



NORTHERN MARIANAS HOUSING CORPORATION

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PUBLIC NOTICE

Pursuant to Section 5 A. of the Northern Marianas Housing Corporation (“NMHC”) Community Development Block Grant Disaster Recovery (“CDBG-DR”) Program’s Action Plan (“AP”), as amended (2022), this is to notify the general public about this proposed Substantial Amendment No. 02 and afford citizen participation and the opportunity to comment on this proposed amendment. The general public has thirty (30) days from publication date of this Public Notice to submit comments on these proposed changes to the CDBG-DR AP. Substantial amendments are required when there is a change in program benefit/eligibility criteria, addition/deletion of an activity, or reallocation of substantial amounts. A substantial amendment will also be required if any program changes exceed five million dollars (\$5,000,000). Substantial amendments must provide a reasonable opportunity (at least 30 days) for citizen comment. All changes must be documented by NMHC’s CDBG-DR Program to provide both necessary and reasonable justifications. All substantial amendments will include the following:

1. The exact identification of which content is being added, deleted, or changed;
2. A clear description of where funds are moved from/to; and
3. The updated and revised budget after re-allocation of funding.

Furthermore, the proposed substantial amendment will be available via the CNMI CDBG-DR website at www.cnmi-cdbgdr.com and hardcopies may be obtained at any of the NMHC central and CDBG-DR offices located on Saipan, Tinian, and Rota by those who do not have access to the Internet. Notifying the public is of paramount importance as these funds are largely dependent on public participation and the remaining unmet need to be assessed. NMHC will utilize the following avenues/outlets to notify the public of the CDBG-DR Program:

- Notices in the local newspaper
- Radio announcements
- Social media
- CNMI CDBG-DR website

Finally, NMHC will take reasonable steps to ensure very low-, low-, and moderate-income persons, including persons with disabilities, the elderly and persons with Limited English Proficiency (LEP) have meaningful access and an equal opportunity to participate in this important CDBG-DR activity and in accordance to prescribed policies and procedures embedded in the CDBG-DR Program’s Citizen Participation Plan. The aforesaid and complete Citizen Participation Plan may be accessed at the CNMI CDBG-DR website: www.cnmi-cdbg-dr.com or found on Section 5 on the CDBG-DR Action Plan (pages 80-85). A copy of the CDBG-DR Action Plan, as amended by this proposed change, may be accessed at the CNMI CDBG-DR website at: www.cnmi-cdbg-dr.com or obtained at any of the NMHC offices on Saipan, Tinian, and Rota.



Tinian Field Office

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CDBG-DR Office

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Rota Field Office

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PROPOSED SUBSTANTIAL AMENDMENT NO. 02

The changes covered by this proposed substantial amendment are highlighted in **yellow**.

The referenced page numbers reflect the actual page numbers displayed by the current CDBG-DR Action Plan, as amended (2022) and published on the NMHC CDBG-DR website at:

<https://drive.google.com/file/d/1tFA0vQc1NS27rFhqSj2jqrNHkuIL3uJD/view>

Section 1 – Executive Summary

Page 7

B. Substantial Amendment No. 02: Summary

Pursuant to Subsection 5. A. of the Northern Marianas Housing Corporation (“NMHC”) Community Development Block Grant Disaster Recovery Action Plan (Hereinafter referred to as “CDBG-DR AP”), as amended (2022), this is to notify the general public of the following substantial amendment to NMHC’s CDBG-DR AP:

1. To de-obligate the sum of \$14,602,500 allocated to NMHC’s CDBG-DR Infrastructure Program and allocate said amount (\$14,602,500) to NMHC’s CDBG-DR Single Family New Construction Development Housing Program.

Justification

As detailed in the CDBG-DR Action Plan’s Executive Summary, as amended (2002), NMHC identified there is approximately \$420,274,767 in H housing unmet needs and has since allocated the sum of \$123,221,100 to its CDBG-DR Housing Programs and distributed as follows: 1) Homeowner Rehab Recon: \$39,407,0333; 2) Single-Family New Const Dev: \$44,407,033; and 3) Affordable Rental Housing Dev: \$39,407,033.

As anticipated based on its Needs Assessment which addresses CNMI’s housing unmet needs and since the launch of its CDBG-DR Housing Programs on January 4, 2021, the number of approved eligible applicants has exceeded funds available and allocated to the Single-Family New Construction Development Housing Program. In fact, NMHC has closed the program and no longer accepts loan applications for this program and maintains a list of approved applicants who potentially qualify for program financial assistance.

To address and mitigate the waiting list issue, NMHC decided to leverage CDBG-MIT funds with its CDBG-DR grant by way of allocating the sum of \$14,602,500 derived from the former source of funding to NMHC’s Infrastructure Program thereby freeing up CDBG-DR funds representing the same amount (\$14,602,500) that shall be reprogrammed to support the CDBG-DR Single-Family New Construction Development Housing Program and through this Substantial Amendment.



PROPOSED AMENDMENTS

Page 9: Adjust allocations

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS CDBG-DR ALLOCATIONS			
	Previous Allocation	Change	Revised Allocation
TOTAL ALLOCATIONS	\$243,946,000		\$254,324,000
HOUSING PROGRAMS	\$123,221,100	\$14,602,500	\$137,826,600
Homeowner Rehab and Recon	\$36,120,667		\$39,407,033
Single-Family New Const Dev	\$44,407,034	\$14,602,500	\$59,009,534
Affordable Rental Housing Dev	\$36,120,667		\$39,407,033
INFRASTRUCTURE PROGRAM	\$105,881,835	[\$14,602,500]	\$91,279,335
Port Facilities	\$4,000,000		\$0
Public Facilities	\$56,881,508		\$58,881,508
Roads	\$8,650,000		\$10,650,000
Utilities	\$36,350,327	[\$14,602,500]	\$21,747,827
ECONOMIC DEVELOPMENT	\$8,660,000		\$8,660,000
ADMINISTRATIVE	\$12,098,818		\$12,617,718
PLANNING	\$3,943,347		\$3,943,347

Page 16: Adjust Table (Figure 3) amounts and percentages

Figure 3. Unmet Need Summary. This chart demonstrates the unmet need vs the proposed allocation amounts.

CATEGORY	ESTIMATED TOTAL DAMAGE	FUNDING AWARDED OR OBLIGATED	UNMET NEED	% OF UNMET NEED	CNMI PROGRAM ALLOCATION AMOUNT*	% OF CNMI PROGRAM ALLOCATION
Housing	\$520,317,836	\$100,043,069	\$420,274,767	38%	\$137,823,600	55%
Infrastructure	\$789,101,580	\$163,926,464	\$625,175,116	57%	\$91,279,335	35%
Economic Development	\$74,078,260	\$18,289,300	\$55,788,960	5%	\$8,660,000	3%
Administrative	N/A	N/A	N/A	N/A	\$12,617,718	5%
Planning	N/A	N/A	N/A	N/A	\$3,943,347	2%
Total	\$1,383,497,675	\$282,258,832	\$1,101,238,843	100.00%	\$254,324,000	100.00%

*Unmet need is equal to Estimated Total Damage less Funding Awarded or Obligated



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D. Program Budget

Figure 22. Proposed Projects and Estimated Budgets. This details the specific budgets of HUD-funded activities.

PROGRAMS	TOTAL ALLOCATION	PERCENT OF TOTAL ALLOCATION BY PROGRAM	PERCENT OF TOTAL ALLOCATION BY PROJECT TYPE
HOUSING (includes delivery costs)	\$137,823,600		
Homeowner Rehabilitation & Reconstruction	\$39,407,033	29%	55%
Single Family New Construction Development	\$59,009,534	42%	
Affordable Rental Housing Development	\$39,407,033	29%	
SUB TOTAL HOUSING	\$137,823,600	100%	
INFRASTRUCTURE	\$91,279,335		
Port Facilities	\$0	0%	35%
Public Facilities	\$58,881,508	60%	
Roads	\$10,650,000	10%	
Utilities	\$21,747,827	30%	
SUB TOTAL INFRASTRUCTURE	\$91,279,335	100%	
ECONOMIC DEVELOPMENT	\$8,660,000	100%	3%
ADMINISTRATION	\$12,617,718	100%	5%
PLANNING	\$3,943,347	100%	2%
TOTAL ALLOCATIONS OF FUNDS	\$254,324,000	100%	100%

a. Allocation Amount



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PROPOSED PROJECT	ESTIMATED COST
Single Family New Construction Development	\$59,009,534
Performance Outcome	Approximately 176 to 215 units will be assisted

b. National Objective

LMI; LMH; UN

c. Level and Terms of Assistance

Option I: Turn-Key Solution: \$0 (one project site proposed).

The per household cap (including program delivery costs) to construct homes and underlying infrastructure is \$250,000. The sales price of the home will be established based on the most current 95 percent of the area median purchase price for single-family housing (existing or new homes), as determined by HUD.

Option II: Have a Lot, Build a Home Solution: \$59,009,534

Cap (including program delivery costs) per unit to construct homes and underlying infrastructure is \$250,000.00

