



STENEHJEM
DEVELOPMENT

TO: House Political Subs
FROM: Stenehjem Development, L.L.P.
DATE: March 13, 2025
RE: SUPPORT of SB2225

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 provide comments for the support of SB2225. My name is Dave Pankow and I represent Stenehjem Development, L.L.P. ("Stenehjem Development"). Stenehjem Development is a Watford City based company that has completed multiple large scale commercial and residential developments. Since 2012, Stenehjem Development has worked closely with Watford City leaders on the visionary layout of the city to accommodate the rapid growth Watford City has incurred.

The challenge of developing affordable housing is exponentially difficult in Watford City due to the very limited number of trades that live in Watford City. From the development of every lot to the construction of every home, the additional costs of pay for hotels and travel costs is one of the leading causes of extremely high-priced homes within Watford City. These additional costs also cause extended construction periods. A house that normally would take six months to complete in Bismarck or Minot, takes 12 months to complete in Watford City. The extended construction periods lead to increased carrying costs. All of these factors ultimately increase the cost of construction, which increases the necessary listing prices of the homes.

This bill will help to reduce the cost of individual homes and help to alleviate some of the risk that individual builders face by having high-priced homes sit on the market for extended periods of time. This bill will reduce the price of those homes so that they are more affordable to a larger group of buyers. The faster these affordable homes sell, the more confident the builders will feel about the market, and in turn more houses will hopefully be built.

Due to the extreme issues of affordable house in the Watford City area, Stenehjem Development not only supports 2225, to create and fund the H.O.M.E. program, but we also highly support the following amendments to the bill:

SECTION 1, SUBSECTION 3 – 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 able to support the \$3.3 million in residential infrastructure to buy down lot prices in Watford City and incentivize the creation of 150-200 rooftops, that would help the community in attracting trades to move to Watford City. As more trades move to the City it will help the city to grow out of the high cost of construction.

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Chairman Longmuir, Vice-Chairman Fegley and members of the House Political Subs Committee, thank you for the opportunity to stand in support of 2225 and to offer the following amendment:

- “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.”

Sincerely,



Dave Pankow

Stenehjem Development, L.L.P.