



Testimony in Favor of Senate Bill 2014

House Appropriations – Government Operations Subdivision

March 20th, 2025

Chairman Monson and members of the committee,

My name is Katie Jo Armbrust and it is my privilege to testify in support of SB 2014 on behalf of the North Dakota Coalition for Homeless People, a nonprofit organization with a majority of its members directly providing housing and homeless related services across the state. The North Dakota Coalition for Homeless People (NDCHP) has been providing advocacy, education, and coordination efforts since 1989. From its inception, NDCHP has focused its work on the concerns of rural and urban homelessness that impacts communities across North Dakota. NDCHP's broad-based membership of diverse agencies include regional Human Service Centers, community action agencies, domestic violence agencies, homeless service agencies and emergency shelters, mental health and substance abuse agencies, disability service organizations, public housing authorities, housing development organizations, funding providers, faith-based and other community-based organizations, state and local government agencies, and other non-profit service providers.

North Dakota Homeless Grants

It is with the utmost respect to these agencies, their dedication to improving the lives of our neighbors, and with the deep understanding of how much more needs to be done, that I stand before you and ask for your continued support of the \$10 million currently included for North Dakota Homeless Grants. This amount was supported by the Interim Government Services Committee Bill (Senate Bill 2030), and both Governor Burgum's Executive Budget as well as Governor Armstrong's Executive Budget. Justification for this is easily demonstrated between NDHG and the Federal Emergency Solutions Grant (ESG) where there were \$9,933,475 in requests in 2023 and 2024, reflecting the demand for \$10 million is already here between these two grants alone.

The North Dakota Homeless Grant demands during the 2023 and 2024 competitions.

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In the 2023 NDHG application round there were 23 applications for a total of:

\$2,825,388	requested
<u>\$1,130,000</u>	<u>available</u>
\$1,695,388	over-subscription

In the 2024 NDHG application round there were 25 applications for a total of:

\$2,885,349	requested
<u>\$909,115</u>	<u>available</u>
\$1,976,234	over-subscription

2023/2024 combined = \$5,710,737 in requests, \$3,671,622 more than available.

The Emergency Solutions Grant (ESG) is a federal grant for the same activities as NDHG.

In the 2023 ESG application round there were 23 applications for a total of:

\$2,032,335	requested
<u>\$565,007</u>	<u>available</u>
\$1,467,328	over-subscription

In the 2024 ESG application round there were 21 applications for a total of:

\$2,190,403	requested
<u>\$881,870</u>	<u>available</u>
\$1,308,533	over-subscription

2023/2024 combined = \$4,222,738 in requests, \$2,775,861 more than available.

In addition, the Continuum of Care (CoC) is another federal grant for people exiting homelessness with medium-to-long term support (e.g. transitional housing, rapid rehousing, permanent supportive housing), which is also administered by NDHFA. In 2024 alone there were \$5,719,695.00 in requests, **\$1,770,115 more** than the \$3,949,579 available. ****Of note - this list of grants is not exhaustive and not all agencies in need of funding apply for these resources because they know there is not sufficient funding.**

Housing Incentive Fund

It is with that same, deep understanding of how much more needs to be done that I tell you \$25 million for the Housing Incentive Fund (HIF) is simply not enough. When we look at the North Dakota Housing Finance Agency's most recent housing study which indicates just shy of 16,000 units of affordable housing needed in North Dakota, we can do the math to reflect the incredible demand for more funding in HIF:

16,000 units of affordable housing x \$300,000/unit (avg cost 2024) = \$4,800,000,000

Multiplied by 20% (HIF historically covered an avg 20% of cost) = **\$960,000,000**

Requesting almost \$1 billion for the Housing Incentive Fund, now *that* is an unrealistic ask. Not only at the price point, but at the feasibility of producing that many units in a short timeframe. Instead, through the Interim Government Services Committee's work on HCR 3030 which included dozens of testimonies from various entities across the state, reviewed data on different definitions of homelessness and the varying Federal, State, local and private funding sources to address housing instability, the committee

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recommended \$200 million for the Housing Incentive Fund be provided over two biennium to make a long-term investment that strategically addressed the need to support the creation of affordable housing and allow for flexibility to meet local needs. The bill that came out of that interim committee, Senate Bill 2030, was killed earlier this session, but the Senate included \$25 million in HIF in SB 2014. While \$25 million is almost double in comparison to what was allocated in the last legislative session, I assure you it is not a generous amount in comparison to what the realities of today's demand are. The North Dakota Housing Finance Agency received more than \$50 million in development project requests alone in their 2024 application period this past September. Of the 17 applications for development funds, which had a handful of programs including HIF, only one was outside of the 'big' cities. If we want to legitimately address housing and workforce needs in North Dakota, for urban and rural, housing needs to be an appropriations priority.

Respectfully, the North Dakota Coalition for Homeless People requests this committee increase the amount for Housing Incentive Fund to \$100 million, because someone needs to stand before you and boldly request what is needed, not just what we hope we can get. With that, we also recognize the legislative body's responsibility to appropriately balance budgets and encourage the committee to utilize options, such as including a trigger should revenues be realized at higher levels than currently forecasted, to provide a commitment to the long-term investment and success for all North Dakotans.

Respectfully submitted,



Katie Jo Armbrust

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North Dakota Coalition for Homeless People