



## Letter of Support – SB 2225

Thursday, March 13, 2025

Chairman Longmuir and members of the House Political Subdivisions Committee,

For the record, my name is Cale Dunwoody, and I have the distinct pleasure of serving as the Vice President of Public Policy for the Fargo Moorhead West Fargo Chamber of Commerce (FMWF Chamber). On behalf of our over 1,700 members, I respectfully offer testimony in support of Senate Bill 2225.

At the FMWF Chamber, our mission is to protect and promote business, inspire individuals, cultivate communities, and influence action. Housing continues to be a significant challenge for communities across the state. These communities lack a stock of income-aligned and diversified housing – directly impacting their ability to attract and retain workers and their families.

We are extremely grateful for the leadership of Governor Armstrong, Senator Bekkedahl, and Commissioner Schilken in their development and support of key workforce initiatives, such as the Housing for Opportunity, Mobility, and Empowerment Grant Program (H.O.M.E). Through this community-based solution, political subdivisions across North Dakota will be able to enhance their efforts to further attract and retain individuals to address their communities' workforce needs.

Since 2010, the FMWF region's population has grown nearly 18 percent; however, our members continue to express concerns centered around the availability of high-quality, skilled workers and a strong workforce pipeline. North Dakota's Labor Force Participation rate trends well above the national average at 68.9% (the national average is 62.8%) and our unemployment rates are amongst the lowest in the nation at 2.4%. This suggests that most individuals who are able and willing to work are already employed – we simply do not have enough workers to fill open positions. The H.O.M.E grant program is a pivotal workforce tool that makes strategic investments to help lower the cost of infrastructure and incentivize the production of additional housing units, directly addressing our state's workforce challenges

A recent housing study indicated that the FMWF region will need at least 16,400 additional units in the next 10 years, with at least 11,800 units needing to be built in Fargo, West Fargo, and Horace. Our region has experienced steady increases in housing costs, largely due to rising mortgage rates and construction costs – increasing the minimum income required to purchase a home. For example, in 2022 the minimum income required to purchase the average home (approx. average home value - \$274,000) was \$81,000 (approx. median household income is \$71,000). Additionally, in 2022, new construction homes were sold or appraised on average at \$425,000 and less than 30% of the region's residents can afford homes at these prices.

As North Dakota continues to grow, we must make strategic public-private investments to address housing shortages and affordability in urban and rural communities. This grant program ensures North Dakota's communities have additional resources to develop diverse, affordable, long-term housing solutions that best meet the needs of their individual community. State investments, like this, coupled with local public and private programmatic and financial support, are fundamental to directly addressing our state's housing challenges - ensuring the continued growth and prosperity of our state.

As the Legislative Assembly considers vital workforce and housing initiatives, we encourage strategic investments in key programs, like the H.O.M.E grant program. This community-based solutions recognizes the unique challenge of different communities and provides necessary resources to address our growing population and vibrant economy. We respectfully urge this committee to give this bill a DO PASS recommendation.

Thank you for your attention to this matter and your commitment to North Dakota.

Sincerely,

Cale Dunwoody  
Vice President of Public Policy  
Fargo Moorhead West Fargo Chamber of Commerce