

City of Bismarck Neighborhood Reinvestment Initiative (NRI)

The following guidelines are proposed for a City of Bismarck Neighborhood Reinvestment Initiative (NRI) to be initiated in partnership with participating lending institutions to begin March 17 through November 30, 2025. Guidelines will be evaluated annually and revised as necessary.

Purpose

The Neighborhood Reinvestment Initiative (NRI) will further the following objectives of [Bismarck's Comprehensive Plan](#):

► *Affordable Homeownership*

“Develop strategies to increase the affordability of entry-level homeownership for the community’s workforce” T1(a)

► *Housing Reinvestment*

“Support the continual investment and periodic rehabilitation of older homes, including those that do not conform to current zoning” T1(e)

► *Neighborhood Vitality*

“Provide financial investments and other incentives to revitalize older and potentially disinvested areas of the city, identified as CORE areas on the Growth Phasing Plan.” G8(d)

► *Historic Preservation*

“Support preservation activity within existing historic districts on the National Register of Historic Places and evaluate new areas for potential nomination” T6(a)

► *Resident Initiative*

“Empower citizens to pursue their own ideas for neighborhood or community betterment.” G7(c)

► *Accessibility and Aging in Place*

“Encourage housing designs that are readily accessible to occupants and visitors with all levels of mobility” T3(b)

Benefit

Qualified applicants will be offered a loan from a participation lending institution of either:

10 Year – 4.48% APR

15 Year – 4.99% APR

The loan value may be between \$10,000 and \$100,000. Approved applicants may also enroll in a three-year property tax exemption from the added value of the improvements, if qualified.

Property Eligibility

The applicant must meet the following criteria:

- The residence will be homeowner-occupied by completion of improvements.
- Residence is within city limits of Bismarck
- The age of the home is 30 years or more.
- The current total value of the property (building and land) is \$300,000 or less.
- The property includes one or two housing units. Condos are eligible only in buildings with two dwelling units. Manufactured homes may be eligible if compliant with residential building code and on own land.
- The property is not within the Special Flood Hazard Area (100-year floodplain)
- There are no unpaid tax liabilities (not including special assessments) or open ordinance violations on the property. However, legal non-conforming to zoning properties may still be eligible. The homeowner will have an opportunity to mitigate any issues during loan processing.

Improvement Project Eligibility

Improvement criteria are intended to focus program resources on projects that enhance the habitability of the dwelling and/or property or provide exterior aesthetic benefit to the surrounding neighborhood.

- The project is approved by the City and lending institution prior to commencement of the proposed improvement. Any project design, interior demolition, or site preparation may be completed prior to approval.
- Improvements must be issued a building permit, if required.
- The project must be in conformance with all City codes and ordinances, including a requirement to not increase the extent of any existing non-conformity of a property.

The following types of improvements, or any combination thereof, are eligible:

- Repairs to the building foundation, including correction of drainage or vegetation causing foundation damage.
- Any improvements to enhance accessibility of the dwelling for persons with a disability or older adults desiring to age in place.
- Replacement/renovation of siding, roof, windows, doors or other exterior building elements.
- Addition of bedrooms or new living space.
- Construction or addition of a first or second garage stall per dwelling unit on the property. After two garage stalls per dwelling unit are available on the property, garage improvements are not eligible.
- Creation of an accessory dwelling unit on the property, either internal to the dwelling or in an external structure.
- Major interior remodeling that includes the kitchen or bathrooms.

- Replacement of major mechanical systems, including HVAC, electrical, or plumbing.
- Repairs to or replacement of retaining walls on the property.
- Repairs to or replacement of water and sewer service to the dwelling.
- Restoration from disaster damage, including fire, wind, mold, or pest, but not including flooding.
- Hazardous material abatement, including removal of asbestos or lead.
- Exterior painting
- Radon mitigation

Program Administration

The Bismarck Planning Division receives applications through the City website and reviews according to these property and improvement project eligibility criteria, consulting with Building Inspections and other applicable divisions as necessary. Homeowners may consult a [Parcel Map](#) or [contact Planning](#) for relevant information about their properties.

Application forms are available for each lending institution. Approved projects are forwarded to the lending institution of choice for financial review and loan processing.

Approved applicants may also enroll in Bismarck Assessing's three-year remodeling tax exemption, if qualified. The program requirements are somewhat different, so not all projects will apply. City staff will advise applicants of any other programs with eligibility potential.

City of Bismarck Planning Division keeps records of application reviews, and the lending institution reports annually on number and value of loans issued. Participating entities share information.