

TO: House Political Subs
FROM: City of Watford City, Community & Business Development
DATE: March 13, 2025
RE: SUPPORT of SB 2225

A BILL for an Act to provide an appropriation to the department of commerce for a housing for opportunity, mobility, and empowerment program; to provide for a legislative management report; and to declare an emergency.

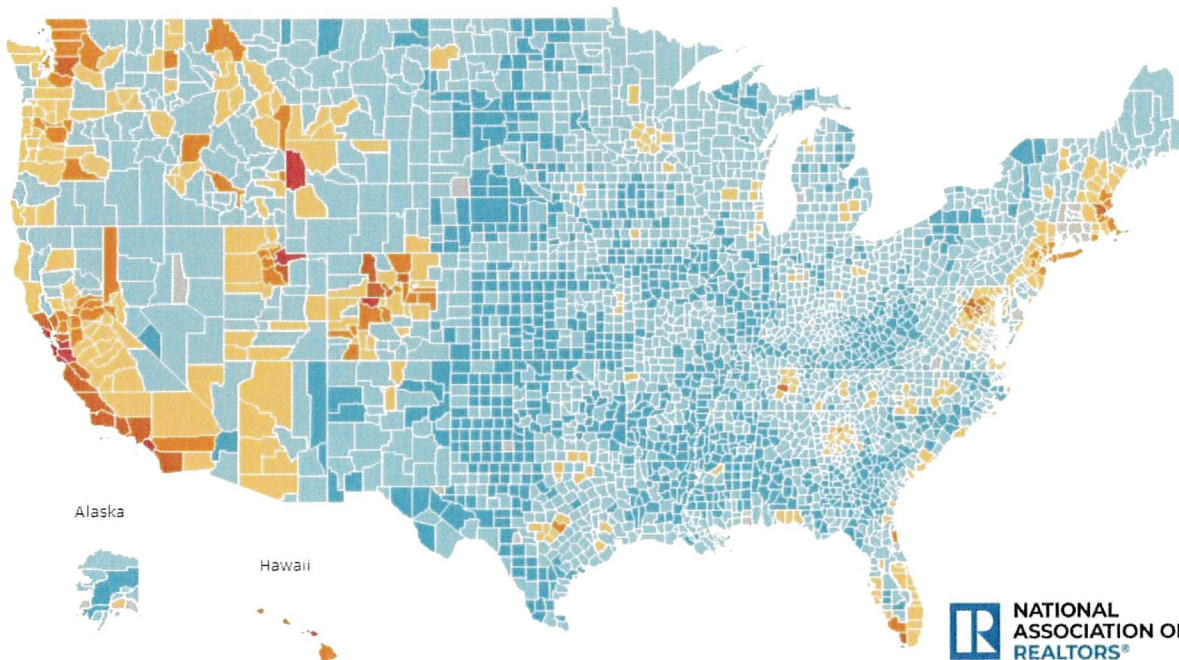
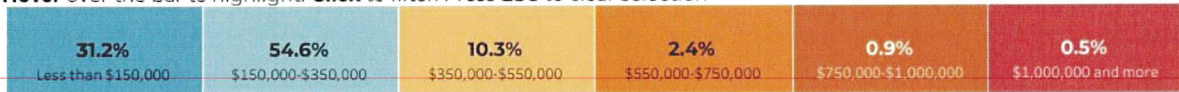
Chairman Longmuir, Vice Chairman Fegley and members of the House Political Subs Committee:

Thank you for the opportunity to stand in support of SB 2225 today. My name is Vawnita Best, Community & Business Development Director for the City of Watford City. On any given month in North Dakota, McKenzie County produces between 35-45% of North Dakota Sweet Crude – the oil that is responsible for generating over 50% of North Dakota’s tax collections. Watford City is the county seat of McKenzie County where 50% of the county’s population lives.

I am providing you with an infographic from the National Association of Realtors for the following purpose:

County Median Home Prices Q3 2024

Hover over the bar to highlight. Click to filter. Press **ESC** to clear selection



In the United States, on a county-by-county basis, 10.3% of US counties experience AVERAGE housing sales between \$ 350,000 and \$ 550,000. 85% of US counties experience AVERAGE housing sales UNDER \$ 350,000. Specifically in McKenzie County, our 2025 average sold price was \$466,000 in January and \$430,000 in February. When you look at the lone TAN county in all of North Dakota, South Dakota and eastern Montana (see McKenzie County as a tan colored island in a sea of blue), we are among the 15% most expensive counties in the United States to purchase a home. That lone TAN county generates 1 in every 6 tax dollars that funds the state of North Dakota's budget - to fund things such as property tax relief, public education, Fargo floor protection, Prairie Dog funding for all non-oil and gas producing counties and cities, and many other things we enjoy as North Dakotans.

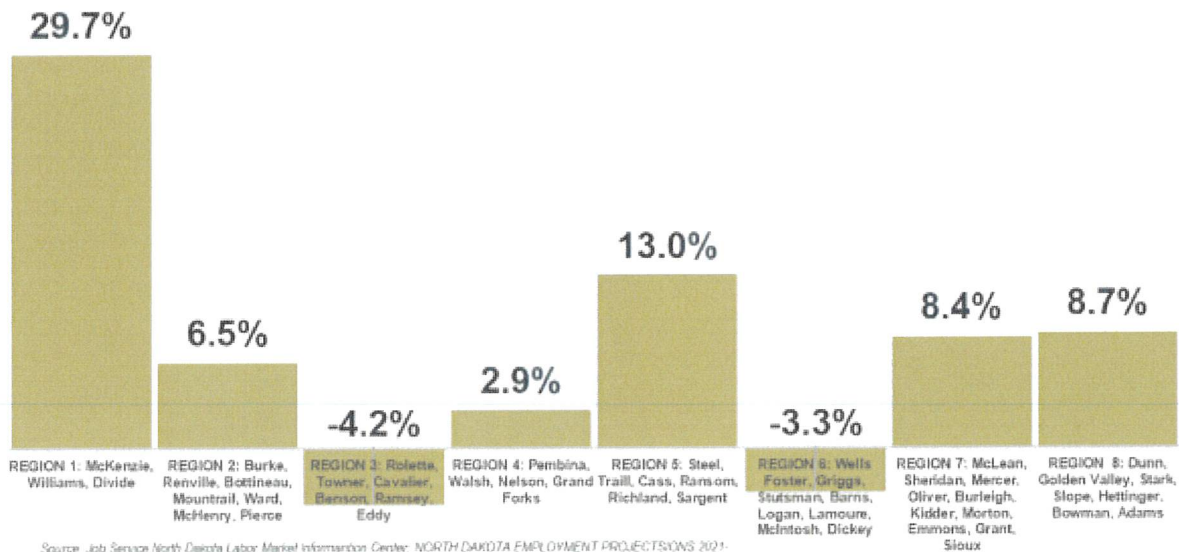
AND, the businesses that generate these tax dollars NEED affordable housing for their employees and their contractors. We communicate closely with our top employers in McKenzie to ensure our community development initiatives are in line with their BR&E needs, which are primarily workforce needs. Our largest, disclosed employers from JSND's 2023 LMI annual report are:

- McKenzie Co Public School District, McKenzie Health
- ONEOK Inc.
- Jones Contractors
- McKenzie County
- Kinder Morgan
- Delta Constructors
- Energy Transfer
- Enerplus
- Panther Pressure Testers
- Tiger Well Service
- Chord Energy
- Cash Wise Foods
- Baker Energy Services
- Conoco Phillips
- City of Watford City

I am excited to stand in support of 2225 today - to create the H.O.M.E. program and to provide \$20 M in match grant funds for communities of 5,001 – 20,000 individuals to generate rooftops and create affordable housing for working North Dakota families. Since 2010, when Watford City was a town of 1,744 people to today, and over 7,500 people (calculated by our waste water treatment plant), we have been severely short on rooftops and listed sale inventory. Over and over again, the businesses listed above and many other McKenzie County businesses have identified affordable housing as the primary obstacle to workforce attraction, retention and ultimately business expansion. This program will provide an opportunity to make a difference for these businesses and the needs of their workforce.

To further support the need for \$20M for communities of 5,001 – 20,000, the below referenced infographic shows the projected workforce growth in Region 1 (Divide, Williams and McKenzie Counties) of over 10,500 people by 2031. **One in every three jobs created in North Dakota through 2031 is expected to be in McKenzie, Williams and Divide counties.** A projected workforce without realistic affordable housing solutions at this point in time.

Employment projection change from 2021 to 2031, by ND Region



Employment for North Dakota Region 1 which includes the counties of McKenzie, Williams, and Divide is projected to increase from 35,641 in 2021 to 46,212 in 2031 which is a 29.7% increase. Employment for North Dakota is projected to increase from 456,703 in 2021 to 499,750 in 2031, a 9.4% increase. Region 1's projected growth rate is the highest in the state of North Dakota. See more in [this report](#) from the Labor Market Information Center of Job Service North Dakota.

In addition to supporting 2225 the City of Watford City also respectfully requests an amendment to the bill:

SECTION 1, SUBSECTION 4 – ADD a maximum grant award for a community with 5,001 and 20,000 of \$ 3,333,000:

- "The maximum grant award for a community with more than 20,000 individuals is \$1,500,000.
- **The maximum grant award for a community with 5,001 to 20,000 individuals** (*Jamestown, Minot AFB, Wahpeton, Devils Lake, Watford City, Valley City*) **is \$3,333,000.**"

If the H.O.M.E. program was available to support \$3.3M in residential infrastructure funding to buy down lot prices in Watford City and incentivized the creation of 150-200 rooftops, that would help our businesses lower their self-identified primary barrier to attracting workforce to McKenzie County and retaining them there.

Chairman Longmuir, Vice-Chairman Fegley and members of House Political Subs Committee, THANK YOU for the opportunity to stand in support of 2225 and to offer our suggested amendment to SECTION 1, SUBSECTION 4. I am happy to stand for any questions.

Sincerely,

Vawnita Best, Community & Business Development Director, City of Watford City | vbest@nd.gov | (701) 580-1862