



North Dakota Senate

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COMMITTEES:

Education
Workforce Development

2 HB 1014 - Industrial Commission Budget

Request for additional Housing Incentive Funds to be available if SIIF bucket fills throughout the biennium. As has been demonstrated, based on project applications in previous biennia there is much more need for affordable housing development and rehabilitation than Housing Incentive Funds available.

Including trigger language gives a signal to the market that funding may be available, and communities should plan accordingly. **This would greatly benefit rural communities and smaller projects** to give them time to put something together and compete as each funding round occurs. It also allows funds to get out the door to align with cheaper building costs than waiting for another legislative session.

Proposed language:

- **\$25 million** is available only if the state treasurer certifies to the office of management and budget that oil and gas tax revenue allocations to the strategic investment and improvements fund under section 57-51.1-07.5 have exceeded **\$420,000,000** during the 2025-27 biennium. The appropriation in this section is considered a one-time funding item.

Housing Incentive Fund (HIF) History

Legis Assembly	Appropriated	Applications**	Awards**	Total Unfunded**	Notes
2023 - 2025	\$13.75 Million	16	7	\$46,682,840	Single-family authorized activity
2021 - 2023	\$9.5 Million	12	6	\$44,488,843	
2019 - 2021	\$7.5 Million	11	6		
2017 - 2019	\$0	10	6		
2015 - 2017	\$40 Million	50	24		\$30 M in tax credits, \$5 M from BND, trigger for additional \$5 M from BND for cities less than 12,500 people
2013 - 2015	\$35.4 Million	54	29		\$20 M in tax credit, \$15.4 M general fund
2011 - 2013	\$15 Million	30	21		HIF created in 2011 via tax credits

**Note, this reflects projects that are in the works and applied for all development funding, and it does not include rural projects or those that are not in progress

Multifamily Pipeline Demand

Program	# of apps	Request	Available	Unfunded
Low Income Housing Tax Credit (federal)	22	\$20,727,710	\$7,358,172	\$13,369,538
HOME (federal)	17	\$17,027,069	\$4,690,866	\$12,336,203
National Housing Trust Fund (federal)	12	\$18,432,666	\$5,925,166	\$12,507,488
Housing Incentive Fund (state funded)	18	\$20,567,605	\$12,097,994	\$8,469,611

2023-2025 Unfunded Applications = 14 Projects/ 522 Units
\$46,682,840

HOUSING & HOMELESS FUNDING CROSSWALK

<u>RECOMMENDATIONS PRIOR TO SESSION</u>	SB 2030	Gov Burgum	Gov Armstrong
State Funded Programs	Interim Gov Serv Committee	Budget	Budget
** Does not reflect Federal Funding			
North Dakota Homeless Grant (NDHG)	\$10 Million	\$10 Million (NDHFA)	\$10 Million (NDHFA)
Funding for a Homeless Study	\$50,000	-	-
School District Homeless Liaisons	\$1 Million	-	-
Housing Incentive Fund (HIF)	\$200 Million over 4-years	\$30 Million (NDHFA)	\$25 Million (NDHFA)
Homeless Study - Legislative Management	\$50,000	-	-
Housing Instability	-	\$10 Million (DHHS)	\$10 Million (DHHS)
Eviction Prevention	-	\$3.5 Million (DHHS)	\$3.5 Million (DHHS)
In-Home Modification	-	\$1 Million (DHHS)	\$1 Million (DHHS)
Housing for Opportunity, Mobility, and Empowerment Program	-	-	\$50 Million (Commerce)
Homeless/Housing Stabilization	\$11 Million	\$23.5 Million	\$23.5 Million
Development of Affordable Housing via HIF	\$100 Million (2-year)	\$30 Million (2-year)	\$25 Million (2-year)
Other Housing Initiatives	\$50,000	\$41.5 Million	\$56 Million
2025-2027 TOTAL HOMELESS & AFFORDABLE HOUSING FUNDING	\$111,050,000	\$96,000,000	\$104,500,000

\$211,050,000 with HIF 4-year

<u>LEGISLATIVE ACTIVITY AS OF 4/24/25</u>		Armstrong	Senate Version	House Version
Bill No.	Program/Purpose			
SB 2014 - Industrial Commission Budget Bill (North Dakota Housing Finance Agency)				
NDHFA	North Dakota Homeless Grant (NDHG)	\$10 Million	\$10 Million	\$10 Million
	Housing Incentive Fund (HIF)	\$25 Million	\$25 Million	\$20 Million
	Rent Stabilization/Eviction Prevention reallocated in House version of SB 2014	-	-	\$13.5 Million**
HB 1012 - Department of Health & Human Services Budget Bill (Specific funding for Housing Initiative)				
DHHS	Housing Instability	\$10 Million	\$500,000*	-
	Eviction Prevention	\$3.5 Million	-	-
	In-Home Modification	\$1 Million	\$1 Million	\$1 Million
SB 2225 - Infrastructure Bill (Gov Armstrong's Budget)				
Commerce	Housing for Opportunity, Mobility, and Empowerment Program	\$30 Million	\$50 Million	\$30 Million

****Comments**** \$13.5 Million reallocation from DHHS to NDHFA was initially made by North Dakota Coalition for Homeless People
 NDCHP membership recommended the reallocation to ensure local control, meet community needs, remedy landlord relationships
 NDCHP lobbyist requested this reallocation to streamline homeless/housing/rental funding within one state agency
 NDHFA will grant the \$13.5 Million out to agencies across the state
 House Appropriations HR Division supported the reallocation due to DHHS capacity/focus on current programs
 Governor Armstrong is supportive of the reallocation to NDHFA

Comment Senate had kept \$500,000 in HB 1012 as a placeholder to ensure that the funding was reallocated to SB 2014

North Dakota Homeless Grant (NDHG) History

Legis Assembly	Amount	Notes
2023 - 2025	\$2.5 Million	Transferred from Commerce to NDHFA
2021 - 2023	\$1.3 Million	
2019 - 2021	\$1.5 Million	
2017 - 2019	\$300,000	
2015 - 2017	\$1.5 Million	

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

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

\$2,825,388 requested
\$1,130,000 available
 \$1,695,388 over-subscription

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

\$2,885,349 requested
\$909,115 available
 \$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
\$565,007 available
 \$1,467,328 over-subscription

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

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

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

In 2023/2024 combined there were \$9,933,475 in requests for NDHG & ESG.

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.

** Please 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. **