

North Dakota Senate Appropriations - Education and Environment Division  
House Bill 1014  
March 9th, 2023

Chairman Sorvaag 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 (HIF), to \$50 million, as well as the North Dakota Homeless Grant (NDHG), to \$5 million.

The Grand Forks Housing Authority provides affordable housing for over 2,200 low-income households in the Grand Forks region on a daily basis either through Section 8 Housing Choice Vouchers or Project-Based Rental Assistance, all of which is federally funded. We were a recipient of HIF and developed Cherrywood Village in 2014, an affordable housing rental project that increased the 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 after its initial creation.

The North Dakota Housing Finance Agency's 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) which shows you that Senator Kreun's bill requesting \$50 million per biennium was not unrealistic. Every time the legislative body kicks this can down the road, it's going to cost all of us more. It's time to start prioritizing investments in housing to address the needs in all of North Dakota.

The ND Homeless Grant 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 will not 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. The answer to homelessness is housing, it IS that simple.

Respectfully submitted,

Katie Jo Armbrust