



Community Development Department

DATE: February 13, 2024

FROM: Ben Ehreth, Community Development Director

ITEM: Neighborhood Reinvestment Initiative (NRI) Creation

REQUEST:

The Community Development Department requests the creation of a new initiative to achieve several goals of our Comprehensive Plan related to housing. This City of Bismarck would partner with interested financial institutions to offer low-interest loans for eligible residential remodeling projects.

BACKGROUND INFORMATION:

In the Fall of 2023, staff from the Community Development Department engaged in discussion with Kate Herzog and Gate City Bank about creating a low-interest loan program to help Bismarck homeowners. Gate City Bank already operates similar programs in cities throughout the region, including Mandan and Fargo. The program may be administered in conjunction with an existing 3-year home remodel exemption offered by the City.

Gate City Bank has approved a rate and terms for the 2024 building season, which would be in effect between March 18 and October 31. Gate City Bank would make \$2 million in loans available for Bismarck during this period. Other financial institutions willing to offer the same rates may be added to the program.

The guidelines of the program establish the purpose, benefits available, property eligibility criteria, improvement program eligibility criteria, and a procedure for program administration. If approved, the guidelines, interest rates, and terms will be reviewed for potential changes for subsequent building seasons.

City staff involvement and participation in administration of this program is expected to be minimal and manageable with current staffing in the Community Development Department.

RECOMMENDED CITY COMMISSION ACTION:

Create a Neighborhood Reinvestment Initiative (NRI) for the City of Bismarck to be administered according to the attached guidelines.

STAFF CONTACT INFORMATION:

Daniel Nairn, Planning Manager, 701-355-1854, dnairn@bismarcknd.gov

ATTACHMENTS:
None