure relief valve missing; Rust or corrosion.
- HVAC System: Convection or radiant heat system covers missing or damaged; Inoperative system; MISALIGNED CHIMNEY OR VENTILATION SYSTEM; Noisy, vibrating, or leaking system; Rust or corrosion.
- Kitchen: Cabinets are missing or damaged; Countertops are missing or damaged; Dishwasher or garbage disposal is inoperable; Plumbing has clogged drains, leaking faucets, or pipes; Range hood or exhaust fans are inoperable; Excessive grease buildup; Range or oven is missing, damaged, or inoperable; Refrigerator is missing, damaged, or inoperable; Sink is damaged or missing.
- Laundry Area: Dryer vent is missing, damaged, or inoperable.
- Lighting: Missing or inoperative fixture.
- Outlets/Switches: Missing outlet or switch; MISSING OR BROKEN COVER PLATE.
- Patio/Porch/Balcony: Baluster or side railings damaged.
- SMOKE DETECTOR: MISSING OR INOPERABLE.
- Stairs: Broken, missing, or damaged steps or handrail.
- Walls: Bulging or buckling; Damaged wall surface; Damaged or deteriorated trim; Peeling or missing paint; Water stains, water damage, mold, or mildew.
- Windows: Cracked, broken, or missing panes; Damaged window sill; Missing or deteriorated caulking, seals, glazing; Inoperative or not lockable; Peeling or missing paint; SECURITY BARS PREVENT EGRESS.

5. Common areas: The common areas must be structurally sound, secure, and functionally adequate for the purposes intended. The basement/garage/carport, restrooms, closets, utility, mechanical, community rooms, day care, halls/corridors, stairs, kitchens, laundry rooms, office, porch, patio, balcony, and trash collection areas, if applicable, must be free of health and safety hazards, operable, and in good repair. All common area ceilings, doors, floors, HVAC, lighting, outlets-switches, smoke detectors, stairs, walls, and windows, to the extent applicable, must be free of health and safety hazards, operable, and in good repair.

Examples of observable deficiencies for inspectable items related to the Common Areas include, but are not limited to, the following. Common Areas include Basement, Garage, Carport, Closet, Utility or Mechanical
Room, Community Room, Halls, Corridors, Stairs, Kitchens, Laundry Room, Lobby, Office, Patio, Porch, Balcony, Rastrooms, Storage Areas, Pedestrian or Wheelchair Ramps, Pools and Related Structures, Trash Collection Areas, or Other Community Spaces.

- Missing or damaged balusters or side railings.
- Cabinets missing or damaged.
- Call-for-Aid system (if applicable) inoperable.
- Ceiling: Holes, missing tiles or panels, cracks; Peeling or missing paint; Water stains, water damage, mold, or mildew; Bulging or buckling.
- Chute(s): Damaged or missing components.
- Countertops missing or damaged.
- Dishwasher or garbage disposal inoperable.
- Doors: Damaged frames, threshold, lintels, or trim; Damaged hardware or locks; Damaged surface (holes, paint, rust, glass); Damaged or missing screen, storm, or security door; Deteriorated or missing seals on entry door; Missing door.
- Dryer Vent: Missing, damaged, or inoperable.
- Electrical: Blocked access to electrical panel; Burnt breakers; Evidence of leaks or corrosion; Frayed wiring; MISSING BREAKERS; MISSING PLATES OR COVERS; Inoperable GFI; Missing or broken outlets; switches, or cover plates.
- Fencing: Damaged or not intact.
- Floors: Bulging or buckling; Floor covering damaged; Missing flooring or tiles; Peeling painted surface; Rotten or deteriorated subflooring; Water stains, water damage, mold, or mildew.
- Graffiti
- HVAC: Convection or radiant heat system covers missing or damaged; General rust or corrosion; Inoperable unit or system; MISALIGNED CHIMNEY OR VENTILATION SYSTEM; Noisy, vibrating, or leaking.
- Lavatory Sink: Damaged or missing fixture.
- Lighting: Missing, damaged, or inoperable fixture.
- Mailbox: Missing or damaged.
- Plumbing: Clogged drains; Leaking faucet or pipes.
- Range Hood/Exhaust Fans: Excessive grease buildup; Inoperable.
- Range/Stove: Missing, damaged, or inoperable.
- Refrigerator: Missing, damaged, or inoperable.
- Shower/Tub/Sink: Damaged or missing.
- SMOKE DETECTORS: MISSING OR INOPERABLE.
- Stairs: Broken, damaged, or missing steps or handrail.
- Ventilation/Exhaust system inoperable.
- Walls: Bulging or buckling; Damaged surface, peeling or missing paint; Damaged or deteriorated trim; Water stains, water damage, mold, or mildew.
- Water Closet/Toilet: Damaged, clogged, or missing.
- Windows: Cracked, broken, or missing panes; Damaged window sill; Inoperable or missing lock; Missing or deteriorated caulking, seals, or glazing; Peeling or missing paint; SECURITY BARS PREVENT EGRESS.
6. Health and safety concerns: All areas and components of the housing must be free of health and safety hazards. The inspectable areas related to Health and Safety include, air quality, electrical hazards, elevators, emergency/fire exits, flammable materials, garbage and debris, general hazards, infestation, and lead-based paint. For example, the buildings must have fire exits that are not blocked and have handrails that are undamaged and have no other observable deficiencies. The housing must have no evidence of infestation by rats, mice, or other vermin, or of garbage and debris. The housing must have no evidence of electrical hazards, natural hazards, or fire hazards. The dwelling units and common areas must have proper ventilation and be free of mold, odor (e.g., propane, natural gas, methane gas), or other observable deficiencies. The housing must comply with all requirements related to the evaluation and reduction of lead-based paint hazards and have proper certifications of such (see 24 CFR part 35). For projects which include acquisition of occupied housing, life threatening deficiencies in areas of health and safety must be addressed and corrected immediately. Life threatening health and safety deficiencies are identified below by ALL CAPS.

Examples of observable deficiencies for inspectable items related to Health and Safety include, but are not limited to, the following:

- **Air Quality**: Mold and/or mildew observed; PROPANE, NATURAL GAS, OR METHANE GAS DETECTED; Sewer odor detected.
- **ELECTRICAL HAZARDS**: EXPOSED WIRES; OPEN PANELS; WATER LEAKS ON OR NEAR ELECTRICAL EQUIPMENT.
- Elevator: Elevator is misaligned with floor by 1/2 inches or more.
- Emergency Fire Exits: EXITS BLOCKED OR UNUSABLE; Missing exit signs.
- Flammable or Combustible Material: Improperly stored and secured.
- Garbage and Debris: Present indoors or outdoors.
- General Hazards: Sharp edges; Tripping; unsafe or missing handrails.
- Infestation: Insects, rats, mice, or other vermin.

7. Compliance with state and local codes: These physical condition standards do not supersede or preempt State and local codes for building and maintenance with which NDHFA-assisted housing must comply. NDHFA-assisted housing must continue to adhere to those codes.

B. NDHFA is responsible for conducting physical inspections of NDHFA-assisted housing to determine compliance with these standards, and will conduct such inspections every one to three years at its sole discretion.

**XVI. DISASTER MITIGATION**

Housing assisted with NDHFA funds and which involve rehabilitation or adaptive reuse must be improved to mitigate the impact of potential disasters (e.g., earthquake, flooding, wildfires) in accordance with state and local codes, ordinances, and requirements.

Minimum Rehabilitation Standards – NDHFA Planning and Housing Development Division
Revision 11/2016

Annual Action Plan 2021

OMB Control No: 2506-0117 (exp. 09/30/2021)
XVII. CAPITAL NEEDS ASSESSMENT (Applicable Only to Tax Credit and Housing Trust Fund)

All housing assisted by the Low Income Housing Tax Credit (LIHTC) or Housing Trust Fund (HTF) programs involving rehabilitation or adaptive reuse must commission a Capital Needs Assessment (CNA). HTF regulations at 24 CFR Part 93.301(b)(1)(i) allows projects under 26 units in size to forego a CNA. However, in order to ensure that all needed rehabilitation work is performed so that, upon completion, the project will be decent, safe, sanitary, and in good repair. NDHFA has chosen to establish requirements which exceed 24 CFR Part 93. **All rehabilitation projects assisted through LIHTC or HTF must commission a CNA.**

A. The CNA must be completed by a competent, independent third party acceptable to NDHFA, such as a licensed architect or engineer, as well as include interviews with available on-site property management and maintenance personnel to inquire about past repairs and improvements, pending repairs, and existing or chronic physical deficiencies.

B. The assessment will include a site visit and a physical inspection of the interior and exterior of all units and structures. The assessment will consider the presence of environmental hazards such as asbestos, lead paint and mold on the site.

C. The assessment will include an opinion as to the proposed budget for recommended improvements and should identify critical building systems or components that have reached or exceeded their expected useful lives. If the remaining useful life of any component is less than 50 percent of the expected useful life, immediate rehabilitation will be required unless capitalized. If the remaining useful life of a component is less than the term of the period of affordability, the application package must demonstrate sufficient periodic payments to a replacement reserve to finance the future replacement of the component.

D. The assessment will examine and analyze the following:

1. Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, and gas and electric utilities and lines;

2. Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system, and drainage;

3. Interiors, including unit and common area finishes (carpeting, tile, plaster walls, paint condition, etc.), unit kitchen finishes, cabinets and appliances, unit bathroom finishes and fixtures, and common area lobbies and corridors; and
4. Mechanical systems, including plumbing and domestic hot water; HVAC, electrical, lighting fixtures, fire protection, and elevators.

E. Applicants are advised to also consider the requirements of other funding sources, such as USDA Rural Development, when ordering a CNA.
9. **Resale or Recapture Guidelines.** Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter “N/A”.

N/A

10. **HTF Affordable Homeownership Limits.** If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter “N/A”.

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

N/A

12. **Refinancing of Existing Debt.** Enter or attach the grantee’s refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee’s refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter “N/A.”

N/A

**Discussion:**

Other Information Regarding HOME Homebuyer assistance.

If the State intends to use HOME funds for homebuyer downpayment assistance or for rehabilitation of owner-occupied single family housing reference the homeownership limits used: The State will use the currently published HOME and Housing Trust FundHomeownership Value Limits.
Describe eligible applicants, the process for soliciting and funding applications or proposals and where detailed information can be obtained: Homeowner Rehabilitation programs are administered through the seven Community Action Agencies across North Dakota. All program information is available on each regions' website. Regional programs can be viewed at https://www.capnd.org/programsandinitiatives/regions/. Eligible Homeowners must qualify at 80 percent area median income for the county in which they are located and applications are received on a first come first served basis.

If the State planned to limit beneficiaries or give preferences to a particular segment of the low-income population, what is the description of the preferences: Homeowner Rehabilitation programs and Homebuyer downpayment assistance programs are not limited to a particular segment of the low-income population.
Attachments
PUBLIC NOTICE
STATE OF NORTH DAKOTA 2021 HOME PROGRAM DISTRIBUTION STATEMENT AND 2021 ANNUAL ACTION PLAN PROPOSED AMENDMENT

North Dakota Housing Finance Agency (NDHFA) is seeking input on an amendment to the 2021 Annual Action Plan and a revision of the 2021 HOME Investment Partnerships Program (HOME) Distribution Statement.

The purpose of the amendment is to allocate 2016-2020 HOME project funds for multifamily rental production and rehabilitation. HOME funds previously available were $1,475,160 plus CHDO set-aside of $450,000. Under the amendment, the available funds will be increased to $5,526,962 of which $1,350,859 will be set-aside for CHDO multifamily rental production and rehabilitation applications as required.

Uncommitted funds are as follows:
- 2016 – $189,497.58
- 2017 – $494,790.47
- 2018 – $832,355.38
- 2019 – $755,158.80
- 2020 – $1,780,000.00

The proposed increase reflects NDHFA’s goal to commit all the program’s available project funds. The uncommitted funds from prior years are from the Community Action Agency set aside for single-family homeowner rehabilitation activities and unused rental production and rehabilitation funds.

NDHFA will make the additional funds available during the September 30, 2021, application round that is currently open. Applicants should refer to the 2021 HOME Program Distribution Statement for the application process and eligibility. Multifamily rental production and rehabilitation criteria is found in Section III of the statement.

The amendment and statement will be available to the public for review and comment during the period of August 18, 2021, to September 17, 2021. Comments must be received by 5:00 p.m., CT, on September 17, 2021. The plan and statement can be found on NDHFA’s website, www.ndhfa.org, under Project Financing and HOME Investment Partnerships Program. Please contact NDHFA prior to the deadline for accommodations or additional information.

NDHFA Contact:
Jennifer Henderson
Director, Planning and Housing Development Division
PO Box 1535
Bismarck, ND 58502
(800) 292-8621
(800) 366-6889 (TTY)
(800) 435-8590 (Spanish)
hfainfo@nd.gov

Equal Housing Opportunity
Affidavit of Publication

Colleen Park, being duly sworn, states as follows:

1. I am the designated agent, under the provisions and for the purposes of, Section 31-04-06, NDCC, for the newspapers listed on the attached exhibits.

2. The newspapers listed on the exhibits published the advertisement of: ND Housing Finance Agency - seeking input on an amendment to the 2021 Annual Action Plan and a revision of the 2021 HOME Investment Partnerships Program (HOME) Distribution Statement; 1 time(s) as required by law or ordinance.

3. All of the listed newspapers are legal newspapers in the State of North Dakota and, under the provisions of Section 46-05-01, NDCC, are qualified to publish any public notice or any matter required by law or ordinance to be printed or published in a newspaper in North Dakota.

Signed: 

State of North Dakota
County of Burleigh

Subscribed and sworn to before me this 31 day of Aug., 2021.

Notary Public
State of North Dakota
My Commission Expires Nov. 8, 2021.
Field of Dreams game to return

MLB says 2022 teams TBD

DAVE CAMPObell
AP Sports Writer

The annual Field of Dreams game is going to return to the big league calendar in 2022.

The game, which has been a staple of baseball since its inception in 1989, will take place at the stadium in Dyersville, Iowa, on August 22, 2022. The game will be open to the public and will feature some of the best players in the league.

The Field of Dreams game is a tradition that has been in place for over 30 years. It was first played in 1989, and has since become a major event in baseball.

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Three people sentenced on felony charges in Jamestown

Three people were sentenced on felony charges in Southeast District Court in Jamestown.

Victor E. Combs, 47, of St. Paul, pleaded guilty to possession of a controlled substance with intent to deliver, methamphetamine, and possession of a controlled substance with intent to deliver, fentanyl, Class B felonies, and possession of drug paraphernalia, a Class C felony.

Durgish was accused of possessing methamphetamine, five or more pills of fentanyl and a methamphetamine pipe with a previous conviction for a second-degree felony.

Judge Cherie Clark sentenced Durgish to two days in the St. Paul District Court and a correctional center with credit for two days served.

Durgish was charged with three counts of possession for sale or delivery, possession of a controlled substance with intent to deliver, methamphetamine, and possession of a controlled substance with intent to deliver, fentanyl.

Patrick Z. Wetherill, 41, pleaded guilty to possession of a controlled substance with intent to deliver, methamphetamine, and possession of a controlled substance with intent to deliver, fentanyl, Class B felonies, and possession of drug paraphernalia, a Class C felony.

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VCSU Scholarship Awards for 2021-2022 School Year

13th

From 1

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staying on the 14th floor should feel no sense of
comfort if the number 13 has to be
cursed). The fear of the
costume may stem from an
of the comple

12 days of Christmas
moons, zodiac signs,
Hercules, Gods of Olympus, tribes of Is

The superstition be
build Friday doesn't have
same as a rule. Perhaps
because of Jes
′s crucifixion taking place on Friday. It could be
could be because Eve provided
Adam the fateful apple on Friday. It could be be
because Friday was the day
Cain killed his brother,

Last year's ill-omened
date, the 13th, is something
else that might have inadver
tently sent shivers
up one's spine. A

The next full moon was visible and
was at the point in its
orbit where it was furthest from Earth. Its
phenomenon, the previous full moon observed on Friday the
13th was October 13th, 2008. It wouldn't happen
again until August 13th, 2009.

The truth of the mat
ter is that Friday the 13th hasn't much more than a
mythical reputation and is

But there isn't anything

ALUMNI STORY

ZORDS IN THE HURRICANE

BEEFTEAK BEEFTEAK

LOCAL

PAGE 7 • WEEKEND EDITION, AUGUST 13-15, 2021

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From 1

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same as a rule. Perhaps
because of Jes
′s crucifixion taking place on Friday. It could be be
could be because Eve provided
Adam the fateful apple on Friday. It could be be
because Friday was the day
Cain killed his brother,

Last year's ill-o

date, the 13th, is something
else that might have inadver
tently sent shivers
up one's spine. A

The next full moon was visible and
was at the point in its
orbit where it was furthest from Earth. Its
phenomenon, the previous full moon observed on Friday the
13th was October 13th, 2008. It wouldn't happen
again until August 13th, 2009.

The truth of the mat
ter is that Friday the 13th hasn't much more than a
mythical reputation and is

But there isn't anything

ALUMNI STORY

ZORDS IN THE HURRICANE

BEEFTEAK BEEFTEAK
South Central Dakota Regional Council

April 28, 2021

North Dakota Department of Commerce
Division of Community Services
PO Box 2057
Bismarck ND 58502-2057

To Whom it May Concern:

Please consider this letter as a summary of comments and concerns regarding the 2021 Community Development Block Grant (CDBG) Action Plan from the South Central Dakota Regional Council (SCDRC). The SCDRC serves Region VI, including Barnes,Dickey,Foster,Griggs,Logan,LaMoure,McIntosh,Stutsman and Wells counties, in South Central North Dakota.

As partners in administration and management of the CDBG program, we are sharing our comments in response to proposed changes to the FY2021 CDBG program provided by ND Department of Commerce – Division of Community Services (DCS).

The following is a summary of concerns:

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   Response: The significant increase in the minimum grant amount will have a direct effect on all communities served, especially smaller communities with limited financial resources and infrastructure that has surpassed its expected design life. There is a significant number of communities in Region VI classified as low-to-moderate-income (LMI). Increased grant minimums will have a direct effect on the ability of those communities to utilize CDBG.

   Many of our communities have expressed concern that the increase minimum grant amount will likely deter the cities in applying for CDBG funds for public facilities and housing projects. The increased minimums will require larger, more expensive projects which will also necessitate more local funds for engineering, grant administration, and for portions of the project not funded with CDBG. These small cities do not have funding to support the increased minimums in local funding this would require. These cities are looking for infrastructure projects and housing rehabilitation to improve their aging communities.

   

   Non-discrimination in all programs and services provided by the State of North Dakota:
   800-308-1000 (TTY); 800-308-0983 Voice; Spanish Users: 800-225-6800

   Annual Action Plan
   2021

   OMB Control No: 2506-0117 (exp. 09/30/2021)
It was noted during the February 26, 2021 conference call with DCS staff that HUD is requiring CDBG to address more comprehensive projects in North Dakota than have been approved in the past. Increasing the minimum grant amount is meant to implement that, if an increase in the grant minimums is necessary, a less significant increase could likely still meet the goal.

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<td>100%</td>
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There are communities that have comprehensive public facilities projects that would not cost $75,000. For example, some communities have been able to replace an entire lift station for less than the current public facilities grant amount of $75,000.

SCDCIC proposes that you do not increase these minimums at this time and leave them as they are.

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   As an example, replacing the entire lift station is more comprehensive than replacing an operational component of the lift station like the control panel. However, a community with limited financial resources is not likely to replace an entire lift station unless necessary. Often a complete replacement is not necessary, therefore replacing the entire lift station would not be a prudent use of limited taxpayer funds.

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   **Response:** This is a request of the regional councils to increase the amount of funds distributed to the regions. This can be done by decreasing the amount reserved annually for the Governor’s Fund.

The significant increase in minimum grant amounts will likely directly affect the number of projects that can be allocated funds annually. More expensive projects will mean fewer projects. Yet, requests routinely exceed the amount available.
There is approximately $4.2 million currently in the revolving and allocation sectors of the Governor’s Fund. Unallocated funds must be returned to HUD. The regional councils request more funds be distributed to the regions. We can make a difference locally — throughout the entire state — if more CDBG is allocated to each region.

4. **PROPOSED CHANGE: INCREASE S&R CONTRACTS / PROGRAM MANAGEMENT**
   
   **Response:** Increasing the amount of Scoring and Ranking (S&R) contracts will assist in retaining working expertise to maintain this complex program regionally. Increased S&R contracts will also more closely align with actual staff costs incurred to manage the program.

   The amount of the Scoring and Ranking (S&R) contracts with the regional councils has not increased in more than 15 years, however staffing costs have not remained stagnant during the same period. Managing the CDBG program requires on-going training, research, and expertise. The professional staff time needed to allocate funds on an annual basis has increased, however the amount of the S&R contracts has not.

   Professional staff costs in Region VI for the past four years are higher than the S&R contract amount. These costs happen before grant management begins for specific projects, as grant management is paid by the applicant. Staff are engaged in on-going research and vetting of potential projects prior to actual development of a CDBG application. This staff time, in addition to the actual scoring and ranking of projects, is intended to be covered under the S&R contract.

   The same applies for the allowable amount of grant management. Increasing the minimum allowable grant amount should directly correlate with increasing the CDBG grant administration maximum. For example, CDBG grant administration on housing projects is 15% with a maximum $15,000. However, the minimum grant amount is now $200,000, which at 15% would equate to $30,000. In this example, by not allowing the grant administration amount to directly correlate to the grant amount, regional councils are not receiving at least half of the funds needed for staff time to manage the complex program.

5. **PROPOSED CHANGE: EMERGENCY/URGENT NEED PROJECTS**
   
   **Response:** Difficulties in meeting CDBG program requirements was noted as a potential reason why the state may no longer consider accepting urgent need project applications during the February 26, 2021 call with DCS staff. Yet, addressing urgent need projects is a national objective of the CDBG program and we request collaboration to ensure it remains an option for North Dakota communities.

   Governor’s funding has been very difficult to acquire with the timelines that are on CDBG projects at this time. Those projects that are legitimate emergencies need to be addressed immediately as they are a detriment to the health and welfare of their communities. Additional funding put into our region’s allocation would help ease this burden.

   To help receive a timely award and better administer an urgent need project, we request:

   • A definition of an emergency project. For example, can a project be considered an urgent need today when a gate valve is about to break, rather than when the valve breaks a few months from now?
• Information on how other states utilize CDBG for urgent need projects. Can HUD provide another state as a guiding example on how to better award and implement urgent need projects in North Dakota?
• Set a specific process to submit, review, and determine if a request will be funded.
  o Once a request is received, a response is available within 10 days, for example.
  o Define what criteria is used in deciding whether to fund a request.
  o Allow the regional council/applicant the opportunity to visit with DCS and Governor's Office staff to review the project verbally and answer any questions or concerns.

Although complex to implement and manage, the CDBG program continues to be an important resource in North Dakota. We, the SCDRC Board of Directors and Executive Director, appreciate your consideration of our comments on the FY2021 Action Plan.

Thank you,

Joseph Neis,
SCDRC Executive Board President
April 14, 2021

North Dakota Department of Commerce
Division of Community Services
PO Box 2057
Bismarck, ND 58502-2057
Sent via email to: dcs@nd.gov

To Whom It May Concern:

Please consider this letter as a summary of comments and concerns regarding the 2021 Community Development Block Grant (CDBG) Action Plan from Souris Basin Planning Council (SBPC).

As partners in administration and management of the CDBG program, we are sharing our comments in response to proposed changes to the FY2021 CDBG program provided by ND Department of Commerce – Division of Community Services (DCS) staff during a virtual meeting held with regional councils on February 26, 2021. Regional councils held a follow-up virtual meeting on March 10, 2021 to discuss proposed changes and potential negative impacts. The draft of the 2021 Action Plan was also reviewed via the DCS website.

SBPC has identified the following concerns:

1. PROPOSED CHANGE: INCREASED MINIMUM GRANT AMOUNT

It was noted by DCS staff during the February 26, 2021 virtual meeting that HUD is requiring CDBG address more comprehensive projects in North Dakota than have been approved in the past and increasing the minimum grant amount is meant to meet this requirement.

Response: The new minimums in 2021 have been increased between 100% and 900%. The significant increase in the minimum grant amounts for all project types will have a negative impact on all eligible communities served, particularly smaller communities with limited financial resources, infrastructure that has surpassed its expected design life, and deteriorated housing available for low- to moderate-income families. The members of the SBPC are greatly concerned about the communities who will no longer be able to access funding, potentially leading to further deterioration of our rural communities, leading to negative impacts on the North Dakota CDBG program.

If an increase in the grant minimums is necessary, a much less significant increase could still meet the requirement of comprehensive projects.
2021 Increased Minimums in current Action Plan

<table>
<thead>
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<th>Proposed Minimum</th>
<th>Increase</th>
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<td>$50,000</td>
<td>400%</td>
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<tr>
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<td>$100,000</td>
<td>100%</td>
</tr>
<tr>
<td>Governor’s Fund</td>
<td>$10,000</td>
<td>$100,000</td>
<td>900%</td>
</tr>
</tbody>
</table>

SBPC would like to request that minimum grant amounts be updated as follows:

<table>
<thead>
<tr>
<th>Eligible Category</th>
<th>Previous Minimum</th>
<th>SBPC Proposed Minimum</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Facilities &amp; Public Services</td>
<td>$20,000</td>
<td>$75,000 (unchanged)</td>
<td>275%</td>
</tr>
<tr>
<td>Single Family Housing</td>
<td>$25,000</td>
<td>*we do not have a recommendation for this category</td>
<td></td>
</tr>
<tr>
<td>Multi-Family Housing</td>
<td>$25,000</td>
<td>$35,000</td>
<td>40%</td>
</tr>
<tr>
<td>Economic Development – Retail Sector &amp; Tourism</td>
<td>$10,000</td>
<td>$40,000</td>
<td>300%</td>
</tr>
<tr>
<td>Economic Development – Primary Sector</td>
<td>$50,000</td>
<td>*we do not have a recommendation for this category</td>
<td></td>
</tr>
<tr>
<td>Governor’s Fund</td>
<td>$10,000</td>
<td>$60,000</td>
<td>500%</td>
</tr>
</tbody>
</table>

These new proposed minimums are based upon the following:

- Between 2016-2020, our comprehensive multi-family projects were granted an average of $36,333 (removing the smallest and largest project in this timeframe).
- In 2020 the City of Drake was awarded a $44,510 grant to maintain its grocery store, with upgraded equipment. If this funding had not been awarded, the City of Drake would no longer have a local grocery store.
- Between 2017-2020, example projects requiring Governor’s funds included the following:
  - The City of Karlsruhe improved their lift station with grant funding of $60,000 in 2017 (could not be a comprehensive lift station replacement, as urgent need projects do not allow for upgrades, only repairs addressing the cause of the urgent need).
  - The City of Granville replaced a water tower standpipe with grant funding of $70,000 in 2019.
  - The City of Douglas replaced its sewer main with grant funding of $61,175 in 2020.

2. PROPOSED CHANGE: COMPREHENSIVE PROJECTS

During the February 26, 2021 virtual meeting, DCS staff indicated HUD is concerned projects in North Dakota are not comprehensive. This was used as partial justification for increasing the allowable minimum grant amount – to encourage larger, more comprehensive projects.

Response: A more expensive project does not always equal a more comprehensive project. Often a complete replacement project is not necessary, therefore not a prudent use of limited taxpayer funds. The minimum grant amounts we have recommended above paired with a more mindful selection process of comprehensive projects will help alleviate these concerns.
Referring to a multi-family housing project example, if a 4-plex needs a new roof because it is past its effective life, oftentimes a roof replacement may cost around $25,000. A complete roof replacement should be considered a comprehensive project. With the new minimums, CDBG cannot be considered a source of funding for projects like this, unless a community has four different buildings that meet eligibility requirements, all needing a new roof, at the same time, assuming the community has matching funds to cover the additional expenses that go along with replacing four roofs. There are no other comparable alternative programs that communities can utilize for projects like this in North Dakota.

3. PROPOSED CHANGE: EMERGENCY/URGENT NEED PROJECTS NO LONGER CONSIDERED

During the February 26, 2021 virtual meeting, regional council staff across the state shared various difficult experiences in receiving a grant award in an acceptable timeframe for a community to address an urgent need project. DCS has indicated deferred maintenance projects are not eligible, however some projects are the result of the end of the useful life of infrastructure, and some urgent need applications are not a reflection of deferred maintenance.

Response: Addressing urgent need projects is a national objective of the HUD CDBG program and we request collaboration to ensure it remains an option for North Dakota communities.

To help receive more timely awards and responses to urgent need applications, and better administer an urgent need project, we request that DCS provides the following in its Program Distribution Statements:

- A definition of an emergency project. For example, can a project be considered urgent need today when a gate valve is about to break, rather than when the valve breaks a few months from now?
- Information on how other states utilize CDBG for urgent need projects. Can HUD provide another state as a guiding example on how to better award and implement urgent need projects in North Dakota?
- Set a specific process to submit, review, and determine if a request will be funded.
- Example: Once a request is received, a response is available within 5-10 business days.
- Define what scoring and ranking criteria is used when reviewing an application for urgent need.
- Allow the regional council/applicant the opportunity to visit with DCS and Governor’s Office staff to review the project verbally and answer any questions or concerns.

In addition to the above-noted concerns, SBPC would like to request the following changes:

1. REQUEST: INCREASE REGIONAL ALLOCATION

There is approximately $4.2 million in the revolving and allocation sectors of the Governor’s Fund. Unallocated funds must be returned to HUD. The regional councils request more funds be distributed to the regions. Councils can make a difference locally – throughout the entire state – if more CDBG is allocated to each region.

The significant increase in minimum grant amounts will directly affect the number of projects that can be allocated funds annually. More expensive projects will mean fewer projects yet requests routinely exceed the amount available.
2. REQUEST: INCREASE SCORING & RANKING CONTRACTS AND PROGRAM MANAGEMENT MINIMUMS

The Scoring and Ranking (S&R) contract amounts for the regional councils has not increased in more than 15 years, however staffing costs have naturally increased with increased cost of living in North Dakota and staff experience. Managing the CDBG program requires on-going training, research, and expertise. The professional staff time needed to allocate funds on an annual basis has increased, however the amount of the contracts has not.

Increasing the amount of Scoring and Ranking contracts will assist in retaining working expertise to maintain this complex program regionally. Increased contracts will also more closely align with actual staff costs incurred to manage the program.

The comments above also applies for the allowable amount of grant management. Increasing the minimum allowable grant amount paid by CDBG should directly correlate with increasing the CDBG grant administration maximum. For example, CDBG grant administration on housing projects is 15% with a maximum $15,000. However, the minimum grant amount is now $200,000, which at 15% would equate to $30,000. In this example, by not allowing the grant administration amount to directly correlate to the grant amount, regional councils are not receiving at least half of the funds needed for staff time to manage the complex program. If these minimums are not increased, regional councils will not be able to afford to maintain professional staff for program management, leading to decreased capacity to manage the program and ensure rules and regulations are followed.

<table>
<thead>
<tr>
<th>Year</th>
<th>S&amp;R Contract Amount</th>
<th>Actual Costs incurred</th>
<th>Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$7,365.25</td>
<td>$7,561</td>
<td>$(195.75)</td>
</tr>
<tr>
<td>2017</td>
<td>$7,373.25</td>
<td>$8,112</td>
<td>$(738.75)</td>
</tr>
<tr>
<td>2018</td>
<td>$7,617.63</td>
<td>$15,364</td>
<td>$(7,746.40)</td>
</tr>
<tr>
<td>2019</td>
<td>$7,612</td>
<td>$11,551</td>
<td>$(3,939)</td>
</tr>
<tr>
<td>2020</td>
<td>$7,643</td>
<td>$10,362</td>
<td>$(2,719)</td>
</tr>
<tr>
<td>5-Year Loss</td>
<td></td>
<td></td>
<td>$(15,338.80)</td>
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</table>

In closing, SBPC requests a much more collaborative approach in administering the CDBG program on behalf of all ND regional councils. The Councils have built up internal capacity to administer this program for the region over the past five years and the staff members are the boots on the ground for the State of ND to provide local and regional insights. The CDBG program is an integral part of community enhancement in North Dakota, and SBPC would like this program to remain as a key resource for small, rural communities. Although the CDBG program is complex, the Regional Councils are a clear leading partner to ensure the success of the program as a viable resource for North Dakota communities.

Respectfully,

Anthony Pandolfo, Chairman
(Bowbells)

Charles Adams, Vice Chairman
(Bottineau County)

SBPC Board of Directors: Thomas Nash (New Town), Ashley Berg (Pierce County), Dwight Flygare (Kennare), Shawn Vedaa (Velva), Kristy Titus (Renville County), Lisa Olson (Minot), Whitney Gonitzke (Bottineau)
Good Morning, Please reconsider the changes to raising the minimum grant for housing rehabilitation projects. I am a manager of a 24 unit apartment complex and the majority of our needs would not be covered if you raise the minimum. This is a very important program and would hurt many housing communities. Please do not raise the minimum grant amount for housing projects!

Sincerely,

Barbara Teumer,
Manager
Parkview Housing, Inc.
fyi

Bonnie Malo
Director
Division of Community Services

701.328.2476 • bmalo@nd.gov • www.communityservices.nd.gov

NORTH
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Be Legendary™

701.328.5300 • 1600 E. Century Ave., Suite 2, PO Box 2057 • Bismarck, ND 58502

From: Lange, karen - RD, Dickinson, ND <karen.lange@usda.gov>
Sent: Monday, April 26, 2021 2:14 PM
To: -Info-Div. of Community Services <dcs@nd.gov>
Cc: Malo, Bonnie S. <bmalo@nd.gov>
Subject: CDBG Comments

***** CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe. *****

I work with non-profit multi-family housing projects across the state. These projects provide affordable housing for eligible households. Several of these projects have benefited from the use of CDBG funds. These funds have been used for accessibility and safety updates, project improvements, including roofs, siding, windows, doors, etc. Increasing the minimum grant amount to $100,000 for housing would make it nearly impossible for these non-profit owners to qualify. Many times the improvements are only $30,000 or more, however CDBG funds are the only way to complete the improvements without increasing rents for low income households. Our state has a continued need for affordable housing, and this is a great tool to keep housing affordable. I encourage you to re-consider the minimum grant amounts for housing projects in your 2021 allocations. Thank you.
Karen Lange  
Loan Specialist  
Routine Servicing Team 3, Midwest Region, Field Operations Division  
Multifamily Housing, Rural Development  
United States Department of Agriculture  
2493 4th Ave. West, Area B  
Dickinson, ND 58601  
Phone: 701.495.7683 | Fax: 877.492.4990  
www.rd.usda.gov

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March 18, 2021

Bonnie Malo, Director
ND Dept of Commerce
PO Box 2057
Bismarck ND 58502-2057

RE: 2021 CDBG Program Requirements

Ms. Malo,

Our Board of Directors learned at our quarterly meeting this week of the minimum project amount for the 2021 CDBG grant increasing to $75,000.00. This increase will eliminate small community projects in our region from qualifying for funding. For example, in the last two years our agency has funded six projects ranging from $20,000 to $70,000.

We would like to express our concern and request that this amount be reduced to allow more local projects to be considered for funding. We are hopeful you will reach out to us as this matter is explored within your agency.

Sincerely,

Paul Gunderson, Ph.D
Vice President
April 28, 2021

North Dakota Department of Commerce
Division of Community Services
PO Box 2057
Bismarck ND 58502 2057

To Whom it May Concern:

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South Central Dakota Regional Council

420 2nd St SW, Suite 208
PO Box 9893
Jamestown, ND 58402-0809
Phone: 701-252-8050

Annual Action Plan
2021

OMB Control No: 2506-0117 (exp. 09/30/2021)
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4. **PROPOSED CHANGE: INCREASE S&R CONTRACTS / PROGRAM MANAGEMENT**
   
   **Responses:** Increasing the amount of Scoring and Ranking (S&R) contracts will assist in retaining working expertise to maintain this complex program regionally. Increased S&R contracts will also more closely align with actual staff costs incurred to manage the program.

   The amount of the Scoring and Ranking (S&R) contracts with the regional councils has not increased in more than 15 years, however staffing costs have not remained stagnant during the same period. Managing the CDBG program requires ongoing training, research, and expertise. The professional staff time needed to allocate funds on an annual basis has increased, however the amount of the S&R contracts has not.

   Professional staff costs in Region VI for the past four years are higher than the S&R contract amount. These costs happen before grant management begins for specific projects, as grant management is paid by the applicant. Staff are engaged in ongoing research and vetting of potential projects prior to actual development of a CDBG application. This staff time, in addition to the actual scoring and ranking of projects, is intended to be covered under the S&R contract.

   The same applies for the allowable amount of grant management. Increasing the minimum allowable grant amount should directly correlate with increasing the CDBG grant administration maximum. For example, CDBG grant administration on housing projects is 15% with a maximum $15,000. However, the minimum grant amount is now $200,000, which at 15% would equate to $30,000. In this example, by not allowing the grant administration amount to directly correlate to the grant amount, regional councils are not receiving at least half of the funds needed for staff time to manage the complex program.

5. **PROPOSED CHANGE: EMERGENCY/URGENT NEED PROJECTS**
   
   **Responses:** Difficulties in meeting CDBG program requirements was noted as a potential reason why the state may no longer consider accepting urgent need project applications during the February 26, 2021 call with DCS staff. Yet, addressing urgent need projects is a national objective of the CDBG program and we request collaboration to ensure it remains an option for North Dakota communities.

   Governor's funding has been very difficult to acquire with the timelines that are on CDBG projects at this time. Those projects that are legitimate emergencies need to be addressed immediately as they are a detriment to the health and welfare of their communities. Additional funding put into our region's allocation would help ease this burden.

To help receive a timely award and better administer an urgent need project, we request:

- A definition of an emergency project. For example, can a project be considered an urgent need today when a gate valve is about to break, rather than when the valve breaks a few months from now?
- Information on how other states utilize CDBG for urgent need projects. Can HUD provide another state as a guiding example on how to better award and implement urgent need projects in North Dakota?
- Set a specific process to submit, review, and determine if a request will be funded.
  - Once a request is received, a response is available within 10 days, for example.
  - Define what criteria is used in deciding whether to fund a request.
  - Allow the regional council/applicant the opportunity to visit with DCS and Governor's Office staff to review the project verbally and answer any questions or concerns.

Although complex to implement and manage, the CDBG program continues to be an important resource in North Dakota. We, the SCDRC Board of Directors and Executive Director, appreciate your consideration of our comments on the FY2021 Action Plan.

Thank you,

[Signature]

Joseph Neis,
SCDRC Executive Board President
**** CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe. ****

To Whom It May Concern:

In reviewing the Community Block Grant program (CDBG) I kindly ask that you reconsider increasing the minimum grant amount for housing rehabilitation programs. The multi-family housing project that I manage has benefited from this program in the past and the continued use of the program would contribute to the success of our project. I am concerned that increasing the minimum grant funds would have severe adverse effects on our multi-family housing project.

Sincerely,

Merri Johnson
Park Vue Apartments | Management Agent
PO Box 148 | 240 3rd Street SW | Leeds ND 58346
Good morning.
I am writing to encourage you to reconsider the minimum grant amount for raising the grant amounts for projects from $25,000 to $100,000. This change will have severe adverse effects on MFH projects. This increased amount will make projects like the Fort Ransom Housing Authority in Fort Ransom, ND not qualify for assistance in the future.
We have six units in our complex and with the grant amount range in the $25,000 figure, our housing authority would have better access to use the grant program.
If the grant amount is raised to $100,000 – it will significantly impact our chance to ever qualify for a grant to make improvements to our housing authority.

Please reconsider the minimum grant amount for projects. Especially for the smaller projects like our housing authority.
Thank you.

Darrel Bjone
Manager of Fort Ransom Housing Authority
Fort Ransom, ND

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April 5, 2021

North Dakota Department of Commerce
Division of Community Services
PO Box 2057
Bismarck, ND 58502-2057

To Whom It May Concern:

As you are aware, Lewis and Clark Regional Development Council (LCRDC) is one of eight councils across the State of North Dakota that receives a yearly allocation of Community Development Block Grant funds administered by your office. We also have a yearly scoring and ranking contract. LCRDC has reviewed the FY2021 proposed changes to the CDBG program provided by your office and the draft of the 2021 Action Plan.

We have identified the following concerns:

1. **Proposed changes to the minimum grant amounts.** This significant increase in minimum grant amounts will have a negative impact on all eligible communities served in our region. Smaller communities that have limited financial resources will no longer be able to access funding and those having smaller projects will also be affected.

2. **Proposed changes concerning comprehensive projects.** A majority of the public facilities projects receiving CDBG funding in our region have an engineer involved and rely on their expertise to determine the project needs. Sometimes this may only require a certain part or component of the project be repaired and not a complete replacement. The same can be said for our housing rehabilitation projects. Some of these projects only need a certain area addressed, i.e., new shingles. The whole roof does not need to be replaced in this instance, just new shingles, which will extend the life to another 20 years.

3. **Proposed changes concerning Emergency/Urgent need projects no longer considered.** As you are aware, addressing urgent need projects is a national objective of the HUD CDBG program and we would like to see it remain an option for our regional communities. We would also like to see a definition of an emergency project; a better response time in determining whether or not the project will receive funding; and allow the applicant...
city/county the opportunity to present their project verbally in order to answer questions or concerns by DCS or the Governor’s office.

Additional Concerns:

1. **Regional Allocation.** If there would be any unallocated funds from the Governor’s Fund that are at risk of being returned to HUD, LCRDC would like to see those funds distributed to all eight of the regional councils across the state. As with most yearly requests by cities, the amount far exceeds the available funds to grant out.

2. **Scoring and ranking contracts and program administration minimums.** Scoring and ranking contracts have not had an increase for over 15 years; however, staff costs have increased tremendously over this time-period. LCRDC would like to see this area addressed and a concerted effort to make an increase. When it comes to program administration, if the grant minimums will be increased then the administration of those new grant minimums should also be directly related with grant administration increasing to be able to afford and maintain staff for this management.

The CDBG program is very important to Region VII and LCRDC would like this program to remain a key resource for those small, rural communities. We feel our partnership with DCS is very important in delivering this program and would like to ensure the success of the program and its continuance.

Sincerely,

Brent Ekstrom
Executive Director
April 19, 2021

North Dakota Department of Commerce
Division of Community Services
PO Box 2057
Bismarck, ND 58502

To Whom It May Concern:

Please consider this letter as a summary of comments and concerns regarding the 2021 Community Development Block Grant (CDBG) Action Plan from North Central Planning Council (NCPC). The NCPC serves Region III, including Benson, Eddy, Cavalier, Ramsey, Rolette and Towner counties, in north central North Dakota.

The NCPC Executive Board has reviewed the draft of the 2021 Action Plan via the DCS website and as partners in the administration and management of the CDBG program has authorized me to submit the following comments on their behalf. The following is a summary of concerns:

1. PROPOSED CHANGE: INCREASED MINIMUM GRANT AMOUNT

Comment: The significant increase in the minimum grant amount will have a direct effect on all communities served, especially smaller communities with limited financial resources and infrastructure that has surpassed its expected design life. In Region III 19 of the 40 cities currently meet the low-to-moderate-income (LMI) classification. Increased grant minimums will have a direct effect on the ability of those communities to utilize CDBG as a significant number of projects are under $75,000.

From 2016 to 2020 Region III received 29 pre-applications. Of the 23 projects that were approved and invited to submit a final application, 17 were under the new limit of $75,000, and actually 13 of those were under $15,000 as follows:

- 2016 had 5 projects funded, 4 of which were under the new limit of $75,000 and 3 of those being much less, under $50,000 projects.
- 2017 had 5 projects funded, 4 were under the new limit of $75,000 and all 4 being much less, under $50,000 projects.

[Signature]

Executive director planning staff for region 10, 11, and 12 governments in the counties of Benson, Eddy, Cavalier, Ramsey, Rolette, and Towner.
• 2018 had 5 projects funded, 4 were under the new limit of $75,000 and 2 were projects under $50,000.
• 2019 had 3 projects funded, 1 was under $75,000.
• 2020 had 5 projects funded, 4 were under the new limit of $75,000 and all 4 were projects under $50,000.

If an increase in the grant minimum is necessary, a less significant increase could likely still meet the goal. As defined in the state draft plan the proposed minimum grant amount has increased anywhere from 100% to 900%.

<table>
<thead>
<tr>
<th>Eligible Category</th>
<th>Previous Minimum</th>
<th>Proposed Minimum</th>
<th>Percent of Increase</th>
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<tr>
<td>Public Facilities &amp; Public Services</td>
<td>$20,000</td>
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<tr>
<td>Single Family Housing</td>
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<tr>
<td>Multi-Family Housing</td>
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<td>$25,000</td>
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<td>$10,000</td>
<td>$15,000</td>
<td>50%</td>
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<tr>
<td>Economic Development – Primary Sector</td>
<td>$50,000</td>
<td>$55,000</td>
<td>10%</td>
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<tr>
<td>Governor's Fund</td>
<td>$10,000</td>
<td>$15,000</td>
<td>50%</td>
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If these increases had been in place on the last five years, 17 of the 23 projects in Region I I would not have met the project minimums. There are many comprehensive projects that have been done in Region III for less than $75,000.

2. **PROPOSED CHANGE: COMPREHENSIVE PROJECTS**
   Response: HUD has indicated it is concerned projects in North Dakota are not comprehensive, however applicants have a fiscal and ethical responsibility to only include what is necessary in a project’s scope.

During the February 26, 2021 call with DCS staff, it was indicated HUD is concerned projects in North Dakota are not comprehensive. This was used as partial justification for increasing the allowable minimum grant amount to encourage larger, more comprehensive projects.

As an example, replacing the entire lift station is more comprehensive than replacing an operational component of the lift station like the control panel. Often a complete replacement is not necessary and a community is not likely to replace an entire lift station unless necessary as this would not be a prudent use of limited taxpayer funds.

2. **PROPOSED CHANGE: INCREASE REGIONAL ALLOCATION**
   Response: Region III and other regional councils request an increase to the funding allocation distributed to the regions. This can be done by decreasing the amount reserved annually for the Governor’s Fund.
The significant increase in minimum grant amounts will likely directly affect the number of projects that can be allocated funds annually. More expensive projects will mean fewer projects. The number of pre-application Region III receives each year significantly exceeds the yearly funding allocation.

In the 2016–2020 timeframe Region III has received the following requests for funding in the pre-application:

- 2016 regional allocation was $255,501 and total pre-application requests were $294,771.
- 2017 regional allocation was $256,175 and total pre-application requests were $227,575.
- 2018 regional allocation was $265,083 and total pre-application requests were $389,625.
- 2019 regional allocation was $260,447 and total pre-application requests were $387,282.
- 2020 regional allocation was $269,321 and total pre-application requests were $436,670.

The five-year total requests exceed the total allocation by $326,866. There is approximately $4.2 million currently in the revolving and allocation sectors of the Governor's Fund. Unallocated funds must be returned to HUD. Through additional regional allocation we can make a difference locally and throughout the entire state.

3. PROPOSED CHANGE: INCREASE S&R CONTRACTS / PROGRAM MANAGEMENT

Response: Increasing the amount of Scoring and Ranking (S&R) contracts will assist in retaining working expertise to maintain this complex program regionally. Increased S&R contracts will also more closely align with actual staff costs incurred to manage the program.

The amount of these Scoring and Ranking (S&R) contracts with the regional councils has not increased in more than 15 years, however staffing costs have not remained stagnant during the same period.

Managing the CDBG program requires on-going training, research, and expertise. The professional staff time needed to allocate funds on an annual basis has increased, however, the amount of the S&R contracts has not.

Scoring and ranking costs happen before grant management begins for specific projects, as grant management is paid by the applicant. Staff are engaged in on-going research and vetting of potential projects prior to actual development of a CDBG application. This staff time, in addition to the actual scoring and ranking of projects, is intended to be covered under the S&R contract. From 2016–2020 the total of S&R contracts issued in Region III was $37,621.13 and the total staff cost was $44,103.89, which was created an expense to the Region Council of $6,482.26.

In Region III, to get, keep, and train qualified staff the cost of staffing has increased significantly. For grant management, from 2015–2020 Region III received $26,631, $22,048, $38,976, $36,044 and $30,000 respectively. The combined total for the S&R contract and project administration each year does not cover the cost of salary and fringe for one full-time employee to administer CDBG projects.

Increasing the minimum allowable grant amount should directly correlate with increasing the CDBG grant administration maximum. For example, CDBG grant administration on housing projects is 15% with a maximum $15,000. However, the minimum grant amount is now $200,000, which at 15% would
equate to $30,000. In this example, by not allowing the grant administration amount to directly correlate to the grant amount, regional councils are not receiving at least half of the funds needed for staff time to manage the complex program.

4. PROPOSED CHANGE: EMERGENCY/URGENT NEED PROJECTS

Response: Difficulties in meeting CDBG program requirements was noted as a potential reason why the state may no longer consider accepting urgent need project applications during the February 26, 2021 call with DCS staff. Addressing urgent need projects is a national objective of the CDBG program and is important to the communities in Region III. Additional collaboration and training would be beneficial to the City/County and administrator so that urgent need projects could remain an option for North Dakota communities.

The following are a few areas where additional collaboration and training would provide benefit so that projects receive a timely award:

- A definition of an emergency project. For example, can a project be considered an urgent need today when a gate valve is about to break, rather than when the valve breaks a few months from now?
- Information on how other states utilize CDBG for urgent need projects. Can HUD provide another state as a guiding example on how to better award and implement urgent need projects in North Dakota?
- Set a specific process to submit, review, and determine if a request will be funded.
  - Once a request is received, a response is available within 30 days, for example.
  - Define what criteria is used in deciding whether to fund a request.
  - Allow the regional council/applicant the opportunity to visit with DCS and Governor’s Office staff to review the project verbally and answer any questions or concerns.

CLOSING

The CDBG program is a vital part in the viability of many small communities in Region III. NCPC appreciates their relationship with the DCS and the CDBG program. As partners we look forward to a collaborative approach in administering the CDBG program. The NCPC Board of Directors and Executive Director, appreciate your consideration of our comments on the FY2021 Action Plan.

Sincerely,

Sandra Shively
Executive Director
April 26, 2021

North Dakota Department of Commerce
Division of Community Services
PO Box 2057
Bismarck, ND 58502-2057
Sent via email to: dcs@nd.gov

To Whom It May Concern:

Please consider this letter as a summary of comments and concerns regarding the 2021 Community Development Block Grant (CDBG) Action Plan from the North Dakota Association of Regional Councils (NDARC). The NDARC represents and is made up of the eight established regions in North Dakota.

As partners in administration and management of the CDBG program, we are sharing our comments in response to proposed changes to the FY2021 CDBG program provided by ND Department of Commerce – Division of Community Services (DCS) staff during a virtual meeting held with regional councils on February 26, 2021. Regional councils held a follow-up virtual meeting on March 10, 2021 to discuss proposed changes and potential negative impacts. The draft of the 2021 Action Plan was also reviewed via the DCS website.

The NDARC has identified the following concerns:

1. **PROPOSED CHANGE: INCREASED MINIMUM GRANT AMOUNT**

   It was noted by DCS staff during the February 26, 2021 virtual meeting that HUD is requiring CDBG address more comprehensive projects in North Dakota than have been approved in the past and increasing the minimum grant amount is meant to meet this requirement.

   **Response:** The new minimums in 2021 have been increased between 100% and 900%.

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<thead>
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<tr>
<td>Governor’s Fund</td>
<td>$10,000</td>
<td>$100,000</td>
<td>900%</td>
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The significant increase in the minimum grant amounts for all project types will have a negative impact on all eligible communities served, particularly smaller communities with limited financial resources, infrastructure that has surpassed its expected design life, and deteriorated housing available for low- to moderate-income families. The members of the NDARC are gravely concerned about the communities who will no longer be able to access funding, potentially leading to further deterioration of our rural communities, leading to negative impacts on the North Dakota CDBG program.

2. PROPOSED CHANGE: COMPREHENSIVE PROJECTS
   During the February 26, 2021 virtual meeting, DCS staff indicated HUD is concerned projects in North Dakota are not comprehensive. This was used as partial justification for increasing the allowable minimum grant amount – to encourage larger, more comprehensive projects.
   **Response:** A more expensive project does not always equal a more comprehensive project.
   Often a complete replacement project is not necessary, therefore not a prudent use of limited taxpayer funds.

   Some communities have been able to replace an entire lift station for less than the current public facilities grant amount of $75,000. Referring to the above lift station example, with the new requirements, replacing the entire lift station is more comprehensive than replacing an operational component of the lift station like the control panel. However, a community with limited financial resources is not likely to replace an entire lift station unless necessary, and we rely on engineering professionals to make these determinations. Often a complete replacement is not necessary, therefore replacing the entire lift station would not be a prudent use of limited taxpayer funds.

   Referring to a multi-family housing project example, if a 4-plex needs a new roof because it is past its effective life, oftentimes a roof replacement will cost around $25,000. A complete roof replacement should be considered a comprehensive project. With the new minimums, CDBG cannot be considered a source of funding for projects like this, unless a community has four different buildings that meet eligibility requirements, all needing a new roof, at the same time, assuming the community has matching funds to cover the additional expenses that go along with replacing four roofs. There are no other comparable alternative programs that communities can utilize for projects like this in North Dakota.

3. PROPOSED CHANGE: EMERGENCY/URGENT NEED PROJECTS NO LONGER CONSIDERED
   During the February 26, 2021 virtual meeting, regional council staff across the state shared various difficult experiences in receiving a grant award in an acceptable timeframe for a community to address an urgent need project. DCS has indicated deferred maintenance projects are not eligible, however some projects are the result of the end of the useful life of infrastructure, and some urgent need applications are not a reflection of deferred maintenance.
Response: Addressing urgent need projects is a national objective of the HUD CDBG program and we request collaboration to ensure it remains an option for North Dakota communities.

To help receive more timely awards and responses to urgent need applications, and better administer an urgent need project, we request that DCS provides the following in its Program Distribution Statements:

- A definition of an emergency project. For example, can a project be considered urgent need today when a gate valve is about to break, rather than when the valve breaks a few months from now?
- Information on how other states utilize CDBG for urgent need projects. Can HUD provide another state as a guiding example on how to better award and implement urgent need projects in North Dakota?
- Set a specific process to submit, review, and determine if a request will be funded.
  - Example: Once a request is received, a response is available within 5-10 business days.
  - Define what scoring and ranking criteria is used when reviewing an application for urgent need.
  - Allow the regional council/applicant the opportunity to visit with DCS and Governor’s Office staff to review the project verbally and answer any questions or concerns.

In addition to the above-noted concerns, the NDARC would like to request the following changes:

1. **REQUEST: INCREASE REGIONAL ALLOCATION**
   There is approximately $4.2 million in the revolving and allocation sectors of the Governor’s Fund. Unallocated funds must be returned to HUD. The regional councils request more funds be distributed to the regions. Councils can make a difference locally – throughout the entire state – if more CDBG is allocated to each region.

   The significant increase in minimum grant amounts will directly affect the number of projects that can be allocated funds annually. More expensive projects will mean fewer projects, yet, requests routinely exceed the amount available.

2. **REQUEST: INCREASE SCORING & RANKING CONTRACTS AND PROGRAM MANAGEMENT MINIMUMS**
   The Scoring and Ranking (S&R) contract amounts for the regional councils has not increased in more than 15 years, however staffing costs have naturally increased with increased cost of living in North Dakota and staff experience. Managing the CDBG program requires on-going training, research, and expertise. The professional staff time needed to allocate funds on an annual basis has increased, however the amount of the contracts has not.
Increasing the amount of Scoring and Ranking contracts will assist in retaining working expertise to maintain this complex program regionally. Increased contracts will also more closely align with actual staff costs incurred to manage the program.

The comments above also apply for the allowable amount of grant management. Increasing the minimum allowable grant amount paid by CDBG should directly correlate with increasing the CDBG grant administration maximum. For example, CDBG grant administration on housing projects is 15% with a maximum $15,000. However, the minimum grant amount is now $200,000, which at 15% would equate to $30,000. In this example, by not allowing the grant administration amount to directly correlate to the grant amount, regional councils are not receiving at least half of the funds needed for staff time to manage the complex program. If these minimums are not increased, regional councils will not be able to afford to maintain professional staff for program management, leading to decreased capacity to manage the program and ensure rules and regulations are followed.

In closing, the NDARC requests a much more collaborative approach in administering the CDBG program on behalf of all ND regional councils. The Councils have built up internal capacity to administer this program for the region over the past five years and the staff members are the boots on the ground for the State of ND to provide local and regional insights. The CDBG program is an integral part of community enhancement in North Dakota, and the NDARC would like this program to remain as a key resource for small, rural communities. Although the CDBG program is complex, the Regional Councils are a clear leading partner to ensure the success of the program as a viable resource for North Dakota communities.

Lyndsay Ulrickson
President, NDARC
lyndsay@sourisbasin.org

Brent Ekstrom
Vice President, NDARC
brent@lcmdgroup.org
As the City Auditor of Glen Ullin, I oppose the proposed plan to increase the minimum grant amount of $25,000 to $75,000 on Community Development Block Grant (CDBG) program for 2021 allocations. Sometimes we have a small project that the City can’t afford and it seems silly to add additional items to the grant just to hit a minimum amount. It ties up funds that could be better used for multiple cities’ small projects rather than a larger project with fluff added to meet the minimum requirement. Maybe $25,000 is too low, but a compromise of possibly $35,000 or $40,000 would be more realistic. As a city that has received multiple grants from the CDBG program, we are in the process of applying for a grant that would best be served with a lower minimum threshold. I respectfully request that the minimum amount remain the same or slightly higher. Thank you for your consideration.

Vicki Horst
April 21, 2021

Division of Community Services
ND Department of Commerce
PO Box 7057
Bismarck, ND 58502-2057

RE: Comments and Questions for FY21 Annual Action Plan and Program Distribution Statement

Thank you for the opportunity to provide comments regarding the FY21 Annual Action Plan and its attendant Program Distribution Statement. This letter also contains comments regarding the proposed policy changes affecting grant award implementation which have been previously discussed between the Division of Community Services and the regional councils. The ideas presented herein are aimed at making the program more efficient and timely given the limitations presented by HUD.

We recognize that each regional council has varying levels of staff capacity and offers different products and services outside of the CDBG program. These comments and questions reflect Lake Agassiz Regional Council’s circumstances. These do not necessarily reflect that of other councils.

Regional Allocation Amounts

We encourage providing a greater share of the State’s appropriation to the regions and less towards the Governor’s Fund. Greater amounts at the regional level will encourage pre-applications from larger scale projects. Since HUD is encouraging that projects be comprehensive in nature, however that may be defined by them, it would be necessary to increase the amount regions can award per year.
The rules and regulations of the CDBG program inherently privilege those larger projects which are either full-scale rehabilitation of buildings or relatively substantial public infrastructure improvements. Small grants are often not feasible given the capacity constraints for all parties involved.

One example is when a jurisdiction wishes to undertake a project using majority local or state-appropriated funds but will need to fill in a gap in the funding stack. Bringing federal dollars into the project triggers numerous requirements that invariably increase costs and complexity. Dealing with those requirements may be worth the extra hassle unless the grant is sufficiently large enough. It is not worth it to the applicant to complicate a project with federal dollars if the grant is quite small.

Another example is those cases where CDBG can be paired with USDA Rural Development. These programs pair well together since RD funds trigger the same requirements and processes as CDBG. However, the USDA office in North Dakota is allocated very little dollars which can be granted out for public facilities and infrastructure projects. Additionally, USDA uses a different data source to use for determining whether a community is eligible for any grant funds in the first place. Towns which would qualify under CDBG may not for an USDA RD grant. Bringing in CDBG reduces the amount cities need to borrow as well as reduces the increases in households’ water bills.

Governor’s Fund

Regardless of whether or not the aforementioned share of the overall allocation between Governor’s Fund and regions is changed, allowing the Governor’s Fund to support more project types can be decided independently. Currently, the only types it can fund are Economic Development, Urgent Need, and special needs housing (i.e., permanent supportive housing).
As evidenced by the high level of funds remaining in the Governor’s Fund throughout the year, these types of projects come about infrequently. Using CDBG as a tool for economic development is made more burdensome due to the job creation requirements. In our region at least, job creation is not a priority; finding qualified employees for the positions a ready open’s the priority. Therefore, it has been found to be an ill-suited tool for economic development purposes.

Urgent Need is problematic given it is only in rare occurrences that a City - whose infrastructure was damaged by storm or disaster - will have the funds for a temporary fix while waiting until the application and environmental review processes are approved. If an emergency comes up, it is something that must be addressed immediately and not months down the road. Nor do most Cities have enough funds on hand to even do the temporary fix in the first place.

One option to consider is allowing for communities to apply for projects with a benefit to TMI persons if the regional council has dedicated its entire allocation at the scoring and ranking meeting. These applications may arise during the course of the program year but do not meet the Urgent Need criteria. They would come in after the scoring and ranking meeting but do not necessarily need to wait until the following year’s pre-application round.

Another option is to allow for more kinds of special projects in addition to permanent supportive housing. The food bank in West Fargo being one notable example. The need arose once the pandemic started. Clarifying it is an eligible project would have meant the Governor’s office could act on approving the pre-application.
Grant Minimums and Maximums

The rules and regulations tied to the CDBG program inherently make small projects more difficult to administer. We understand the reasoning behind DCS’s decision to increase minimums. However, there can be projects falling below the minimum which nonetheless constitute a complete and well-conceived application. We would appreciate flexibility when it comes to those kinds of applications.

If CDBG cannot be used for those smaller scale projects, then we will support efforts to create an alternative program – tailored to the conditions of rural North Dakota - with State appropriations. We will gladly assist Commerce in examining this idea.

Environmental Review

In order to remedy any shortcomings with the environmental reviews, LARC staff will complete HUD’s WISER training modules. Also, HUD’s checklists are to be used to ensure critical items are not forgotten. It may be beneficial to all of the regional councils for Commerce or its consultants to host trainings on how to properly undertake an environmental review.

Miscellaneous Questions

The following are questions which we would appreciate clarification:

- On page 51 of the PDS – i.e. page 204 of the entire document – it is mentioned that all water and sewer projects must be reviewed and approved by the State Health Department. Would that not now be the Department of Environmental Quality, specifically the Division of Municipal Services? That is due to the department being split off into two a few years ago.
Recently we have received calls from daycare operators interested in the CDLF. Would daycares fall under "retail sector and tourism"? In other words, does that term include service business as well?

There are several examples across the country of grants given to community colleges for purchasing equipment used in their curriculum. A common example has been purchasing equipment for a mock hospital room in which nursing students can practice on dummies.

These grants are considered to be economic development since the students hired by a partner company are counted towards the job creation requirement. This would mean we can tap into the region's large amount of CDLF dollars. HUD allows grants to institutions of higher education who engage in eligible activities. Can we add some clarification to the Program Distribution Statement confirming these are eligible under North Dakota's program?

Sincerely,

[Signature]

Thomas Jefferson
Chairman, Lake Agassiz Regional Council

[Signature]

Amber Metz
Executive Director, Lake Agassiz Development Group
Forderer, Tonya R.

From: Kessel, Shawn
Sent: Thursday, May 27, 2021 3:46 PM
To: Forderer, Tonya R.
Subject: FW: Proposed Changes to the Comm Dev Block Grant

Shawn Kessel
COO/Deputy Commerce Commissioner
skessel@nd.gov
701.328.5331
701.690.7776

From: Info Div. of Community Services <dcs@nd.gov>
Sent: Monday, April 26, 2021 11:57 AM
To: Malo, Bonnie S. <bmalo@nd.gov>; Leiman, James K. <jleiman@nd.gov>; Kessel, Shawn <skessel@nd.gov>
Subject: FW: Proposed Changes to the Comm Dev Block Grant

**** CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe. ****

Good Afternoon,

My comments are related to the proposed changes being considered to the 2021 Community Development Block Grant allocations. Increasing the minimum amount from $25,000 to $100,000 for housing rehabilitation projects would not allow many smaller projects to be funded. Why would you want to disincentivize small projects from being completed? Bigger is not always better. Please reconsider the proposed changes. Thank you.

Marcy Svenningsen
Finance Director
Open Door Center
701-845-1124 x 133
April 21, 2021

North Dakota Department of Commerce
Division of Community Services
PO Box 2057
Bismarck, ND 58502-2057

VIA EMAIL to: dcs@nd.gov

To Whom It May Concern:

Please consider this letter as a summary of comments and concerns regarding the 2021 Community Development Block Grant (CDBG) Action Plan from the Red River Regional Council (RRRC). The RRRC serves Region IV, including Grand Forks, Nelson, Pembina, and Walsh counties, in northeast North Dakota. This letter was reviewed and approved by the Regional Council’s Board of Directors on April 21, 2021. The Board of Directors is comprised of many local elected officials with 11 of the 14 representing cities, counties, and businesses which have directly benefitted from the CDBG program in the past.

As partners in administration and management of the CDBG program, we are sharing our comments in response to proposed changes to the FY2021 CDBG program provided by ND Department of Commerce – Division of Community Services (DCS) staff during a call held with all regional council staff on February 26, 2021. The regional council staff held a follow-up conference call on March 10, 2021 to discuss proposed changes and potential negative impacts. The draft of the 2021 Action Plan was also reviewed via the DCS website.

The following is a summary of concerns:

1. **PROPOSED CHANGE: INCREASED MINIMUM GRANT AMOUNT**
   
   It was noted during the February 26, 2021 conference call with DCS staff that HUD is requiring CDBG address more comprehensive projects in North Dakota than have been approved in the past. Increasing the minimum grant amount is meant to implement that.

   **Response:** The significant increase in the minimum grant amount will have a direct effect on all communities served, especially smaller communities with limited financial resources and infrastructure that has surpassed its expected design life. There are a significant number of communities in Region IV classified as low-to-moderate-income (LMI). Increased grant minimums will have a direct effect on the ability of those communities to utilize CDBG.


Annual Action Plan
2021
If an increase in the grant minimums is necessary, a less significant increase could likely still meet the goal. The new 2021 minimums will equate to increases between 100% - 900%, which is adversely significant.

Three communities in Region IV, the City of Hoople in Walsh County, and the cities of Crystal and Mountain in Pembina County, have already expressed concern that the increased minimum grant amount will likely deter the cities in applying for CDBG funds for public facilities and housing projects. The increased minimums will require larger, more expensive projects which will also necessitate more local funds for engineering, grant administration, and for portions of the project not funded with CDBG. Projects these cities are considering include multi-family housing rehabilitation and/or construction, replacement of the control panel at a lagoon, sidewalk replacement, and replacement of storm sewer gate valves. Populations of these cities range from 89 to 342 residents. The LMI rates in these communities range from 50% to 67%.

The proposed minimum grant amount has increased anywhere from 100% to 900%:

<table>
<thead>
<tr>
<th>Eligible Category</th>
<th>Previous Minimum</th>
<th>Proposed Minimum</th>
<th>Percent of Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Facilities &amp; Public Services</td>
<td>$20,000</td>
<td>$75,000</td>
<td>275%</td>
</tr>
<tr>
<td>Single Family Housing</td>
<td>$25,000</td>
<td>$200,000</td>
<td>700%</td>
</tr>
<tr>
<td>Multi-Family Housing</td>
<td>$25,000</td>
<td>$100,000</td>
<td>300%</td>
</tr>
<tr>
<td>Economic Development – Retail Sector &amp; Tourism</td>
<td>$10,000</td>
<td>$50,000</td>
<td>400%</td>
</tr>
<tr>
<td>Economic Development – Primary Sector</td>
<td>$50,000</td>
<td>$100,000</td>
<td>100%</td>
</tr>
<tr>
<td>Governor’s Fund</td>
<td>$10,000</td>
<td>$100,000</td>
<td>900%</td>
</tr>
</tbody>
</table>

There are communities that have comprehensive public facilities projects that would not cost $75,000. For example, some communities have been able to replace an entire lift station for less than the current public facilities grant amount of $25,000.

Additionally, in Region IV, 25 of the 41 cities (63%) are classified as low or moderate income (LMI) communities according to U.S. Census data. This means the opportunity for low populated, high LMI communities to utilize CDBG will become increasingly difficult.

2. **PROPOSED CHANGE: COMPREHENSIVE PROJECTS**

   During the February 26, 2021 call with OCS staff, it was indicated HUD is concerned projects in North Dakota are not comprehensive. This was used as partial justification for increasing the allowable minimum grant amount – to encourage larger, more comprehensive projects.

   **Response:** HUD has indicated it is concerned projects in North Dakota are not comprehensive, however applicants have a fiscal and ethical responsibility to only include what is necessary in a project’s scope. A more expensive project does not always equate to a more comprehensive project.
As an example, replacing the entire lift station is more comprehensive than replacing an operational component of the lift station like the control panel. However, a community with limited financial resources is not likely to replace an entire lift station unless necessary. Often a complete replacement is not necessary, therefore replacing the entire lift station would not be a prudent use of limited taxpayer funds.

3. PROPOSED CHANGE: EMERGENCY/URGENT NEED PROJECTS

During the February 26, 2021 virtual meeting, regional council staff across the state shared various difficult experiences in receiving a grant award in an acceptable timeframe for a community to address an urgent need project. DCS has indicated deferred maintenance projects are not eligible, however some projects are the result of the end of the useful life of infrastructure, not deferred maintenance.

Response: Addressing urgent need projects is a national objective of the CDBG program and we request collaboration to ensure it remains an option for North Dakota communities.

Difficulties in meeting CDBG program requirements was noted as a potential reason why the state may no longer consider accepting urgent need project applications.

To help receive a timely award and better administer an urgent need project, we request:

- A definition of an emergency project. For example, can a project be considered an urgent need today when a gate valve at a lagoon is about to break, rather than when the valve breaks a few months from now?
- Information on how other states utilize CDBG for urgent need projects. Can HUD provide another state as a guiding example on how to better award and implement urgent need projects in North Dakota?
- Set a specific process to submit, review, and determine if a request will be funded.
  - Example: Once a request is received, a response is available within 10 days.
  - Define what criteria is used when reviewing an application for urgent need.
  - Allow the regional council/applicant the opportunity to visit with DCS and Governor’s Office staff to review the project verbally and answer any questions or concerns.

RRRC REQUESTS FOR CONSIDERATION

In addition to the above-noted concerns, the RRRC requests the following considerations:

1. INCREASE REGIONAL ALLOCATION

This is a request of the regional councils to increase the amount of funds distributed to the regions. This can be done by decreasing the amount reserved annually for the Governor’s Fund.

There is approximately $4.2 million currently in the revolving and allocation sectors of the Governor’s Fund. Unallocated funds must be returned to HUD. The regional councils request more funds be distributed to the regions. We can make a difference locally – throughout the entire state – if more CDBG is allocated to each region.
The significant increase in minimum grant amounts will likely directly affect the number of projects that can be allocated funds annually. More expensive projects will mean fewer projects. Yet, requests routinely exceed the amount available.

2. INCREASE SCORING & RANKING CONTRACTS AND PROGRAM MANAGEMENT MINIMUMS

Increasing the amount of Scoring and Ranking (S&R) contracts will assist in retaining working expertise to maintain this complex program regionally. Increased S&R contracts will also more closely align with actual staff costs to manage the program.

The amount of the S&R contracts with the regional councils has not increased in more than 15 years, however staffing costs have naturally increased with increased cost of living and staff experience. Managing the CDBG program requires on-going training, research, and expertise. The professional staff time needed to allocate funds on an annual basis has increased, however the amount of the S&R contracts has not.

Professional staff costs in Region IV for the past four years are 21% - 42% higher than the S&R contract amount. These costs happen before grant management begins for specific projects, as grant management is paid by the applicant. Staff are engaged in on-going research and vetting of potential projects prior to actual development of a CDBG application. This staff time, in addition to the actual scoring and ranking of projects, is intended to be covered under the S&R contract.

The chart below shows S&R contract amounts and actual Region IV staff costs from 2017-2020:

<table>
<thead>
<tr>
<th>Year</th>
<th>Scoring &amp; Ranking Contract Amount</th>
<th>Actual Staff Costs</th>
<th>Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$7,373</td>
<td>$11,622</td>
<td>-$4,249</td>
</tr>
<tr>
<td>2018</td>
<td>$7,618</td>
<td>$13,112</td>
<td>-$5,495</td>
</tr>
<tr>
<td>2019</td>
<td>$7,622</td>
<td>$10,679</td>
<td>-$3,058</td>
</tr>
<tr>
<td>2020</td>
<td>$7,643</td>
<td>$10,068</td>
<td>-$2,425</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$30,256</td>
<td>$45,481</td>
<td>-$15,225</td>
</tr>
</tbody>
</table>

The same comments apply for the allowable amount of grant management. Increasing the minimum allowable grant amount should directly correlate with increasing the CDBG grant administration maximum.

For example, CDBG grant administration on housing projects is 15% with a maximum $15,000. However, the minimum grant amount is now $200,000, which at 15% would equate to $30,000. In this example, by not allowing the grant administration amount to directly correlate to the grant amount, regional councils are not receiving at least half of the funds necessary for staff time to manage the complex program.

If these minimums are not increased, regional councils may not be able to afford to maintain professional staff for program management, leading to decreased capacity to manage the program and ensure rules and regulations are followed.
CLOSING
As partners we request a more collaborative approach in administering the CDBG program in Region IV. The RRRC has built the internal capacity to successfully implement and administer this program for Region IV over the past seven years. Staff are the boots on the ground for the state to provide local and regional insights as well as potential negative impacts. RRRC staff are a leading partner to ensure the success of the program as a viable resource for Region IV communities.

We have many examples of how the CDBG program has provided an integral piece to community enhancement in northeast North Dakota, while still meeting the national objectives of the program. We want this program to remain a key resource for rural communities.

We, the RRRC Board of Directors and Executive Director, appreciate your consideration of our comments on the FY2021 Action Plan,

Sincerely,

[Signature]
Chris Lipsh
President

[Signature]
Dawn Mandt
Executive Director

Red River Regional Council Board of Directors:

Kris Branttell, Walsh County Commission
Mike Dunn, Construction Engineers
Mayor Lacey Hinkle, City of Cavalier
Mary Houtek, Job Service ND
Councilman Chris Lipsh, City of Grafton
Maynard Loibl, Nelson County Commission
Cynthia Pfe, Grand Forks County Commission

Nick Rutherford, Pembina County Commission
Mayor Dan Stenwold, City of Park River
Korrey Tweed, Nelson County Soil Cons. District
Mayor Gerald Uglem, City of Northwood
Councilman Bret Weber, City of Grand Forks
Mayor Todd Whitman, City of Aneta
Barry Wilfahrt, The Chamber of GF/EGF

CC: Jace Beehler, Governor Burgum’s office
Commissioner James Licman, ND Department of Commerce
Deputy Commissioner Shawn Kessel, ND Department of Commerce
April 15, 2021

Ms. Bonnie Malo  
Executive Director  
ND Department of Commerce  
PO Box 2057  
Bismarck, ND  58502-2057

Dear Ms. Malo:

Please consider this correspondence as a summary of comments and concerns from our regional council in regard to the proposed changes to the 2021 Community Development Block Grant Action Plan being promulgated by the state.

In reviewing the proposed changes to the CDBG Action Plan, we have the following issues and/or recommendations regarding the increased minimum grant amounts, comprehensive projects, and emergency projects.

Our comments on the increased minimum grant amounts are as follows:

<table>
<thead>
<tr>
<th>Eligible Activity</th>
<th>Previous Program Minimum</th>
<th>Proposed Minimum by State</th>
<th>TCRDC Proposed Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Facilities &amp; Public Services</td>
<td>$20,000</td>
<td>$75,000</td>
<td>$35,000</td>
</tr>
<tr>
<td>Single Family Housing</td>
<td>$25,000</td>
<td>$200,000</td>
<td>$35,000</td>
</tr>
<tr>
<td>Multi-Family Housing</td>
<td>$25,000</td>
<td>$100,000</td>
<td>$35,000</td>
</tr>
<tr>
<td>Econ Dev – Retail &amp; Tourism</td>
<td>$10,000</td>
<td>$50,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>Econ Dev – Primary Sector</td>
<td>$60,000</td>
<td>$100,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Governors Set Aside Fund</td>
<td>$10,000</td>
<td>$100,000</td>
<td>$25,000</td>
</tr>
</tbody>
</table>

In our opinion, we feel the increase to the minimum grant amounts will result in less applications to the program as many of the smaller communities in our region will have projects under the proposed minimum amounts. Since 1993, our regional council has administered approximately 39 public facility projects that were under $100,000. The majority of the projects, 24 of them, were under $50,000. Projects such as water meter replacement, ADA accessible activities, water distribution lines, curb stops, lift stations, hydrants, etc. have all been completed in our communities. Most or all of the infrastructure in our communities was installed at least 50 years ago and is reaching the end of its useful life. As communities go, they usually replace the...
infrastructure when they can afford it. In our region, finances have been challenging the last few years due to the cyclical nature of the energy development, the decrease in oil impact funding, the decrease in sales/property tax revenue, the limited tax base, etc. All of the aforementioned factors affect a community's resources and their ability to plan and complete infrastructure projects.

I believe across the state as well as in our region, the CDBG program is one of the few grant programs that our small communities can access to address some of their infrastructure needs. Changing access to the program by significantly increasing the threshold amounts, is going to have a negative impact on our small communities in western North Dakota.

If there is going to be an increase to the minimum threshold amounts, in our region we are requesting that the increases be minimal, according to our table above.

There is also a concern from HUD that our projects in North Dakota should be larger comprehensive projects. In our region, out of 16 communities, we have only two communities with populations above 3,000 people. The rest of the communities have less than 1,200 people each. Our communities are rural in nature and their needs are going to be different than other states which may be more urbanized. Larger comprehensive projects may not be realistic for most of our small communities due to the cost of the project, limited access to grant funding, limited tax base to draw from, and bonding capacity that may be at the limit. As I stated above, our communities are very cautious in addressing their needs. Some of our communities have been burned in the past with over-developement during energy booms so they take a very pragmatic approach to their needs.

By requiring larger comprehensive projects as one of the prerequisites to CDBG program eligibility, it will limit the ability of our smaller communities to even access the program. The regional council response to this recommendation is that each state should be allowed to design their programs/guidelines according to the populations and/or communities they serve. The one size fits all concept does not always work when you have urban and rural areas being served by the same program. Especially in a region of the state where the CDBG program is one of the only viable alternatives in addressing community needs.

The last issue we would like to comment on is the termination of the emergency/urgent need option in the CDBG program. While the communities in our region may not have accessed the emergency/urgent need activity as much as other regional councils in the state, we still believe there is a need to continue on with the national objective of the CDBG program. It appears that there are some issues with the definition of an emergency/urgent need project and the timeframe from the state in responding to an emergency application from a regional council. It is our recommendation that: 1) the state needs to provide a definition of an emergency/urgent need, 2) the state needs to implement written timelines for responses to emergency/urgent need applications, and 3) the state needs to develop and implement a process of interaction/communication between the applicant, regional council, and the Governor's staff to discuss the application and any questions/concerns in regard to the application before any funding decision is reached.

One of the issues not brought up by the recent HUD review of the state but which has been an issue with regional councils for years is the distribution of the regional allocation. For the past several years, all of the regional councils have been expressing their need for additional CDBG funds at the regional council level to address the needs/applications within their region. Our regional councils always receive more applications for funding than what is available in the
regional allocation. It is our belief that our regional councils should be receiving the full amount of CDBG funds that are currently in the revolving loan fund and Governor’s Set Aside programs at the state level. Our regional councils are not requesting additional funding, we are only requesting that the state transfer the revolving loan funds and Governors Set Aside funds back to the regional councils to be used in community development activities. Regional councils do an excellent job in assisting communities, having additional funding to work with will only enhance those abilities and capacities.

In closing, our regional council would like to comment on the working relationship we have had with the Division of Community Services and other staff at the state level with respect to the Community Development Block Grant program. While we have not always agreed on everything, we have always worked together in a positive manner to address the needs of western North Dakota. We understand changes may be coming, programs are always evolving. But, it only makes sense to develop and promulgate those changes with the assistance of regional councils. We are the eyes and ears of the state when it comes to the regional issues, needs, etc. Thank you for your consideration and the opportunity to comment.

Sincerely,

Tri-County Regional Development Council

Everette Enno
Executive Director
### Action Plan - 2021 Public Comments

<table>
<thead>
<tr>
<th>Where comment came from</th>
<th>What key technical term</th>
<th>Summary of Argument</th>
<th>OMB Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>San Diego/Peeling Council</em> (Contact name 1)</td>
<td>Comprehensive Plan</td>
<td>High priority. A well-conceived and comprehensive plan is a cornerstone for the success of the organization. A well-constructed plan should be a tool that helps the organization achieve its goals. The plan should be flexible and adaptable to changes in the environment.</td>
<td>2506-0117 (exp. 09/30/2021)</td>
</tr>
<tr>
<td><em>San Diego/Peeling Council</em> (Contact name 2)</td>
<td>Comprehensive Plan</td>
<td>This proposal does not address an important comprehensive plan. The proposals request more resources than what is actually needed. The proposed plan is not well-conceived and does not provide a clear direction for the organization.</td>
<td>2506-0117 (exp. 09/30/2021)</td>
</tr>
<tr>
<td><em>Loma &amp; Date</em> (Contact name 1)</td>
<td>Emergency Management</td>
<td>The proposal does not address emergency management. It is crucial to have a well-conceived and comprehensive plan to ensure the safety and well-being of the community. The plan should be flexible and adaptable to changes in the environment.</td>
<td>2506-0117 (exp. 09/30/2021)</td>
</tr>
<tr>
<td><em>Loma &amp; Date</em> (Contact name 2)</td>
<td>Emergency Management</td>
<td>This proposal does not address emergency management. The proposals request more resources than what is actually needed. The proposed plan is not well-conceived and does not provide a clear direction for the organization.</td>
<td>2506-0117 (exp. 09/30/2021)</td>
</tr>
</tbody>
</table>

### Notes
- The OMB Control No: 2506-0117 (exp. 09/30/2021) is the identifier for the annual action plan for the year 2021.
Annual Action Plan 2021

OMB Control No: 2506-0117 (exp. 09/30/2021)
## Governor's Fund Averages 2016-2020

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Projects</th>
<th>Total Projects $ Amount</th>
<th>Average $ Amount of Total Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Governor's Fund Projects Total</strong></td>
<td>54</td>
<td>$9,881,533.41</td>
<td>$182,991.36</td>
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<tr>
<td>Economic Development</td>
<td>4</td>
<td>$1,288,501.54</td>
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<tr>
<td>Public Facility</td>
<td>43</td>
<td>$7,323,186.33</td>
<td>$170,306.66</td>
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<tr>
<td>Housing</td>
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<td>$288,531.85</td>
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<tr>
<td>Main Street</td>
<td>4</td>
<td>$404,250.00</td>
<td>$101,062.50</td>
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<tr>
<td><strong>Urgent Need</strong></td>
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<td>$118,584.60</td>
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<td><strong>Emergency</strong></td>
<td>12</td>
<td>$1,429,197.85</td>
<td>$119,099.82</td>
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</table>

Annual Action Plan 2021

OMB Control No: 2506-0117 (exp. 09/30/2021)
<table>
<thead>
<tr>
<th>Year</th>
<th>Public Facilities Syr Average</th>
<th>SUM</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$2,721,585.64</td>
<td>$113,399.40</td>
<td>2015 Average</td>
</tr>
<tr>
<td>2017</td>
<td>$2,382,540.44</td>
<td>$108,297.29</td>
<td>2017 Average</td>
</tr>
<tr>
<td>2018</td>
<td>$4,790,555.10</td>
<td>$126,067.24</td>
<td>2018 Average</td>
</tr>
<tr>
<td>2019</td>
<td>$2,065,089.68</td>
<td>$76,484.80</td>
<td>2019 Average</td>
</tr>
<tr>
<td>2020</td>
<td>$1,997,420.41</td>
<td>$153,647.72</td>
<td>2020 Average</td>
</tr>
</tbody>
</table>
### Single Family Housing Syr Average

<table>
<thead>
<tr>
<th>Year</th>
<th>Sum &amp; Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$152,110.18</td>
</tr>
<tr>
<td>2018</td>
<td>$57,500.00</td>
</tr>
</tbody>
</table>
### Multi-Family Housing 5yr Average

<table>
<thead>
<tr>
<th>Year</th>
<th>SUM</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$174,700.00</td>
<td>$58,233.33</td>
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<tr>
<td>2017</td>
<td>$660,878.64</td>
<td>$94,411.23</td>
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<tr>
<td>2018</td>
<td>$1,137,392.66</td>
<td>$126,376.06</td>
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<tr>
<td>2019</td>
<td>$657,123.00</td>
<td>$82,140.38</td>
</tr>
<tr>
<td>2020</td>
<td>$236,650.00</td>
<td>$59,162.50</td>
</tr>
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</table>
LEGAL NOTICE

The North Dakota Department of Commerce, Division of Community Services, is announcing the availability of the state’s 2021 Annual Action Plan for public review and comment.

The 2021 Annual Action Plan serves as the state’s grant application to the Federal Department of Housing and Urban Development (HUD) for the Community Development Block Grant, HOME, National Housing Trust Fund, and Emergency Solutions Grants programs. The Action Plan describes how the funds from each program will be distributed during the 2021 program year, which is scheduled to begin July 1, 2021. Funds are expected to be received on or about July 1, 2021.

All allocation amounts in the 2021 Action Plan are estimated amounts.

The Action Plan will be available on the Division of Community Services website, http://www.communityservices.nd.gov/communitydevelopment/ConsolidatedPlan/ beginning April 1, 2021. Written comments must be received by the close of business April 30, 2021.

Alternate formats of the Action Plan are available upon request at 701-328-5300 or via Relay North Dakota: TTY 1-800-366-6888, Voice 1-800-366-6889, or Spanish 1-800-435-8590. Should anyone need additional information, please contact Bonnie Malo at 701-328-5300.

Written comments should be sent to:

North Dakota Department of Commerce
Division of Community Services
PO Box 2057
Bismarck, ND 58502-2057
or
Email: dcs@nd.gov
AFFIDAVIT OF PUBLICATION

STATE OF NORTH DAKOTA )
COUNTY OF RICHLAND ) ss

Patricia C. Fugleberg being first
duly sworn, deposes and says: That (he) (she) is the Agent to the Publisher of
the WAHPITON DAILY NEWS newspaper printed and published five days a
week in the County of Richland, State of North Dakota, and of general
circulation in the city of Wahpeton, County of Richland, State of North Dakota
and elsewhere, and the hereinafter attached

2021 ANNUAL ACTION PLAN

was printed and published correctly in the regular and entire issue of said
WAHPETON DAILY NEWS for 1 issues, that the first was made on the
1st day of April, 2021 and the last publication thereof was made on the
1st day of April, 2021 that said publication was made on each of the
following dates, to wit:

04/01/2021

Request of

NO DEPT. OF COMMERCE

WAHPETON DAILY NEWS

By Patricia C. Fugleberg

Subscribed and sworn to before me this 1st day of April 2021

Carrie McDermott
Notary Public in and for the County of Richland, State of North Dakota

PUBLIC NOTICE

The North Dakota Department of Commerce, Bureau of Community Services has
announced the availability of the 2021 Annual Action Plan for public review
and comments.

The 2021 Annual Action Plan serves as the state's grant application to the
Federal Department of Housing and Urban Development (HUD) for the Community
Development Block Grant (CDBG) National Housing Trust Fund and Disadvantaged
Boards fund programs. The Action Plan describes the federal and state programs
pursuant to the American Rescue Plan Act, as amended, and is subject to review
by July 1, 2021. Final comments are due by September 1, 2021.

Notary Public in and for the County of Richland, State of North Dakota
My Commission Expires: October 8, 2023

CARRIE MCDERMOTT
Notary Public
State of North Dakota
My Commission Expires: October 8, 2023

Annual Action Plan
2021
AFFIDAVIT OF PUBLICATION

STATE OF NORTH DAKOTA

vs.

COUNTY OF CASS

Nicole Riegert, The Forum, being duly sworn, states as follows:

1. I am the designated agent of The Forum, under the provisions and for the purposes of, Section 31-04-06, NDCC, for the newspaper listed on the attached exhibit.

2. The newspaper listed on the exhibit published the advertisement of Legal Notice, (1) time March 24, 2021, as required by law or ordinance.

3. All of the listed newspapers are legal newspapers in the State of North Dakota and, under the provisions of Section 46-05-01, NDCC, are qualified to publish any public notice or any matter required by law or ordinance to be printed or published in a newspaper in North Dakota.

Dated this 24th day of March, 2021.

Nicole Riegert
Legals Clerk

Notary Public

Original signatures:

OMB Control No: 2506-0117 (exp. 09/30/2021)
AFFIDAVIT OF PUBLICATION

STATE OF NORTH DAKOTA

Co. COUNTY OF STARK

Lindsay Dolan, The Dickinson Press, being duly sworn, states as follows:

1. I am the designated agent of The Dickinson Press, under the provisions and for the purposes of, Section 31-04-06, NDCC, for the newspaper listed on the attached exhibit.

2. The newspaper listed on the exhibit published the advertisement of Legal Notice, (1) time: Wednesday, March 24, 2021 as required by law or ordinance.

3. All of the listed newspapers are legal newspapers in the State of North Dakota and, under the provisions of Section 46-05-01, NDCC, are qualified to publish any public notice or any matter required by law or ordinance to be printed or published in a newspaper in North Dakota.

Dated this 24th day of March, 2021.

[Signature]
Legals Clerk

[Signature]
Notary Public

Legal Notice

The North Dakota Department of Commerce Division of Community Services is processing the Annual Action Plan for public review and comment.

The 2021 Annual Action Plan covers the activities planned by the U.S. Department of Housing and Urban Development's Community Development Block Grants (CDBG) and Emergency Solutions Grant (ESG) programs. The Action Plan describes how the funds in the current program year will be disbursed, and the 2021 program year, which is scheduled to begin July 1, 2021, funds are requested to be reauthorized in October 2021.

OF ELECTRONIC ACCESSIBILITY IN THE STATE:

The North Dakota Department of Commerce Division of Community Services is committed to ensuring that all of its webpages are accessible to users with disabilities. This commitment is consistent with the State's Executive Order 2013-01 which requires all state agencies to make their electronic and information systems accessible to individuals with disabilities. For assistance or information, please contact our website administrator at: info@nd.gov or 701-328-4500.

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AFFIDAVIT OF PUBLICATION

STATE OF NORTH DAKOTA

ss.
COUNTY OF STUTSMAN

Nicole Riegert, The Jamestown Sun, being duly sworn, states as follows:

1. I am the designated agent of The Jamestown Sun, under the provisions and for the purposes of, Section 51-04-06, NDCC, for the newspaper listed on the attached exhibit.

2. The newspaper listed on the exhibit published the advertisement of: Legal Notice; (1) time: March 24, 2021, as required by law or ordinance.

3. All of the listed newspapers are legal newspapers in the State of North Dakota and, under the provisions of Section 46-05-01, NDCC, are qualified to publish any public notice or matter required by law or ordinance to be printed or published in a newspaper in North Dakota.

Dated this 24th day of March, 2021.

Legals Clerk

Notary Public

Nicole Riegert
Notary Public
State of North Dakota
My Commission Expires Jan. 3, 2024

LEGAL NOTICE
The North Dakota Department of Commerce, Division of Community Services, in accordance with the provisions of Title 13, Chapter 22, Subtitle 2, of the North Dakota Century Code, and Section 46-05-01, North Dakota Century Code, notifies the public that the following are copies of notices published in local newspapers:

The 2021 Annual Action Plan for the Environmental and Economic Development Block Grant Program under the American Recovery and Reinvestment Act of 2009 (Recovery Act) and the American Recovery and Reinvestment Act of 2009 (Recovery Act) Block Grant Program (Recovery Act Block Grant Program), and the American Recovery and Reinvestment Act of 2009 (Recovery Act) Block Grant Program (Recovery Act Block Grant Program) in the amount of $200,000.00, will be used to provide assistance to eligible entities for the purpose of creating and retaining jobs in the state of North Dakota.

The following is a list of entities that have been awarded funding under the Recovery Act Block Grant Program (Recovery Act Block Grant Program) in the amount of $200,000.00:

- ND Affidavit No. 2880419

Annual Action Plan
2021

OMB Control No: 2506-0117 (exp. 09/30/2021)
AFFIDAVIT OF PUBLICATION

STATE OF NORTH DAKOTA

ss.
COUNTY OF GRAND FORKS

Nicole Rieger, Grand Forks Herald, being duly sworn, states as follows:

1. I am the designated agent of the Grand Forks Herald, under the provisions and for the purposes of, Section 51-04-08, NDCC, for the newspaper listed on the attached exhibit.

2. The newspaper listed on the exhibit published the advertisement of: Legal Notice; (1) time: March 24, 2021, as required by law or ordinance.

3. All of the listed newspapers are legal newspapers in the State of North Dakota and, under the provisions of Section 56-03-01, NDCC, are qualified to publish any public notice or any matter required by law or ordinance to be printed or published in a newspaper in North Dakota.

Dated this 24th day of March, 2021.

Nicole Rieger
Legals Clerk
Notary Public

NICHOLE SADZ
Notary Public
State of North Dakota
My Commission Expires Jan. 3, 2024
Affidavit of Publication

STATE OF NORTH DAKOTA SS
COUNTY OF BARNES COUNTY

Kelly Spanier, being duly sworn, says:

That she is Kelly Spanier of the Valley City Times Record, a daily newspaper of general circulation, printed and published in Valley City, Barnes County, North Dakota, that the publication, a copy of which is attached hereto, was published in the said newspaper on the following dates:

March 30, 2021

That said newspaper was regularly issued and circulated on those dates.

SIGNED:

[Signature]

Subscribed to and sworn to me this 30th day of March 2021.

[Signature]

Brenda Tompt, Business Manager Barnes County
County, North Dakota

My commission expires: July 05, 2022

Tammy Heick
ND Department of Commerce
PO Box 2057
Bismarck, ND 58502

BRENDA TOMPT
Notary Public
State of North Dakota
My Commission Expires 7-5-2022
AFFIDAVIT OF PUBLICATION

STATE OF NORTH DAKOTA
COUNTY OF WILLIAMS

Sarah Wilson, being first duly sworn, deposes and says that (he) (she) is the Agent to the Publisher of the WILLISTON HERALD, a newspaper printed and published six days a week in the county of Williams, State of North Dakota, and of general circulation in the City of Williston, County of Williams, State of North Dakota and elsewhere, and the hereto attached

2021 ANNUAL ACTION PLAN
PUBLIC NOTICE THE NORTH DAKOTA

was printed and published correctly in the regular and entire issue of said DAILY HERALD for 1 issues, that the first was made on the 31st day of March 2021 that said publication was made on each of the following dates to wit:

03/31/2021
Ad #382602

Request of
ND DEPARTMENT OF COMMERCE

Williston Herald

By

Subscribed and sworn to before me this 31st day of March 2021

Notary public in and for the County of Williams, State of North Dakota
My commission Expires:
AFFIDAVIT OF PUBLICATION
STATE OF NORTH DAKOTA

County of Ward

AMANDA STARDUCK-MATSON of said
County and State, being first duly sworn, on
oath says: That the MINOT DAILY NEWS is
a daily newspaper of general circulation,
printed and published in the City of Minot, in
said County and State. That the MINOT
DAILY NEWS now is and during all times in
the foregoing affidavit mentioned has been
a newspaper qualified to do legal printing, in
accordance with the Statutes of the State of
North Dakota, and that I am clerk of the
MINOT DAILY NEWS and during all such
time covering the publication of this notice
have occupied such position on said newspaper,
and have personal knowledge of all the facts
stated in this affidavit; and that the
advertisement headed

NOTICE OF 2021 ANNUAL ACTION
PLAN

a printed copy of which is hereunto attached
was printed and published in said newspaper
THIRD 

times to-wit:

MARCH 31, 2021.

Amanda Starduck-Matson, Clerk.

Subscribed and sworn to before me this
30th Day of March 2021

Shannon Geeter
Notary Public, Ward Co. N.D.

D31370

PUBLICATION FEES

No. Lines 47

Times ONE  $35.72

47 ST LINES x .76 = $35.72

SHANNON GEETER
Notary Public
State of North Dakota
National Housing Trust Fund
Citizen Participation
Public Notice
Affidavit of Publication
Hearing Comments Transcript
PUBLIC HEARING NOTICE
NORTH DAKOTA HOUSING FINANCE AGENCY
PROPOSED ALLOCATION PLAN UNDER THE 2021 NATIONAL HOUSING TRUST FUND

North Dakota Housing Finance Agency (NDHFA) will hold a Public Hearing, via toll-free conference call, with respect to its Proposed Allocation Plan Under the 2021 National Housing Trust Fund on April 1, 2021, at 11:00 a.m., CT.

The Plan sets forth the procedures and criteria which NDHFA is to use in allocating the National Housing Trust Fund annual allocation made available to owners and developers of rental housing pursuant to 24 CFR 91 and 93.

The Public Hearing is for interested parties to provide either written or oral comments regarding the proposed Plan. Persons who do not attend the hearing may submit written comments by 5:00 p.m. CT, on March 31, 2021. The plan can be viewed on NDHFA’s website, www.ndhfa.org, beginning on March 1, 2021. Please contact NDHFA prior to the hearing for accommodations or additional information.

Public Hearing Details:
Attendance to the public hearing is available by telephone only.
Toll-Free Dial (877) 216-1555
Passcode 526124

NDHFA Contact:
Jennifer Henderson
Director, Planning and Housing Development Division
PO Box 1535
Bismarck, ND 58502
(800) 292-8621
(800) 366-6889 (TTY)
hfainfo@nd.gov

Equal Housing Opportunity
Material Proposed Changes to the Request for Proposals and Annual Allocation Plan for 2021; Public Comments and Discussion

The draft 2021 HTF Allocation Plan was released for a 30-day public comment period on March 1, 2021. A public hearing was held on April 1, 2021, at 11:00 AM, at the NDHFA office. There was a total of seven participants: one non-profit developer, one ND Department of Commerce staff member, and five NDHFA staff members. Prior to the hearing, one written comment was received and incorporated into the hearing discussion.

1. Definition of Brownfield (Section II – General Provisions, page 4)
   Deletes the term Brownfield from the list of defined words.
   The proposed change eliminates the redundancy of the brownfield terminology. All brownfields are grayfields and so it is only necessary to mention grayfield in the Plan.

   No comments were received on this proposed change.

2. Developer Fee (Section III – General Provisions, page 10)
   Eliminates the 12% developer fee limit on larger projects.
   The proposed change eliminates the 12% developer fee limit on projects with 51 or more units. With the change, projects of any size are eligible for a maximum of 15% developer fee.

   One comment was received in support of this proposed change.

3. Appraisal (Section V – Threshold Requirements, page 10)
   Changes the timing for submission of the appraisal to NDHFA.
   The proposed change shifts the timing for submission of the appraisal from reservation application to prior to closing.

   No comments were received on this proposed change.

4. Public Housing Waiting List (Section V – Threshold Requirements, page 10)
   Eliminates the requirement for project owners to notify the local public housing authority of any project vacancies.
   The proposed change eliminates this requirement, which is not mandated by federal regulation, to streamline compliance monitoring.

   No comments were received on this proposed change.
Affidavit of Publication

Colleen Park, being duly sworn, states as follows:

1. I am the designated agent, under the provisions and for the purposes of, Section 31-04-06, NDCC, for the newspapers listed on the attached exhibits.

2. The newspapers listed on the exhibits published the advertisement of: ND Housing Finance Agency - Proposed Allocation Plan Under the 2021 National Housing Trust Fund; 1 time(s) as required by law or ordinance.

3. All of the listed newspapers are legal newspapers in the State of North Dakota and, under the provisions of Section 46-05-01, NDCC, are qualified to publish any public notice or any matter required by law or ordinance to be printed or published in a newspaper in North Dakota.

Signed: [Signature]

State of North Dakota
County of Burleigh
Subscribed and sworn to before me this 10th day of March, 2021

[Signature]

SHARON L. PETERSON
Notary Public
State of North Dakota
My Commission Expires Nov 8, 2021
Buffalo
Teens!

In both animals and humans, the rarity of buffalo is truly exceptional. In humans, it's 1 in 20,000. In some bird species, it's 1 in a million. Magnificent animals, it's estimated to be 1 in 10,000. Buffalo were such an important resource for Native American tribes living on the Great Plains, they saw all buffalo as sacred. For that reason, the very rare white buffalo was once off-the-THREE most sacred animals on earth to people like the Lakota.

The National Park Service Biological Resources Division in Fort Collins, Colorado, wrote of the legend associated with white buffalo in Lakota culture.

Long ago, there was a great famine in the Lakota world. Two scouts were sent out to hunt for food. While they were searching, they saw a figure in the distance. As they approached, the figure appeared to be a beautiful woman. One of the two scouts was filled with desire, but despite the warnings of the second scout that the woman appeared to be sacred, the man approached the woman. Soon a cloud encircled the pair, and the man turned into a bison of fire. The second man approached the woman, and although frightened, the woman welcomed him into her heart. She instructed the scout to go back to his People and tell them of her arrival. When the White Buffalo CalF Woman arrived, she brought the White Buffalo Calf Sun dance (pipe) — the most sacred object a person can possess and taught seven sacred ways to pray. Before she left, she told the people that she would return again to restore harmony and spirituality to a troubled world. She then rose up on the earth four times, changing.

4-H

From the 4-H Foundation, the 4-H program has provided an extraordinary boost to help families get back on track, increase support for participating nonprofits and organizations, and serve a critical role in the local community. The program is currently accepting applications for its 2021-2022 season.

The Fellowship program provided students with valuable opportunities to add to their creative portfolios and connected them to communities of peers working to make the world a better place. While the work has been demanding, we have been fortunate to have an incredibly talented group of students.

Are you or someone you know living with an ongoing health condition? Better Choices, Better Health offers a six-week innovative workshop to take control of your health.

There is no charge to attend.

Maple Valley Public School District #4

The Maple Valley Public School District is seeking bids to complete a remodel of the school. The project includes the installation of new lighting, the replacement of windows, and the addition of a new roof. The project is expected to take place over the next six months. Bids are due by March 21, 2021.

STATE OF NORTH DAKOTA

NOTICE OF DISPOSAL REAL PROPERTY

On January 28, 2021, the State of North Dakota, Department of Transportation, acquired certain real property located at 1200 2nd St. S., Bismarck, ND 58501. The property is located within the former location of the State Capitol and was acquired for the purpose of constructing a new State Capitol. The property is valued at $50,000,000. For more information, contact the Department of Transportation at 701-328-2511.

LOCAL

Are you or someone you know living with an ongoing health condition? Better Choices, Better Health offers a six-week innovative workshop to take control of your health.

There is no charge to attend.
State of North Dakota 2021 HOME Program Distribution Statement
PROPOSED HOME PROGRAM DISTRIBUTION STATEMENT FOR 2021 PROGRAM YEAR

The North Dakota Department of Commerce, Division of Community Services (DCS) in partnership with North Dakota Housing Finance Agency (NDHFA) will hold a public input meeting, via toll-free conference call, with respect to its proposed HOME Program Distribution Statement (PDS) under the 2021 HOME Program on March 10, 2021, at 1:00 p.m., CT.

The North Dakota HOME Program has two primary activities, homeowner assistance and rental production/assistance. The PDS is a description of how the state plans to distribute FY 2021 HOME funds and administer the program.

The public input meeting is for interested parties to provide either written or oral comments regarding the proposed PDS. Persons who do not attend the hearing may submit written comments by 5:00 p.m., CT, on March 09, 2021. The plan can be viewed on DCS’s website www.communityservices.nd.gov or NDHFA’s website, www.ndhfa.org, beginning on February 22, 2021. Should anyone require auxiliary aids or services, or need additional information, please contact NDHFA prior to the hearing.

Public Hearing Details:
Attendance to the public hearing is available by telephone only.
Toll-Free Dial (877) 216-1555
Passcode 526124

NDHFA Contact:
Jennifer Henderson
Director, Planning and Housing Development Division
PO Box 1535
Bismarck, ND 58502
(800) 292-8621
(800) 366-6889 (TTY)
(800)-435-8590 (Spanish)
hfainfo@nd.gov

Equal Housing Opportunity
Events

Advisory Board Meetings

All meetings take place at 10:00 a.m., NDHFA Board Room, 2624 Vermont Ave, Bismarck, ND. Dates are tentative.

- March 12
- April 9
- May 14
- June 11
- July 9
- August 13
- September 10
- October 8
- November 12
- December 10

Lender Training

Lender Training classes are targeted to Participating Lenders new to NDHFA’s homeownership programs. Loan officers, processors, closers and other pertinent staff will benefit from the sessions. Experienced staff are welcome to sign-up, but preference is given to participants that are not familiar with the agency’s programs.

There are no in-person trainings scheduled at this time. Please refer to the training videos here.

ONLINE REGISTRATION HERE – REQUIRES LENDER LOG IN

Housing Forums

Past Housing Conferences/Forums

- 2021 Homeownership Forum
- How to View Recorded Sessions
- 2020 Homeownership Forum
- 2019 Conference Materials

Public Notices

March 19, 2021, 1:30 p.m., CT

- Proposed HOME Program Distribution Statement For 2021 Program Year
- 2021 HOME Program Distribution Statement Draft

Annual Action Plan
2021

OMB Control No: 2506-0117 (exp. 09/30/2021)
Affidavit of Publication

Colleen Park, being duly sworn, states as follows:

1. I am the designated agent, under the provisions and for the purposes of, Section 31-04-06, NDCC, for the newspapers listed on the attached exhibits.

2. The newspapers listed on the exhibits published the advertisement of: ND Housing Finance Agency - State of North Dakota 2021 HOME Program Distribution Statement; 1 time(s) as required by law or ordinance.

3. All of the listed newspapers are legal newspapers in the State of North Dakota and, under the provisions of Section 46-05-01, NDCC, are qualified to publish any public notice or any matter required by law or ordinance to be printed or published in a newspaper in North Dakota.

Signed: ____________________________

State of North Dakota
County of Burleigh

Subscribed and sworn to before me this ___ day of ___ 20___

______________________________

Sharon L. Peterson
Notary Public
State of North Dakota
My Commission Expires Nov 8, 2021
Time to Rally.

support local.

Now is the time to rally behind local business. USA TODAY's Support Local initiative is sparking communities across the country to take action and make it happen.

Say 'thank you' to the local businesses you love by purchasing gift cards and online services, or add your own business to our free listings to receive support from your community.
Deep freeze wreaks havoc on nation’s energy sector

By Smriti Verma
Reuters

A deep freeze continued to wreak havoc on the nation’s energy sector, bringing operations to a halt at several power plants, while several of the biggest oil refineries were reportedly offline in the nation’s largest crudes-producing state.

Over 2.3 million customers were without power in most states including Texas and New York, with around 4.3 million people cut off in Texas alone, according to media reports.

The situation was much harsher for some states with more than 360,000 people losing power in the nation. Industry analysts warned that crude production could be affected for days or weeks.

The cold snap sent oil prices to near-13-month highs while three-month futures jumped to a record high of $215.90 per barrel.

Terminal closures
The Houston Ship Channel is crucial to U.S. oil and fuel exports as well as shipments of grains and other products. The terminals were reopening to the channel, while it was in a queue to come into the waterway.

“A lot of terminals are closed. That is mostly because of the power outages on the roads,” said the dispatcher of the Houston Pilots Association, which guides vessels in and out of the channel, a 52-mile waterway connecting the busiest U.S. petrochemical port with the Gulf of Mexico.

Some of the nation’s largest refineries have production halting at the Enterprise Sulfur Plant and the Exxon Mobil Platte River Refinery in Texas. The company also had halted operations at the Corpus Christi area and the Gulf of Mexico.

Vitol, a major energy trader, said 1.2 million bpd was taken out in the Beaufort, Mississippi and Port Arthur areas, energy consultancy Wood Mackenzie said.

About 4.1 million to 1.8 million bpd remained offline in Houston, Wood Mackenzie said.

The combination of increased demand of diesel and gasoline is also likely to trigger another spike in prices as the risk of reduced supply from the refined products from diesel to prepare.

The Electric Reliability Council of Texas (ERCOT), which operates the power grid in much of Texas, said some 5-minute price spikes approached $9,000 per MW per hour on the past couple of days. That compares to an annual average of $250 at the East N orth hub in 2020.

While rest of US freezes, Florida beaches overflow

By Jimsena Tawel
Miami Herald

MIAMI — As a massive, hurricane-force storm swept across the U.S. on Monday, unloading dangerous, destructive winds and flooding rains and plucking wind chills, South Florida’s storm-scarred beaches served as a hot destination for hundreds of tourists and the usual crew of locals who enjoyed the lonely beach weather by the water, despite the coronavirus restrictions.

Wearing little to no masks and barely keeping the recommended 6-foot distancing, visitors lumbered down the boardwalks that had been crowded around South Beach just a few weeks ago, but now the scene was a bit more bare.

One tourist, Tony Johnson, 31, said he woke up at 8 a.m. to get to the beach before the storm hit.

“It was a spur-of-the-moment decision, said the nursing professional, who wore pants and a T-shirt as he sat on a concrete step away from the water. “We worked out. So much that I forgot to pack a swim suit. That’s why I’m not at the beach right now.”

As the sun set, an unseasonable winter storm gripped most of the country, sending record-breaking low temperatures in several areas, causing major traffic accidents on icy roads and left millions of Americans without power, but not in South Florida, where most of the locals remained largely concerned about finding a good spot on the beach, rather than braving the storm.

The governor of Florida, Rick Scott, had warned that people should stay indoors and avoid crowded areas.

“Always wear the mask up north,” he said. “You’re not going to be warm there.”

Bamini Bevila, who was visiting from New York, said she was surprised by the weather.

“I’m not used to this,” she said. “I think they help keep us warm there.”

The vote was the first of the year for the panel and was passed along the party lines.

“We feel it was important for the party to make a statement that they are not going to do this,” said North Carolina GOP Chairman Michael Whatley, who said he spoke with more than 100 party leaders and activists in the state since the impeachment vote.

The "% changing sentiment was dis...

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Public Notice

Public Notice Advertising Protects Your Right To Know

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VCHS Students Selected for ND All-State Ensembles

The music students from VCHS, as well as high school students from around the state of North Dakota, auditioned via recording for the ND All-State ensembles. Auditions included scale work, etudes, and performance of a solo for the judges. The auditions were rigorous and only the best of the high school students from the state of North Dakota are invited and then accepted to the All-State ensembles. VCHS students prepared for these auditions by T. Mark Reeves and Tom Kjelland, VCHS choir and band directors. The All-State ensembles are conducted by nationally recognized conductors invited to do so by the North Dakota Music Educators Association.

The ND All-State rehearsals and Concert Hours (guest performing groups invited to play for the All-State students) will be held on March 20 and 21 at various venues in the Bismarck/Mandan area.

VCHS Blood Drive Brings in 58 Volunteers

Vitalant is currently testing all successful blood, platelet and plasma donations for antibodies to SARS-CoV-2, the coronavirus that causes COVID-19. We are providing an initial test, to help identify donors who could help COVID-19 patients by becoming future convalescent plasma donors. Because antibodies are part of the body's immune response and not the virus itself, antibody testing cannot be used to diagnose current coronavirus infection. Please postpone your donation if you are feeling unwell or suspect you may have COVID-19. Individuals must be symptom free for at least 28 days to be eligible to give blood.
HOME 2021 Program Distribution Statement Public input meeting notes

Meeting Held 03/10/2021 1pm via toll free conference call.
A total of six attendees in addition to 2 staff. Attendee list as follows:

Emily Contreas- Grand Forks Housing Authority and Grand Forks Community Land Trust
Kylie Erickson- Money Follows the Person
Lisa Retvold- Beyond Shelter, Inc.
Dwight Barden- Burleigh County Housing Authority
Cheryl Merck- Money Follows the Person
Jason Boal- Blueline Development

Staff- Jennifer Henderson, NDHFA and Edward Swiontek- Department of Commerce

Comments received by attendees:

Application processing time- attendee questioned how applications will be processed and requested it to be similar to that of the LIHTC and HTF application rounds.

Exhibit A – multifamily project financial workbook/proforma- requested a similar format to that of LIHTC and HTF.

Preservation Points: Item G under multifamily scoring criteria: questioned if the transfer of a project based contract to a project could be considered preservation- yes this is considered a preservation and will be added to the plan to reflect that intent.

Walkability scoring- attendee questioned if that was required as part of mainstreet initiative. Answered that it was part of that alignment. Attendee mentioned that the scoring is not very accurate in rural communities. All agreed, but will leave as is for this year.

Additional suggestions included aligning point categories with LIHTC plan where possible including universal design, green certification and non-profit. Answer: will look into that for future program distribution statements.

Written Comments Received. Copy of Letter in Comments folder
To: Department of Commerce/North Dakota Housing Finance Agency
From: Community Action Partnership of North Dakota
Date: March 9, 2021
Re: 2021 HOME Program Distribution Statement

Community Action Partnership of North Dakota respectfully submits the following comments related to the 2021 HOME Program Distribution Statement.
Increase Allowed Costs Prior to Lead Abatement. CAPND suggests an increase from the current $25,000 allowed costs before the lead abatement rules apply. With the increasing costs of construction materials, the $15,000 maximum provides significant barriers for the Community Action Agencies who are working to improve housing for low-income North Dakotans. Increasing the amount of the allowed costs could increase our ability to recruit contractors and to spend funding more effectively.

Answer: 24 CFR 35.915 establishes the threshold requirements. This is not a North Dakota rule, nor is there an option for adjustments.

Allow for TTA Funding for Contractors. CAPND suggests the allowance of funding to be used for providing training and technical assistance to contractors, including the allowance for funds to directly pay for lead training and certification. This will result in more opportunities for contractors and also increases the likelihood of more competitive bids as the contractor pool would be more robust. Currently, our network is met with many challenges in securing contractors with the necessary certifications for HOME projects.

Answer: HOME eligible activities do not include administration for this type of cost request. NDHFA and DOC do recognize that there is a shortage of contractors for lead based paint and would like to focus on opportunities in the next 12 months.

Increased Funding for Rehabilitation. CAPND requests an increase to the current $150,000 allocated for single-family rehabilitation work. The Community Action Agencies continue to see a need for rehab to homes of those experiencing poverty. An increase in the amount of funding would allow us to serve more people across North Dakota.

Answer: CAP agencies that spend their funds can apply for any uncommitted SF rehabilitation dollars.

HOME Funds TBRA use for Security Deposits. CAPND has submitted comments the past two years requesting that the HOME TBRA Funds be allowed again for security deposits. We respectfully submit the suggestion again because the TBRA funds have allowed us to assist people experiencing homelessness. Reducing homelessness in North Dakota has been
identified as a state priority and more funding available for deposits allows us to continue to reach the
goal of homelessness reduction.

Answer: With increases in COVID-19 related recovery dollars and ESG funding it does not make sense to
use HOME for TBRA at this time. In addition, the state is going to focus on narrowing the scope of the
HOME program until all the current policies and procedures are reviewed, appropriate subrecipient
training occurs, and the program is running effectively again.

Thank you in advance for your consideration of these comments respective to the 2021 HOME Program
Distribution Statement.

In Partnership,

Andrea Olson, MS, CCAP, NCRT/NCRI
Executive Director
Consultation Contacts
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**Annual Action Plan 2021**

OMB Control No: 2506-0117 (exp. 09/30/2021)