

North Dakota House Appropriations - Government Operations Division
House Bill 1014

January 12th, 2023

Chairman Monson and members of the committee,

My name is Katie Jo Armbrust, I work for the Grand Forks Housing Authority and am submitting testimony to support an increase in both the Housing Incentive Fund, to \$50 million, as well as the North Dakota Homeless Grant, to \$5 million.

The Grand Forks Housing Authority provides affordable housing for over 2,200 households in the Grand Forks area everyday. We were a benefactor of the Housing Incentive Fund (HIF) with the development of Cherrywood Village in 2014, an affordable housing rental project that increased the amount of rental housing with 30 - 1 bedroom/1 bathroom units for people 62 years and older. It is well documented that HIF provides the perfect gap financing to make complex affordable housing projects work, over 3,300 units have either been produced or rehabbed since it was first created. Unfortunately, HIF has been underfunded consistently.

The recent Housing Needs Assessment definitively shows that the need for affordable housing will continue to grow. The study anticipates an increase in low-income households by 1,768, very low-income households by 2,566, and extremely low-income households are projected to have an additional 3,621 by 2025. These are households that have difficulty providing the basic necessities for their families with income at these levels. We know having safe, affordable housing is vital to having stability in the lives of our neighbors, which creates healthy and robust communities. The requests have continued to increase every session because of the need. The demand is easily demonstrated through the amount of funding requested, over \$25 million in the last HIF application round (of which only \$9.5 million was available). It's time to start dedicating investments in housing to address the needs in all of North Dakota.

The North Dakota Homeless Grant (NDHG) is another program that has the ability to address unmet housing needs that are occurring in every part of the state, not just urban. This grant uses general funds to support emergency shelters and other homeless providers with operating funds, essential services like case management, homeless prevention assistance and the like. There is a substantial need for funds to support more than just those activities; the NDHG has the ability to be flexible and meet those needs, with ample support. Every year for the last 5 years requests in NDHG have exceeded money available. \$5 million may seem like a substantial amount when compared to previous allocations and yet, realistically, \$5 million won't cover the majority of needs across the state over a biennium. Again, the time is now to dedicate funds to address the housing needs in our state.

Respectfully submitted,

Katie Jo Armbrust