

2019 SENATE INDUSTRY, BUSINESS AND LABOR

SB 2271

2019 SENATE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Roosevelt Park Room, State Capitol

SB 2271
1/22/2019
Job #31167

- Subcommittee
 Conference Committee

Committee Clerk: Amy Crane

Explanation or reason for introduction of bill/resolution:

Relating to the housing incentive fund; to provide a transfer; and to provide an appropriation.

Minutes:

Att. #1-13

Chairman Klein: Opened the hearing on SB 2271. All members were present.

Senator Kreun, District 42: Testified in support of the bill. As you indicated, over the years we've been utilizing this fund and the last two sessions for sure, it's received zero funding. The North Dakota housing incentive fund is basically very effective, locally driven, rental housing financial tool created and authorized by the legislature in 2011. Our community leaders, private developers, and nonprofit organizations have levered the housing incentive fund to construct new or improved existing rental housing for low to moderate income seniors. Because of the housing incentive fund, seniors have increased access to safe, decent, and affordable housing. And one of the big issues was that we were able to keep the seniors in their homes for a longer period of time instead of going into nursing homes, is one the focuses we had in our district. If you take look, really the only differences, page 1 roughly line 15-20, is we took out the priority through its scoring and ranking process of the housing essential worker's area. This worked really well during the oil boom and a lot of the housing issues that were taking place out west. At this point in time this should be pretty much granted all over the state and utilize that in the same without the special incentives in there. On Page 2 line 25-28, it just took out the registered reflecting of the number of housing units owned, mastered, and leased by cities and counties. On page 3, we took out line 3-7, those are redundant. Now this is really a state project. When those words were put in there it was directed towards the highest need in the state which was out west. Now the reflection has come back, and it shows we've kind of let that drop throughout the rest of the state without the funding. We're trying to get funding back into the housing and finance area. Because if you looked at the circled part of the handout (See attachment #1). This has been a very good project. We're asking a pretty large amount \$40 billion.

Chairman Klein: we've seen this bill before. And what you're doing here is removing those essential workers. The key here is that we got the bill back down to where it was at \$40 million. Our job is not to determine how much money; appropriations will do that. The important thing is here we got the number down.

(6:00)Jolene Kline, Executive Director, North Dakota Housing Finance Agency: See at attachment #2 for testimony in support of the bill.

(22:59)Senator Burckhard: The first time they offered that \$10 million incentive for tax credit, that went pretty fast did it not?

Jolene: Well there's a learning curve. Your group gave us \$4 million in the regular session, and then when you met in special session you increased it to \$15 million, when it's a tax credit we have two years to generate those contributions. So if this would end up being a tax credit this year we would have until December 31st of 2020 to generate those credits. There was a little learning curve with the accountants to encourage their clients to invest but the financial institutions really stepped up and saw it as a way of paying back to the community. When you make a contribution into the fund you can specify a community or a project to use the dollars. The second generation of HIF, the ground was laid already so the contributions came in quicker. The concern that I have with it being only a tax credit this year is there were some significant tax law changes in 2017 at the federal level. The opinion we had the previous two sessions was that a contribution made into the fund would be considered a deduction for federal purposes as a charitable contribution. What our tax advisers have told us is that is likely gone. A contributor could not get a federal charitable deduction for a contribution into the HIF. I don't know what impact that will have. If it will dissuade a lot of contributors but I think it will be a little more difficult to fill that fund if it were solely credits.

Senator Kreun: You helped us with our project in Grand Forks, as the conduit for the tax credits but you were not involved with the actual selling of the credits? How did that work? Because we sold tax credits for \$9 million, we built a building with \$7 million and it cost us \$2 million in fees to accommodate and bring that whole building to fruition. And I think that's kind of what you're getting at. You won't be able to take the tax credits without a lot of extra work? Am I understanding this correctly? So we know the difference between a tax credit and what it did prior to this?

Chairman Klein: This is not a tax credit; this is actual dollars?

Senator Kreun: No it's not. We actually took that out of here because it was confusing and it doesn't work that well.

Jolene: The way the program works, if it's a credit, we award a project x amount of credits based on what that gap is. In the first generation of HIF we kept our administration fees outside of that, but now so how it works is if you are determined eligible for \$2 million of HIF, you get an award of \$2 million of HIF we keep 5% of that to cover administration fees. It cost more in the first generation because we had to go out and create that program, that tax credit. The 5% fee is capped in statute, that we can't charge more than that. If I'm understanding your question, yes, if we say Cherrywood gets \$2 million from HIF, you have to go out and generate that amount, so you go to your banks, your local businesses and say, we've received \$2 million, will you make a contribution into the fund and ear mark it for our project. If some financial institution makes a contribution into the fund for \$5 million, your project only needs \$2 million, that additional \$3 million gets spread to other projects that weren't able to generate enough for their project, unless the specify subsequent communities. But ultimately it is up to the applicant to generate the contributions.

(29:06) Dan Madler, CEO, Beyond Shelter, Inc.: See attachment #3 for testimony in support of the bill.

Dan testified on behalf of Blake Strehlow, Executive Director, Housing Authority of Cass County: See attachment #4 for testimony in support of the bill.

Chairman Klein: Just so you know, we're the policy guys here, we like this by the way. The issue is about the money. I have a feeling that this bill is gonna get passed here and go down the hall and once again, that's where the pitch needs to be made. They'll be a lot of negotiation until the day. We appreciate this, we think its great policy.

Senator Piepkorn: You talk about providing 460 HIF homes to elderly, disabled, victims of domestic violence? How are those populations mixed in or how are they kept separate?

Dan: Essentially the 460 units are separate projects that specifically serve senior populations, family populations, and/or homeless populations.

Loraine Davis, Founder/Executive Director, Native American Development Center: testified in support for the bill. With the intend of developing a multifamily housing project here in Bismarck. We have the largest native American population, compared to any other urban area across the state. We've also discovered relative to how housing and jobs relate to one another, and being able to pay rent is always another issue. We do provide housing assistance through commerce, we're able to fund that. We have a lot of transient populations among our native American population, so we are an access point here. We do recognize the problems amongs the native American population. We want to advocate for and support of this bill. So that we would also be able to tap in to the HIF fund this year. We do have our own developer and are working towards putting something together right now. We are working with five tribes of North Dakota who endorsed us and support this project to happen. Which does make a difference in how it elevates our application. We would just need the support of the housing incentive fund.

(39:33) Mary Anderson, Executive Director, Able, Inc, Dickinson: testified in support of the bill. We're the end user, and today we want you to have a visual of what it's like to be the end user and benefit from a program. First of all, thank you so much for the program. We have a couple people here who would like to just tell a quick story. Cecelia Scable and Gail Dobitz come up. If you could just speak to your issues. I'm going to just pass out what the success looks like on our end. We've had many people who had a lot of conflict with their roommates. Pre-HIF we had no place to go. Post-HIF, we had lots of places to go. But I want to leave this visual with you because you're gonna have people wondering what the resources are. Are they worth it. 21 moves we had between 2006 and 2015 **(See attachment #5)**. To try to help people live a more harmonious life. Take it with you as a visual of success. The other thing we want to leave with you as a visual is people's lives improve so much, we monitor people through behavioral data. Look at the numbers pre-HIF and post-HIF **(see attachment #6)**. We've had to create no moves post-HIF. This will help you create arguments to people who really matter.

Cecelia Scable and Gail Dobitz: Testified in support of the bill. In March of 2015, it was a Saturday evening around seven o'clock, I got a call from Gail. She was crying, she was scared, she asked if I could help her. In the background, she was locked in a room, and in the background I heard a lot of screaming and banging on the door. I asked what was going on, she said she was hiding behind a couch because her roommate was mad at her. She again asked if I could come help her. So of course I jumped in the car and I got to her apartment. And when I got her Mary was there. And I vividly remember looking at Mary and saying this is not okay. She is scared, she's in an abusive relationship. And you'd never leave your own kid, in that relationship. So I walked in, got her settled down and made her try to feel safe in her own home. And when I left, was the hardest thing I did, because when I left I had to leave her there. And I knew it wasn't a good situation and I knew she was basically being abused. I just wanted to let you know I appreciate what you did. She is now in a relationship with her roommate and its working amazing. Do you have anything to say? How did that make you feel?

Gail: I'm better now.

Cecelia: You're better now, okay.

Chairman Klein: Thank you, and thank you Gail for coming.

Mary: Last thing, this has been wonderful, I know people have been asking. Jolene has been wonderful, she's been excellent to work with, I think we've got to kick it up a notch. Because we've had such good success. And there are other people in these dire and desperate situations and they have no place for them to go. I'm saying you need permanent financing for people because one thing you're missing is the ability to react to emergencies, we did not have that (See attachment #7 for continued testimony).

Mason Sisk, Economic Development Association of North Dakota: see attachment #8 for testimony in support of the bill.

Mike Chaussee, AARP-North Dakota: See attachment #9 for testimony in support of the bill.

Tom Alexander, Executive Director, Minot Housing Authority: see attachment #10 for testimony in support of the bill.

See attachments #11-13 for additional testimony in support of the bill.

Chairman Klein: Closed the hearing on SB 2271.

Senator Kreun: Moved a Do Pass and rerefer to appropriations.

Vice Chairman Vedaa: Seconded.

A Roll Call Vote Was taken: 6 yeas, 0 nays, 0 absent.

Motion Carried.

Senator Kreun will carry the bill.

2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2271

Senate Industry, Business and Labor Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Kreun Seconded By Vedaa

Senators	Yes	No	Senators	Yes	No
Chairman Klein	X		Senator Piepkorn	X	
Vice Chairman Vedaa	X				
Senator Burckhard	X				
Senator Kreun	X				
Senator Roers	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Kreun

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2271: Industry, Business and Labor Committee (Sen. Klein, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2271 was rereferred to the **Appropriations Committee**.

2019 SENATE APPROPRIATIONS

SB 2271

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2271
1/30/2019
Job # 31776

- Subcommittee
 Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 54-17-40 of the North Dakota Century Code, relating to the housing incentive fund; to provide a transfer; and to provide an appropriation.

Minutes:

Testimony Attached # 1 – 13.

Legislative Council: Brady Larson
OMB: Becky Deichert

Vice-chairman Krebsbach called the committee to order on SB 2271. Roll call was taken.

Senator Curt Kreun, District 42, Grand Forks

Introduction of bill.

Testimony Attached # 1 - Housing Incentive Fund Impact on Aging Populations

(He introduced SB 2271, but inadvertently said 2277) is kind of an old friend. In the last two sessions, it received zero funding. What has happened in that period of time, prior to that before the boom, some of the things that were taken out of the bill were directly related to the issue that was taking place in the oil patch. What I'm asking is that you take a look at it prior to the boom. This has been a very viable incentive program that's been locally driven for the rental, housing, finance tools. It was created and authorized in 2011 and the communities, private developers, and non-profit organizations have really been able to use this to construct new and improved existing rental housing and new housing over a period of time. We've lost some of this over the last two sessions. It's a very flexible loan program with the ability for many different projects to be used on. Look at the one hand out I gave you. The income levels drop dramatically after that 75-84 age bracket. These are quite often the people that are served through this program. We are asking that you take a look and fund it back to the level it was prior to the boom which was the \$40M dollars. There are many projects out there that can utilize these funds right now that have been basically deferred. If you look at line 15-20, it takes out the process for essential housing workers and basically the other components are the same on 25-28; and also page 3, 3-7. That's the only real changes that were in the bill from last session.

Jolene Kline, Executive Director, North Dakota Housing Finance Agency

Testimony Attached # 1 – Housing Incentive Fund Impact on Aging Populations

Testimony supporting SB 2271 - Attached # 2 – North Dakota Housing Finance Agency

(25:43) **Senator Mathern:** On page 9, you stated that to build a project for the conventional market is the same as the same as the subsidized market? It sounds like the same quality housing, but when I drive around Fargo, I can pick out which ones are conventional and which ones are not. The private market has brick on it and the one for low income housing has plastic siding that's coming off. Has it actually changed where the requirements are of quality housing even if it's subsidized?

Jolene Kline: When I made the observation that it costs the same, it costs the same if you were doing "like" construction. We require housing that is going to remain functional for at least a 30-year period. If you drive around your community and comparing one project to another, those with brick construction are probably not charging \$1600/month rents. They're charging something in excess of that. Our cost of construction is averaging \$176,000/unit, so if you are truly developing luxury apartments that stands out from the rest, it most likely costing in excess of that \$176,000.

Senator Mathern: Are you able to sell or trade out empty units? Can you sell that unit or take that credit or put it to another community within your programming? Or is that not possible?

Jolene Kline: One of the eligible uses of HIF (Housing Incentive Fund), is the buy down of existing debt. That was one of our focuses in that last funding that we had was, can we shore up some of those existing projects where they're experiencing vacancies? If you have a project developed in Watford City or Williston that received the bare minimum of HIF. They receive 30%. The other 70% has conventional debt. Can we buy down some of that 70% conventional debt with an additional infusion of HIF? Our tradeoff is that we're going to get some more units. So if we put in 30% of the cost of the project, 30% of the units have income and rent restrictions. Can we take another 30% buy down of debt, convert another 30% of the units to make them affordable to house more people that we're trying to house? Certainly. But developers typically go into a for-profit venture with the idea of getting large rates of return. They're willing to absorb the vacancies in those tough times because they don't want to deal with long term rent restrictions, but it is a possibility. In a market that has an oversupply of market rate housing, we don't want to increase those vacancy numbers.

(31:15) Dan Madler, CEO, Beyond Shelter Inc. (BSI)

Testimony Attached # 3 in support of SB 2271.

He also submitted testimony in support of SB 2271.

Attached # 4 - **Terry Hanson, Executive Director, Grand Forks Housing Authority**

Attached # 5 - **M. Blake Strehlow, Executive Director, Housing Authority of Cass County**

(49:33) **Senator Mathern:** The Edwinton Place, the 40 units in Bismarck - I have concerns about putting a lot of people with the issues in the same place. I like these plans of mixing folks of different incomes in the same project. What is the philosophy going forward? What works best for housing? Is it best to have it mixed or have specialized housing?

Dan Madler: It's not a general, you can't broad brush it. You don't want to concentrate all affordable housing in one area. You want geographic distribution throughout the community. So you look at the type of housing which is generally affordable housing for families, seniors and special needs such as the homeless. Going specifically to the Edwinton Place with 40 units in one location land will that work. That project is basically designed using the "housing first" option which is a successful way of providing permanent support of housing to those

who are experiencing long term homelessness. It allows an individual to receive housing that is permanent and then build relationships with support service providers to basically get them settled and concentrate on getting help. Our first project was Cooper House. We have a nine-year track record. It's working well. With our seniors, we also like to have geographic distribution. Seniors like community, they like to be involved, visit and be involved. We usually try to develop a site for senior housing that will hold 80-120 units. The same with the family, scattered around the community. It's all project specific.

Senator Hogue: You passed around the picture of the Edwinton project. It says it is 40 one-bedroom units with total project costs of \$10.3M. Do you have any further breakout of the \$10.3M?

Dan Madler: That's total development costs. It's not construction costs. That's the cost to acquire land; architectural costs, engineering costs, surveying costs, marketing costs, phase I environmental costs, and also funding our reserves. I don't have the exact breakdown, but majority of that cost is the hard construction costs – I would say 80% of that if not more of the \$10.3M would be related to the hard construction costs to build the facility.

Senator Krebsbach asked him if he was a contractor and he is a CEO for a non-profit that is a housing developer and he has been in the affordable housing world for 26 years.

Blake Crosby, Executive Director, North Dakota League of Cities

No written testimony.

He handed out testimony from **Larry Weil, Community Development Director, City of West Fargo, North Dakota** - Attached # 6 in support of SB 2271.

I am here in support of SB 2271. As we see the demographics change in North Dakota, as we see the increase in fixed income seniors, it is very important that we provide those seniors safe and affordable housing.

Dwight Barden, Executive Director, Burleigh County Housing Authority, Bismarck, North Dakota

Testimony Attached # 7 in support of SB 2271.

(1:01:59) **Senator Grabinger:** What kind of skin in the game are the cities putting in? We're being asked to put in \$40M, can you explain what cities are expected to contribute to these projects?

Dwight Barden: The biggest skin in the game for the local communities has been offering a break in the taxes. We will pay a pilot which means we will pay a percentage of the revenue instead of paying the full property tax on it because with these rents, we can't cash flow with the local property taxes.

Senator Grabinger: So is that an essential part of these projects, so you don't go into it unless you have that level of support from the community?

Dwight Barden: Yes. That's pre-authorized before we move into it.

Senator Robinson: Should the full \$40M be funded, how many housing units would we be able to address?

Dwight Barden: Along the terms of what I can provide to you, in the last sessions where HIF dollars have been funded, under the tax credit program, applications come in and there's been approximately 4-5 projects funded. But there's always been about 8-15 projects that have been submitted for those dollars.

Jolene Kline: Using the prior experience, we would anticipate that we could create about 1100 units with \$40M so about 560 units per year for each year of the biennium.

Senator Robinson: We have challenges with workforce training, good paying jobs, housing? Do we have any programs where we partner with the Dept. of Commerce so we're all pulling together in the same direction at the same time? Are there other state agencies that could help facilitate all of the above as statewide priorities? It's part of a big puzzle and I'm curious if we are we overly fragmented with our approach to these issues?

Jolene Kline: Yes we partner. I'd like to say that we aren't a fragmented delivery system. Part of the governor's Main Street Initiative is really looking at communities holistically, and what do they need in order to create jobs to grow Main Street which is growing housing, growing businesses, growing workforce – and we're all connected. Today a developer may come to NDHFA for federal or state dollars for housing. They may also submit an application to the department of commerce. The dept. of commerce still administers the federal home program and the federal CDBG program which can be pieces of funding in projects. As Dwight talked about with the Edwinton Place. That actually has some NSP dollars that originated with the Dept. of Commerce. The third entity they may partner with today is they may go to the BND for a FLEX PACE – affordable housing FLEX PACE interest rate buy down if they do have debt on the project.

Senator Wanzek: In the Industrial Commission, there's \$20M from the SIIF fund that is proposed for HIF, and another Senate bill that is looking at \$10M in tax credits and then this bill, \$40M from the general fund. For clarification, are you incorporating all of these into the mix or is it the \$40M regardless of where it comes from.

Jolene Kline: I am an Industrial Commission agency head. I am supporting HB 1014 which includes the governor's recommendation of \$20M. I would anticipate, at some point, that there will be a reconciliation by the various committees. If we got \$70M dollars, we would have demand and we would put \$70M to work. I just had a conversation from someone who assured me that \$20 was put in there, not because the governor felt that \$20M was all that was needed. \$20M was put in there because he thought that that was the threshold that you'd be able to accept. He was realistic in what he thought this body would ultimately approve. He believes HIF funding is critical and some funding level. It will be a reconciliation as to what funding source and what dollar amount is ultimately carried.

(1:10:22) Erin Prochnow, CEO, YWCA Cass Clay, Fargo, ND
Testimony Attached # 8

(1:17:10) Senator Robinson: You mentioned about 14% of the folks that need your services and because of a variety of factors, are receiving those services. Where are the rest of the tate if you move away from Fargo/Moorhead – like the rural areas.

Erin Prochnow: As the larger shelter serving women and children in the State of North Dakota, we serve people from all across the state.

Senator Robinson: I realize that but in many cases they're place bound, their job, not everyone can access your services for a variety of reasons. The unmet need out there must be significant.

Erin Prochnow: There's no question about that, but 2 weeks ago, a man in Grand Forks died in the back end of his pick-up truck trying to heat it with a propane tank because he didn't have anywhere to go. So whether you live in Fargo or Valley City or Devil's Lake, homelessness is a challenge. It's not an urban issue, it's not a rural issue, I think it's a humanity issue.

(1:19:24) **Rick Clayburgh, President & CEO, North Dakota Bankers Association**
No written testimony but speaking in favor of SB 2271.

I'm also speaking on behalf of the Independent Community Banks of North Dakota. We're in support of SB 2271 the way it has been amended to bring those decisions and make more flexibility for the local level. For the committee, you need to decide the appropriate funding. We stand in support of the \$40M, but understand that you need to make things balance at the end of the year, but it is a very important program. Our financial institutions are involved in helping fund those projects across the state. We stand in strong support of SB 2271.

(1:20:15) **Dan Hannaher, Director of Community Engagement, Lutheran Social Services of North Dakota**
Testimony in support of SB 2271 - Attached # 9.

Brent Ekstrom, Executive Director, Lewis & Clark Development Group, Bismarck, ND
Testimony in support of SB 2271 - Attached # 10.

Mason Sisk, Economic Development Association of North Dakota
Testimony in support of SB 2271 - Attached # 11.

Vice-chairman Krebsbach closed the hearing on SB 2271.

Later submitted:

Mike Chaussee, AARP North Dakota

Testimony in support of SB 2271 - Attached # 12

Testimony in support of SB 2271 - Attached # 13 – AARP Fact Sheet

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2271
2/15/2019
JOB # 32839

- Subcommittee
 Conference Committee

Committee Clerk: Alice Delzer

Explanation or reason for introduction of bill/resolution:

A BILL for an Act relating to Housing Incentive Fund (Do Pass as Amended).

Minutes:

1.Amendment # 19.1093.01001

Chairman Holmberg: opened the hearing on SB 2271. All committee members were present. Sheila M. Sandness, Legislative Council and Becky Deichert, OMB were also present.

Senator Sorvaag: We kept the language. I move that we lower it to \$10M. We accept the bill with the \$10M 2nd by V. Chairman Krebsbach. A voice vote was held. It carried.

Senator Sorvaag: Moved a Do Pass as Amended. 2nd by Senator Bekkedahl.

Chairman Holmberg: Call the roll on Moved a Do Pass as Amended on 2271.

A Roll Call vote was taken. Yea: 14; Nay: 0; Absent:0.

Chairman Holmberg: This came from IBL. I will ask IBL, then if they don't want to carry it, then Senator Sorvaag will carry it. **(He did confirm that Senator Kreun will carry the Bill.)**

The hearing was closed on SB 2271.

Chairman Holmberg: Told the committee that they had done wonderful work through this portion of the Session.

19.1093.01001
Title.02000

Prepared by the Legislative Council staff for
the Senate Appropriations Committee
February 15, 2019

SL
2/15
1501

PROPOSED AMENDMENTS TO SENATE BILL NO. 2271

Page 3, line 10, replace "\$40,000,000" with "\$10,000,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment reduces the transfer from the general fund to the housing incentive fund by \$30 million, from \$40 million to \$10 million.

Date: 2-15-2019

Roll Call Vote #: 1

2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2271

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: Reduction to \$10M

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar

Other Actions: Reconsider _____

Motion Made By Sorvaag Seconded By Krebsbach

Senators	Yes	No	Senators	Yes	No
Senator Holmberg			Senator Mathern		
Senator Krebsbach			Senator Grabinger		
Senator Wanzek			Senator Robinson		
Senator Erbele					
Senator Poolman					
Senator Bekkedahl					
Senator G. Lee					
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

*Voice Vote
Carried*

Date: 2-15-2019

Roll Call Vote #: 2

**2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2271**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar

Other Actions: Reconsider _____

Motion Made By Sorvaag Seconded By Bekkedahl

Senators	Yes	No	Senators	Yes	No
Senator Holmberg	✓		Senator Mathern	✓	
Senator Krebsbach	✓		Senator Grabinger	✓	
Senator Wanzek	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Poolman	✓				
Senator Bekkedahl	✓				
Senator G. Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Kneen

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2271: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2271 was placed on the Sixth order on the calendar.

Page 3, line 10, replace "\$40,000,000" with "\$10,000,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment reduces the transfer from the general fund to the housing incentive fund by \$30 million, from \$40 million to \$10 million.

2019 HOUSE INDUSTRY, BUSINESS AND LABOR

SB 2271

2019 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Peace Garden Room, State Capitol

SB 2271
3/11/2019
33538

- Subcommittee
 Conference Committee

Committee Clerk: Ellen LeTang

Explanation or reason for introduction of bill/resolution:

Housing incentive fund.

Minutes:

Attachments 1-11

Chairman Keiser: Opens the hearing on SB 2271.

Sen Kreun~District 42: Introduces the bill.

4:22

Vice Chairman Lefor: Is it a continuing appropriations for the 10 million?

Sen Kreun: There was no funding last year.

Rep P Anderson: Why did they take out the register or report?

Sen Kreun: It was designed for & used it for teacher & workforce accommodations.

Rep D Ruby: Senior housing, the language is removing its first priority which was for essential service workers. It still provided housing for low income as secondary? Was that too difficult to work around & take it away from essential housing?

Sen Kreun: Essential housing was the first priority for workforce development. As the things died down, the need is not there anymore. It took it back to the way it was originally intended.

Rep D Ruby: Is it mainly for low interest loans or grants? What was it funded at before?

Sen Kreun: In 2011 it was 15 million, 2013 it was 35.4, & 2015 it was 40 million. Those were the funding levels that we actually funded to meet the need. I think this is back down to 10 million.

Rep Richter: Does essential personnel need to be removed completely where the rent is still high?

Sen Kreun: I guess you could leave it in there. This is the broader spectrum. Before it was focused out west but now it's for the whole state.

Jolene Kline~Executive Director of the ND Housing Finance Agency: Attachment 1.

29:45

Rep D Ruby: When you do the set up as a loan, are the payments immediately or are they deferred?

Jolene Kline: There are no payments required. It is 0% forgivable. We structure the project so that there no excess cash flow. If there is cash flow at the end of the year after expenses are paid, there would be some expectation of payment on the principle. It's structured as a loan so that we have the mechanism in place & they leave, we have some recapture of dollars.

Rep D Ruby: Looking at the map, the goal is to keep their homes & not go to the larger communities. It looks like you are monitoring people to keep them in the smaller communities.

Jolene Kline: That's strictly by virtual of population. Our HIF allocation plan requires that we have to put the money into the small communities. The economics is just not in the small communities & that's there federal wants it.

Rep Richter: Do you take cost of living into consideration or is it purely income based?

Jolene Kline: The program sets up parameters & it's up to the developer in concert with the community to define whether he is going to target that 140%, 80%, 50% or the 30%. This is the maximum gross income that you can have. Child care is not an allowable expense.

Rep Richter: A lot of the people fall into the essential service worker jobs. We are handicapping the workers in high income communities.

Rep Adams: Are there developers waiting to build these units?

Jolene Kline: There is no shortage of developers & they are ready.

Chairman Keiser: Can you walk us through to the committee the concept of a project.

Jolene Kline: Explains.

Laurie Frolieh~Tenant: Explains living in the housing projects & her life history of employment where she didn't have the opportunity to put money into retirement.

1:03:30

Barbara Andrist~Behalf for Shirley Dykshoorn~Vice President of Lutheran Social Services of ND: Attachment 2. They rent to 900 household in ND.
1:04:20

Dan Madler~Chief Exective Officer-Beyond Shelter Inc: Attachment 3.

Brent Ekstrom~Executive Director~Lewis & Clark Development Group: Attachment 4. Submitted testimony but didn't testify.

1:17:05

Katie Jo Armbrust~Grand Forks Housing Authority: Attachment 5.

Dwight Barden~Exective Director-Burleigh County Housing Authority: Attachment 6.

1:21:30

Nathan Sisk~Economic Development Association of ND: Attachment 7.

1:22:45

Chairman Keiser: Everything we talked about is affordable housing, why isn't it subsidized housing?

Nathan Sisk: I really can't answer that. All we are doing is offering housing that people can afford to live in.

Rep D Ruby: Can you define how you determine developing communities? Why is the percent for this fund going from 25% to 15%?

Nathan Sisk: I would differ that question.

Blake Crosby~Executive Director North Dakota League of Cities: Attachment 8.

Jim Gilmour~Strategic Planning Director: Attachment 9. Submitted testimony for Jim Gilmour but Blake Crosby read his testimony.

1:26:05

Rep P Anderson: Do you have any statics for older people leaving small communities?

Jim Gilmour: I do not have those numbers.

Mike Chaussee~AARP-ND: Attachment 10. Submitted testimony but needed to leave.

1:28:30

Chairman Keiser: Jolene, can you come up for just a minute? Did the bill come into the senate at 40 million & senate appropriations dropped it to 10 million?

Jolene Kline: Yes, it came in at 40 million to the senate, the senate IBL left it at 40 million but senate appropriations dropped it to 10 million.

Rep Bosch: Where can I look for the 2018 ND's 10-year long term plan?

Jolene Kline: It's on our web site, NDHFA.org under the publications.

Rep Bosch: Does it talk about the funding you need to achieve the 10-year plan?

Jolene Kline: We talk more in terms of goals. It was silent on funding sources.

Chairman Keiser: Anyone else here to testify on SB 2271 in opposition, neutral. Closes the hearing on SB 2271. What are the wishes of the committee?

Rep D Ruby: I would like to amend to reinstate all of the struck language & move back to the 40 million. The projects that we discussed, all were able to be accomplished with this language in. I still believe it's important to have the focus on essential workers & developing communities, which can include the larger communities.

Rep Adams: Second.

Chairman Keiser: Further discussion. We will take the roll.

Roll call was taken on the amendment to SB 2271 to remove all the overstrike in the bill & to replace 10 million back to 40 million with 9 yes, 1 no, 4 absent. Amendment passed.

Chairman Keiser: Is there a further motion?

Rep D Ruby: Move a Do Pass as Amended & rerefered to appropriations.

Vice Chairman Lefor: Second.

Chairman Keiser: Further discussion?

Roll call was taken on SB 2271 for a Do Pass as Amended & be rerefered to appropriations with 9 yes, 1 no, 4 absent & Rep C Johnson is the carrier.

Terry Hanson~Executive Director-Grand Forks Housing Authority: Attachment 11.

DP 3/11/19

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2271

Page 1, line 15, remove the overstrike over "first"

Page 1, line 15, remove the overstrike over "~~through its scoring and ranking~~"

Page 1, remove the overstrike over lines 16 through 19

Page 1, line 20, remove the overstrike over "e. ~~The second priority in the annual allocation plan must be~~"

Page 2, line 25, remove the overstrike over "~~The housing finance agency shall maintain a register reflecting the number of housing~~"

Page 2, remove the overstrike over lines 26 through 28

Page 2, line 29, remove the overstrike over "8."

Page 3, line 1, remove the overstrike over "9."

Page 3, line 1, remove "8."

Page 3, line 3, remove the overstrike over "~~The report must include the following:~~"

Page 3, line 4, remove the overstrike over lines 4 through 7

Page 3, line 10, replace "\$10,000,000" with "\$40,000,000"

Renumber accordingly

Date: Mar 11, 2019

Roll Call Vote #: 1

2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. SB 2271

House _____ Industry, Business and Labor _____ Committee

Subcommittee

Amendment LC# or
Description:

- Remove all the overstrike in the bill
- Replace \$10 million back to 40 million

Recommendation

- Adopt Amendment
- Do Pass Do Not Pass Without Committee Recommendation
- As Amended Rerefer to Appropriations
- Place on Consent Calendar
- Other Actions Reconsider _____

Motion Made by Rep Ruby Seconded By Rep Adams

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser	X		Rep O'Brien	Ab	
Vice Chairman Lefor	X		Rep Richter	Ab	
Rep Bosch	X		Rep D Ruby	X	
Rep C Johnson	X		Rep Schauer	Ab	
Rep Kasper	Ab		Rep Adams	X	
Rep Laning	X		Rep P Anderson	X	
Rep Louser		X	Rep M Nelson	X	

Total (Yes) 9 No 1

Absent 4

Floor Assignment Roll call vote - 9 yes, 1 no, 4 absent

Date: Mar 11, 2019

Roll Call Vote #: 2

2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. SB 2271

House _____ Industry, Business and Labor _____ Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation

- Adopt Amendment
- Do Pass Do Not Pass Without Committee Recommendation
- As Amended Refer to Appropriations
- Place on Consent Calendar

Other Actions Reconsider _____

Motion Made by Rep Ruby Seconded By Rep Lefor

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser	X		Rep O'Brien	Ab	
Vice Chairman Lefor	X		Rep Richter	Ab	
Rep Bosch	X		Rep D Ruby	X	
Rep C Johnson	X		Rep Schauer	Ab	
Rep Kasper	Ab		Rep Adams	X	
Rep Laning	X		Rep P Anderson	X	
Rep Louser		X	Rep M Nelson	X	

Total (Yes) 9 No 1

Absent 4

Floor Assignment Rep Johnson

REPORT OF STANDING COMMITTEE

SB 2271, as engrossed: Industry, Business and Labor Committee (Rep. Keiser, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (9 YEAS, 1 NAYS, 4 ABSENT AND NOT VOTING). Engrossed SB 2271 was placed on the Sixth order on the calendar.

Page 1, line 15, remove the overstrike over "first"

Page 1, line 15, remove the overstrike over "~~through its scoring and ranking~~"

Page 1, remove the overstrike over lines 16 through 19

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Page 2, line 29, remove the overstrike over "8."

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Page 3, line 1, remove "8."

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Page 3, line 4, remove the overstrike over lines 4 through 7

Page 3, line 10, replace "\$10,000,000" with "\$40,000,000"

Renumber accordingly

2019 HOUSE APPROPRIATIONS

SB 2271

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

SB 2271
3/21/2019
34124

- Subcommittee
 Conference Committee

Committee Clerk: Risa Bergquist

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 54-17-40 of the North Dakota Century Code, relating to the housing incentive fund; to provide a transfer; and to provide an appropriation.

Minutes:

Chairman Delzer: Called the meeting to order for SB 2271, this deals with the housing incentive fund. When we had it in our budget we took all the money out.

Representative Keiser, District 47: This bill is pretty straight forward, we had extensive testimony on the history and the successes of the housing incentive fund. The senate put 10 million in, the original request was 40 million. Our committee based on their performance in the past and the need that has been demonstrated throughout the state, we increased to back to 40 million. Page 1 line 12, it also has another correction, at least 15% of the fund must be used for developing communities, originally we had a little bit of a higher rate. We have helped a lot of those developing communities. We feel very strongly about this level of commitment, they have had great success and the need is there.

Chairman Delzer: You also put back in what the senate took out?

Representative Kaiser: We did, the senate took out on page 1 of the engrossed, they removed the first priority, which was the essential service workers. They also removed the second priority on line 20, which was for housing for individuals for families of low or moderate income. Based on the testimony they felt strongly that language needed to be in there.

Chairman Delzer: Why do you think that it needs to go from 25% of the fund being used for developing communities down to 15%?

Representative Keiser: When this legislation was first introduced we had significant problems with housing in the oil basin and other communities in the west. As a result, we had that requirement of 25%, the lower income housing and other forms of housing, now the need

is more so in the larger cities in our state. The need sifted so we shifted the percentage as well.

6:05 Chairman Delzer: There's 3 million dollars of federal funding that is available for them, the only time we have ever put money in was when we had the situation that dealt with flood things in 2011 or 2013. Last time there was zero money in it, one time I think there was 40 million dollars, 25 out of general fund and 20 out of tax.

Representative Keiser: Total funding for 2013/15 was 35.4 million, that's the total and included 15.4 million from general fund and addition 20 million in credits. 2015/17 biennium additional 10 million from bank of ND profits added on to the 30 million of tax credits for a total of 40 million. There were several funding rounds during this biennium and requests for just under 71 million were received for the 40 million. All 40 million was committed during the 2015/17 biennium.

Chairman Delzer: My question is whether or not government belongs in there. Any discussion on using tax credits rather than general fund money?

Representative Keiser: We didn't discuss that, but we did discuss the alternative and if you don't get them housing then they end up on all the other programs that the state pays for.

Representative Brandenburg: I think there is 33 million available of federal dollars and 11 million of general fund dollars left. Some of that is committed but it still available depending on the projects, did you have that discussion?

Representative Keiser: We simply asked how much was committed and all the money is committed, if it isn't transferred to those it's because they haven't been completed.

Chairman Delzer: Did you ask if there was a time certain before they would be transferred? Any further questions? Seeing none we will close this hearing.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

SB 2271
3/27/2019
34292

- Subcommittee
 Conference Committee

Committee Clerk: Risa Bergquist

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 54-17-40 of the North Dakota Century Code, relating to the housing incentive fund; to provide a transfer; and to provide an appropriation.

Minutes:

Chairman Delzer: Called the meeting to order for SB 227, comes out of IB&L they amended all the language back in for the housing incentive. The senate had taken a lot of the language out that said it was supposed to go through the ranking process and essential workers, then they put 40 million dollars back in there from the general fund. It's a housing incentive fund and in the first half we took all the money out of the fund. I think we should take section 2 of the bill off and consider whether or not we want to we want to pass the language, so we don't take it back to the floor with 40 million dollars in there.

Representative Brandenburg: In the discussion with the industrial commission there was 33 million of federal dollars in there and 11 of general fund dollars. There were commitments for it but it's carry over money. We killed that bill because we don't know what that number should be and 40 million is too much.

Chairman Delzer: Senate sent this over with 10 million in it, I think the discussion of money belongs in the budget bill.

Representative Brandenburg: I'll move to remove section 2 of the bill

Representative Meier: Second

Chairman Delzer: Any further discussion on the motion?

Voice vote, All in Favor, Motion Carries

Chairman Delzer: We have an amended bill before us, I don't know with what the house did, outing the language back, it's just the way it sits in code.

Brady Larson, Legislative Council: There is one change from 25 to 15%. Because the IB&L committee did amend both section 1 and 2 of this bill, the amendments that I prepare for this committee will be in lieu of their amendments. Would you like to incorporate their amendments into your amendments or just leave them the way they came over from the senate?

Chairman Delzer: I think we would want to incorporate their amendment, that would be the reason to keep the bill alive. If we wanted to make that particular change in the budget bill we would have to include all that language in the budget bill, if we pass this it will go to conference. I don't know if the conference would be about the language and the conference about the money would be in the Industrial Commission.

Representative Brandenburg: If there's any language why can't we put it in the budget?

Chairman Delzer: It would be all three pages; I think we will have to have at least one from appropriation committee in conference to make sure they don't through the money back in. If we put a Do Not Pass on it and they decided to change the language from 25 to 15%.

Brady, LC: We could amend just Sub Division A of subsection 2 of that section. There are a few changes in subdivision C.

Chairman Delzer: Anything further?

Representative Brandenburg: Motion for a Do Not Pass

Representative Vigasaa: Second

Chairman Delzer: We have a motion for a Do Not Pass, any further discussion? We took the money out and then we will put a Do Not Pass.

A Roll Call vote was taken. Yea: 16 Nay: 1 Absent: 4

Motion carries, Representative Brandenburg will carry the bill.

Chairman Delzer: With that we will lose this meeting.

DS 3/26/19

19.1093.02002
Title.04000

Prepared by the Legislative Council staff for
the House Appropriations Committee
March 27, 2019

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2271

In lieu of the amendments adopted by the House as printed on page 1193 of the House Journal, Engrossed Senate Bill No. 2271 is amended as follows:

Page 1, line 2, remove "; to provide a transfer; and to provide an appropriation"

Page 1, line 15, remove the overstrike over "~~first~~"

Page 1, line 15, remove the overstrike over "~~through its scoring and ranking~~"

Page 1, remove the overstrike over lines 16 through 19

Page 1, line 20, remove the overstrike over "e. ~~The second priority in the annual allocation plan must be~~"

Page 2, line 25, remove the overstrike over "~~The housing finance agency shall maintain a register reflecting the number of housing~~"

Page 2, remove the overstrike over lines 26 through 28

Page 2, line 29, remove the overstrike over "8."

Page 3, line 1, remove the overstrike over "9."

Page 3, line 1, remove "8."

Page 3, line 3, remove the overstrike over "~~The report must include the following:~~"

Page 3, remove the overstrike over lines 4 through 7

Page 3, remove lines 8 through 13

Renumber accordingly

Date: 3/27/2019
 Roll Call Vote #: 1

**2019 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. SB 2271**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: Remove Section 2

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Representative Brandenburg Seconded By Representative Meier

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer					
Representative Kempenich					
Representative Anderson			Representative Schobinger		
Representative Beadle			Representative Vigesaa		
Representative Bellew					
Representative Brandenburg					
Representative Howe			Representative Boe		
Representative Kreidt			Representative Holman		
Representative Martinson			Representative Mock		
Representative Meier					
Representative Monson					
Representative Nathe					
Representative J. Nelson					
Representative Sanford					
Representative Schatz					
Representative Schmidt					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

Voice Vote/Motion Carries

Date: 3/27/2019
 Roll Call Vote #: 2

**2019 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. SB 2271**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Representative Brandenburg Seconded By Representative Vigesaa

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X				
Representative Kempenich	A				
Representative Anderson	X		Representative Schobinger	A	
Representative Beadle	X		Representative Vigesaa	X	
Representative Bellew	A				
Representative Brandenburg	X				
Representative Howe	X		Representative Boe	X	
Representative Kreidt	X		Representative Holman	A	
Representative Martinson	X		Representative Mock		X
Representative Meier	X				
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson	X				
Representative Sanford	X				
Representative Schatz	X				
Representative Schmidt	X				

Total (Yes) 16 No 1

Absent 4

Floor Assignment Representative Brandenburg

Motion Carries

REPORT OF STANDING COMMITTEE

SB 2271, as engrossed and amended: Appropriations Committee (Rep. Delzer, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends **DO NOT PASS** (16 YEAS, 1 NAYS, 4 ABSENT AND NOT VOTING). Engrossed SB 2271, as amended, was placed on the Sixth order on the calendar.

In lieu of the amendments adopted by the House as printed on page 1193 of the House Journal, Engrossed Senate Bill No. 2271 is amended as follows:

Page 1, line 2, remove "; to provide a transfer; and to provide an appropriation"

Page 1, line 15, remove the overstrike over "first"

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Page 3, remove lines 8 through 13

Renumber accordingly

2019 TESTIMONY

SB 2271

HOUSING INCENTIVE FUND IMPACT ON AGING POPULATIONS

The North Dakota Housing Incentive Fund (HIF) is an effective, locally-driven, rental housing financing tool created and authorized during the 2011 North Dakota legislative session. Community leaders, private developers, and nonprofit organizations have leveraged HIF to construct new or improve existing rental housing for low- to moderate-income seniors. Because of HIF, seniors have increased access to safe, decent and affordable housing across the state.

Independent Senior Housing – Making Lives Better and More Meaningful

Community vitality, social connections, affordable housing and quality healthcare are important for North Dakota’s aging population. The state ranks 7th in the nation with the highest proportion of individuals ages 85 and older.¹ As seniors age past 80, maintaining financial resources is essential to affording basic needs such as housing, health care, medications, healthy food and transportation.

Currently, 76.1 percent of residents ages 75 to 84 own their own home. For those 85 and older, the number drops to 62.8 percent.² According to national trends, 80-years-old is the approximate age that seniors move out of their homes, due to physical restrictions and isolation, and move into more community-based housing.

As seniors explore independent housing options, financial restrictions may prevent them from leaving their home, increasing the potential for accidents and injuries and further isolation. Another hindrance is the availability of affordable housing options due to limited income. The median income for North Dakotans ages 75 to 84 is \$35,900. Individuals 85 and older have a median income of \$19,700.³ Those living solely off of social security average \$16,133 annually and more than 29,000 rely on social security for 90 percent or more of their income.^{4,5}

In order for a senior to not be considered housing burdened, they can allocate up to 30 percent of their income towards housing costs and utilities. Based on median income, North Dakotan ages 75 to 84 can afford to pay \$898 per month for all housing costs, 85 years and older can pay \$492, and individuals living on social security can afford \$403.

It is estimated that one out of two North Dakotan’s will need long-term care sometime during their lives. As people age, the need for personal assistance with everyday activities increases. Creating affordable housing options allows seniors to age in place longer and be able to utilize in-home care, which promotes independence. Living at home also alleviates pressure on licensed assisted living facilities, which are at 95 percent capacity and licensed long-term care nursing facilities, which are at 93.6 percent capacity.⁶

North Dakota's Aging Population

75-84	ages 85+
\$35,900	\$19,700
76.1%	62.8%
15.3%	50.1%
\$898	\$492
Social Security Income	
\$16,133	
\$403	
29,057	

annual median income

homeownership rate

two or more disabilities

affordable monthly rent

Social Security Income

annual median income

affordable monthly rent

rely on social security for 90% or more of their income

Ongoing Need for HIF

Seniors ages 74 to 85-years-old and beyond are able to afford rents ranging from \$403 to \$898 based on their annual median income. The goal is to limit their housing costs to be at or below 30 percent so they are not housing cost-burdened and can afford basic necessities, medications, food and transportation.

Traditional financing mechanisms used for construction and operational expenses require market rate rents to cover expenses. HIF provides critical gap financing to lower debt service, therefore, an affordable rent structure can be implemented to cover operational expenses. Many of North Dakota's seniors have an income restricted threshold that they need to consider when moving out of their home.

In addition to cost, this segment of the population must take into consideration accessibility and physical limitations when evaluating rental housing. If they are not able to find affordable rental housing they must stay in their current home, which may pose additional risk to their health and well being or move into an assisted living , basic care or nursing home facility. The monthly average cost for these facilities are: assisted living \$2,341, basic care \$3,668, and nursing facility \$7,871.⁷ During the 2017-2019 biennium budget, the state of North Dakota, allocated more than \$393 million to North Dakota Department of Human Services for long-term care services and expenses.⁸

Below is a financing scenario detailing the difference in rent structure to cash flow a traditional financed project and one leveraging gap financing. Construction and operations costs are the same, however, seniors can be offered affordable rents based on their income when gap financing eliminates the need to take out a 20-year loan.

New Construction Scenario

24 Unit Apartment Building

Cost of Construction is \$175,000 (per unit) x 24 units = \$4.2 million

Traditional Financing Market Rate Rent

Equity Investment \$1.26 million (30%)
Loan \$2.94 million (70%)

Annual Expenses:

\$252,757 Loan Payment (6%, 20 years)
\$120,000 Operating Expense
\$100,800 Return on Equity (8%)
\$473,557 Annual revenue needed from rents to cover expenses

Average Monthly Rent Per Unit to Cover Expenses:
\$1,644

Non-Traditional Financing Income Restricted Rent

Equity Investment \$1.26 million (30%)
Gap Financing \$2.94 million (70%)
(ie HIF, federal funds, private investments/donations)

Annual Expenses:

\$0 Loan Payment
\$120,000 Operating Expense
\$100,800 Return on Equity (8%)
\$220,800 Annual rent revenue needed from rents to cover expenses

Income Restricted Rent Structure to Cover Expenses:

5 units at \$403 5 units at \$898
5 units at \$493 9 units at \$1,050

Financing Structure

HIF awards are structured as forgivable loans and are available to local housing authorities, tribal entities, and nonprofit or for-profit housing developers. The maximum award size varies depending on whether a project also receives federal funding. The award amount typically equals less than 30 percent of the total development cost, and no more than \$3 million. Awards are competitive and projects must meet strict scoring criteria.

^{1,6,7} 2017 North Dakota Long Term Care Facts & Figures.

^{2,3} U.S. Census Bureau. 2017 Decennial Census and American Community Survey.

⁴ 2017 North Dakota OASDI Beneficiaries.

⁵ 2017 North Dakota AARP Fact Sheet.

⁸ Department of Human Services Human Services Committee presentation July 27, 2018.

SB 2271

January 22, 2019

**North Dakota Housing Finance Agency
Division of the State Industrial Commission
Testimony of Jolene Kline, Executive Director
Senate Industry, Business and Labor Committee**

Chairman Klein and members of the Senate Industry, Business and Labor Committee:

My name is Jolene Kline, executive director of the North Dakota Housing Finance Agency.

I am here in support of Senate Bill 2271, which provides funding for the Housing Incentive Fund (HIF). Last week, I stood before the House Appropriations Committee—Government Operations Division asking the committee to include Governor Burgum's recommendation of \$20 million from the Strategic Investment and Improvement Fund (SIIF) in House Bill 1014, which is the Industrial Commission budget bill.

SB 2302 includes a funding request for \$10 million in tax credits for HIF and is being heard in Senate Finance and Taxation later this morning.

Whether funded by a general fund appropriation, SIIF or tax credits, funding for HIF during this biennium is essential to keeping North Dakota's elderly population aging in place as long as possible instead of moving in to a nursing home, keeping the chronically homeless and persons released from prison off of the streets, creating housing available and affordable to meet growing workforce demands, and preserving our existing aging affordable housing stock.

HIF is an effective, locally-driven rental housing financing tool, created and authorized during the 2011 legislative session. Community leaders, private developers and nonprofit organizations have leveraged the fund to construct new or rehabilitate existing rental housing. By statute, HIF targets low- to moderate-income households including

seniors, people with disabilities, families with children, veterans and people experiencing homelessness. If North Dakotans cannot afford housing or too much of their income is allocated to this one expense, it impacts their ability to maintain stability in their lives, advance economically, pursue educational opportunities and be able to afford basic necessities such as food, utilities, transportation, childcare and medical coverage.

During the 2017-19 legislative session, HIF was permanently added to the Century Code, however, no new funding was authorized. Deobligated funds totaling \$3.7 million were carried over from the 2015-17 biennium into the 2017-19 biennium. All HIF has been obligated as of September 2018.

To date, \$89,732,577 of HIF funding has been leveraged in 80 projects creating or rehabilitating 2,501 units in urban and rural communities across the state. Total constructions costs exceeded \$441 million. Every dollar in HIF funding has resulted in more than four dollars in private and federal equity.

Housing Incentive Fund Project Development 2011-2017



HIF awards are available to local housing authorities, tribal entities, and nonprofit or for-profit housing developers. The maximum award size varies depending on whether a project also receives federal funding. The award amount typically equals less than 30

percent of the total development cost, and no more than \$3 million. Awards are competitive and projects must meet strict scoring criteria.

HIF funding has been a catalyst in filling the financial gap to create affordable housing for individuals and families when conventional financing has fallen short. Conventional debt financing requires market-rate rents to cover mortgage payments and operating expenses. HIF reduces required debt service thus allowing for a variable priced, reduced rent structure. The following is a financing scenario detailing the difference in rent structure to cash flow a conventional financed project and one supplemented with HIF. As you can see, for a newly constructed, 24-unit apartment building, construction and operations costs are the same, however, individuals and families can be offered affordable rents based on their income when gap financing eliminates the need for a 20-year loan.

New Construction Financing Scenarios

24 Unit Apartment Building

Cost of Construction is \$175,000 (per unit) x 24 units = \$4.2 million

Conventional Financing Market Rate Rent		Non-Conventional Financing Income Restricted Rent	
Equity Investment	\$1.26 million (30%)	Equity Investment	\$1.26 million (30%)
Loan	\$2.94 million (70%)	Gap Financing <i>(i.e. HIF, federal funds, private investments/donations)</i>	\$2.94 million (70%)
<i>Annual Expenses:</i>		<i>Annual Expenses:</i>	
\$252,757	Loan Payment (6%, 20 years)	\$0	Loan Payment
\$120,000	Operating Expense	\$120,000	Operating Expense
<u>\$100,800</u>	Return on Equity (8%)	<u>\$100,800</u>	Return on Equity (8%)
\$473,557	Annual revenue needed from rents to cover expenses	\$220,800	Annual rent revenue needed from rents to cover expenses
Average Monthly Rent Per Unit to Cover Expenses:		Income Restricted Rent Structure to Cover Expenses:	
\$1,644		5 units at \$403	5 units at \$898
		5 units at \$493	9 units at \$1,050

Living in a conventionally financed, market-rate rental unit requires an annual salary of \$65,760 to not be considered housing cost-burdened. Those living in the non-conventionally financed/income-restricted units could earn an annual salary of \$16,120

to \$42,000 and not be considered housing cost-burdened. Individuals and families living in HIF units primarily fall into four categories: low-wage earners, persons with a disability, seniors with low incomes or disabilities, and individuals and families at risk of or who are experiencing homelessness.

Over the past decade, North Dakota has frequented lists published by Forbes, Fortune, and Business Insider as the best state or community to start a business. Entrepreneurs are transforming their vision into viable businesses that are diversifying our state's economy. Affordable housing and cost of living are critical to the livelihood of both entrepreneurs and established business owners in rural and urban communities.

Labor Market Information states, 17.4 percent of the vacant positions posted on the Job Service of North Dakota (JSND) website pay less than \$15 per hour. Many of these "low-wage" positions are at entrepreneurial start-ups or are service-sector positions that are the backbone of our communities. According to the U.S. Department of Housing and Urban Development (HUD) you need to earn \$16.40 per hour to afford \$855 for a two-bedroom apartment in North Dakota.

We know that the price of a two-bedroom apartment varies for each legislative district. For illustrative purposes your handouts include an overview for District 14. If you are interested in knowing more information about affordable housing and vulnerable populations in your district, please visit our website:

<https://www.ndhfa.org/Publications/PublicAffairs.html>

HIF-funded projects create affordable rents, which can lead to financial and housing stability for lower-wage workers. The progression of wealth creation for these individuals can allow them to progress into a market-rate unit or become a homeowner. Coupled with employment opportunities, safe communities, exceptional schools and access to medical facilities, we can attract and retain these state residents.

As you probably have heard, there was an increase in the North Dakota's 2018 population resulting in 4,656 more births than deaths. However, even with the increase in youth and young families, the percentage of 50-64 year olds grew by 51 percent from 91,428 in 2000 to 138,139 in 2017. As the state's population gets older, there will be

more pressure to create affordable and accessible housing options for this segment to remain independent.

According to AARP, 29,057 North Dakotans currently rely on social security for 90 percent or more of their income, and the median annual social security income for the state is \$16,133. The state ranks seventh in the nation with the highest proportion of individuals ages 85 and older. As most of us age past 80, maintaining our financial resources is essential to affording basic care such as housing, healthcare, medications, healthy food and transportation. As seniors explore independent housing options, financial restrictions may prevent them from leaving their home, increasing the potential for accidents and injuries and further isolation. Another hindrance is the availability of affordable housing options due to limited income.

In fiscal year 2017, the state paid \$258 million for a monthly average of 2,950 individuals living in a nursing home, which is a cost of nearly \$90,000 per person per year. That same year, the state paid \$43 million for about 2,500 individuals, or an average of \$17,000 per person per year between four in-home care programs (Home and Community-Based Services Waiver (HCBS), SPED, ExSPED and Basic Care). Of those programs, HCBS is the most costly on a per person basis, serving about 300 people per month for \$23,000 per person per year. These numbers come from the North Dakota Department of Human Services (ND DHS). The goal at our Agency is to create housing options in urban and rural communities that allow older adults and persons with disabilities the ability to age in place with as much independence as possible for as long as possible.

Projections for renter-occupied housing units with householders ages 65 and older is anticipated to grow 57.7 percent (12,000) by 2029. HIF will help ensure that these seniors will have housing options in place when it is time for them to consider moving out of their house.

Finally, I must touch on the need for housing for individuals and families that are at risk of becoming homeless or those experiencing homelessness. According to HUD data, over the past decade North Dakota has averaged 1,089 men, women and children living on the streets or in homeless shelters. The 2016 North Dakota Housing Needs

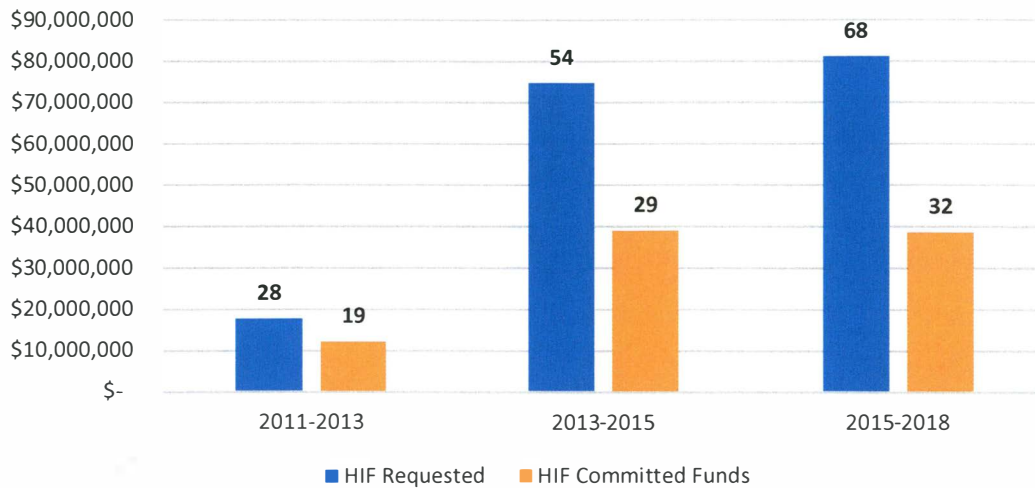
Assessment projects that the state's extremely low-income households will increase 23.6 percent and reach 62,538 households by 2029. I've included attachments showing the projected growth for the extremely low income to moderate low income households for the state and by county for you to review.

Just because a household is deemed extremely low income or homeless does not mean that they are unemployed. What we do know is that they cannot afford a place to live without combining the financial resources of numerous adults and youth to be able to pay their monthly bills. HIF has provided gap financing for projects in Fargo, West Fargo, Grand Forks, Mandan and Bismarck to take the most extreme cases and create housing stability for these individuals and their families to address the on-going cause of homelessness. The Agency administers the financing to build the housing, and agencies like ND DHS, JSND, Department of Corrections and the Department of Public Instruction provide the one-on-one case management services.

Each community in North Dakota has unique population and housing demographics. HIF is one of the most flexible and accessible programs that communities have to address their housing needs. Some communities may want to invest more in housing for workers filling entry-level positions. Other communities may need affordable housing for seniors to keep them as part of their community. Urban communities may need more permanent supportive housing options with accessibility to medical facilities for individuals to address their personal issues causing homelessness. When HIF was first created in 2011, many western North Dakota communities were struggling to recruit and retain workers to fill essential service jobs due to rapidly escalating rental rates. North Dakota Century Code 54-17-40.2.b. requires priority be given to housing for essential service workers. SB 2271 removes this language, which the Agency supports.

The demand for HIF has exceeded the amount available since inception. As I have stated earlier, HIF provides gap financing and is often layered with federal, private and local funding that is needed to support the lowest rents.

HIF Requested Compared to HIF Committed Funds



In addition to HIF, the Agency has the authority to issue tax-exempt multifamily bonds. We also administer both the 9 percent competitive federal low-income housing tax credits (LIHTCs) which bring in equity for about 70 percent of construction and rehabilitation costs as well as non-competitive 4 percent LIHTCs which bring in equity for about 25 percent of the project cost. We receive \$3.1 million annually in competitive 9 percent LIHTCs. There is no cap on the amount of 4 percent non-competitive LIHTCs that we can allocate as long as the project is otherwise financed with tax exempt bonds. This is a resource to the state that is largely going unused due to the lack of state funds to fill financing gaps. I believe HIF, while leveraging the federal 4 percent LIHTCs, could be the critical financing piece to rehabilitate some of the state's oldest affordable housing stock.

The numbers of future housing units constructed or rehabilitated with HIF will be dependent upon the targeted population to be served and whether HIF dollars can be leveraged with other federal funds. Historically, our average cost of construction per unit has been \$176,704 and HIF is normally restricted to no more than 30 percent of the construction or rehabilitation cost. In the absence of federal funds, more HIF financing will be required as the competitive 9 percent LIHTC program only funds four to five projects or 175 to 200 units annually.

Each HIF proposal is reviewed, scored and ranked based on the proposed financing, community need and proposed rent structure for the targeted population. If selected, the project is underwritten on its own merits and the appropriate amount of HIF is allocated. Awards are structured as loans forgivable after a minimum of 15 years if the project continues to abide by the income and rent restrictions included in the deed restriction filed on the property. Projects are subject to recorded deed restrictions and monitored annually by Agency staff to ensure that rent and income restrictions are adhered.

NDHFA's mission is to ensure that every North Dakotan has a safe and affordable place to call home. Our most vulnerable households are the ones that need our help the most. Federal funds are insufficient to address the needs of these vulnerable households. We respectfully ask this committee and this legislative body to recognize that an investment in housing is an investment in the infrastructure of our state. Affordable Housing Empowers People, Improves Lives, and Inspires Success.

Thank you and I would be glad to answer any questions.

NORTH DAKOTA

STATE RANKING

#32*

In **North Dakota**, the Fair Market Rent (FMR) for a two-bedroom apartment is **\$855**. In order to afford this level of rent and utilities — without paying more than 30% of income on housing — a household must earn **\$2,849** monthly or **\$34,190** annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of:

\$16.44
PER HOUR
STATE HOUSING
WAGE

FACTS ABOUT NORTH DAKOTA:

STATE FACTS	
Minimum Wage	\$7.25
Average Renter Wage	\$15.75
2-Bedroom Housing Wage	\$16.44
Number of Renter Households	111,254
Percent Renters	36%

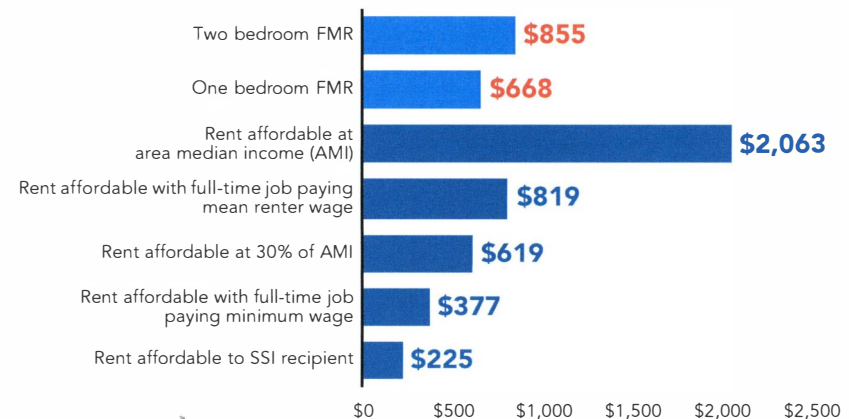
91
Work Hours Per Week At
Minimum Wage To Afford a **2-Bedroom**
Rental Home (at FMR)

71
Work Hours Per Week At
Minimum Wage To Afford a **1-Bedroom**
Rental Home (at FMR)

2.3
Number of Full-Time Jobs At
Minimum Wage To Afford a
2-Bedroom Rental Home (at FMR)

1.8
Number of Full-Time Jobs At
Minimum Wage To Afford a
1-Bedroom Rental Home (at FMR)

MOST EXPENSIVE AREAS	HOUSING WAGE
Dunn County	\$24.40
Ward County	\$20.54
Mountrail County	\$19.67
Williams County	\$19.40
Grand Forks MSA	\$18.58



MSA = Metropolitan Statistical Area; HMFA = HUD Metro FMR Area.

* Ranked from Highest to Lowest 2-Bedroom Housing Wage. Includes District of Columbia and Puerto Rico.

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District 14 Affordable Housing Facts

POPULATION

4,338

HOUSEHOLDS

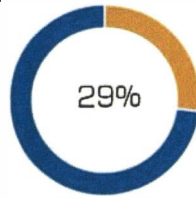
6,686

MEDIAN HOUSEHOLD INCOME

\$52,146

RENTER HOUSEHOLDS

1,551



are cost burdened

Median Rent for a 2 bedroom apartment



Benson, Kidder and Wells \$700
Pierce \$779
Sheridan \$817



hourly wage needed

SENIOR HOUSEHOLDS

2,284

SENIOR HOUSEHOLDS WITH FOOD STAMPS

205

SENIORS WITH A DISABILITY

1,031

HOUSEHOLDS WITH AN INDIVIDUAL WITH A DISABILITY

1,572

WITH FOOD STAMPS

251



HOUSEHOLDS WITH FOOD STAMPS

530

MEDIAN INCOME OF A HOUSEHOLD WITH FOOD STAMPS

\$14,630



affordable rent

HOUSEHOLDS WITH A SOCIAL SECURITY INCOME

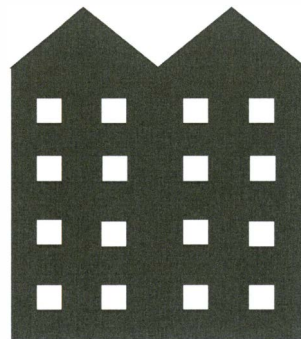
2,589

AVERAGE SOCIAL SECURITY INCOME PER YEAR

\$16,540



affordable rent



EXTREMELY LOW-INCOME HOUSEHOLDS THAT ARE COST BURDENED

Benson 166

Kidder 46

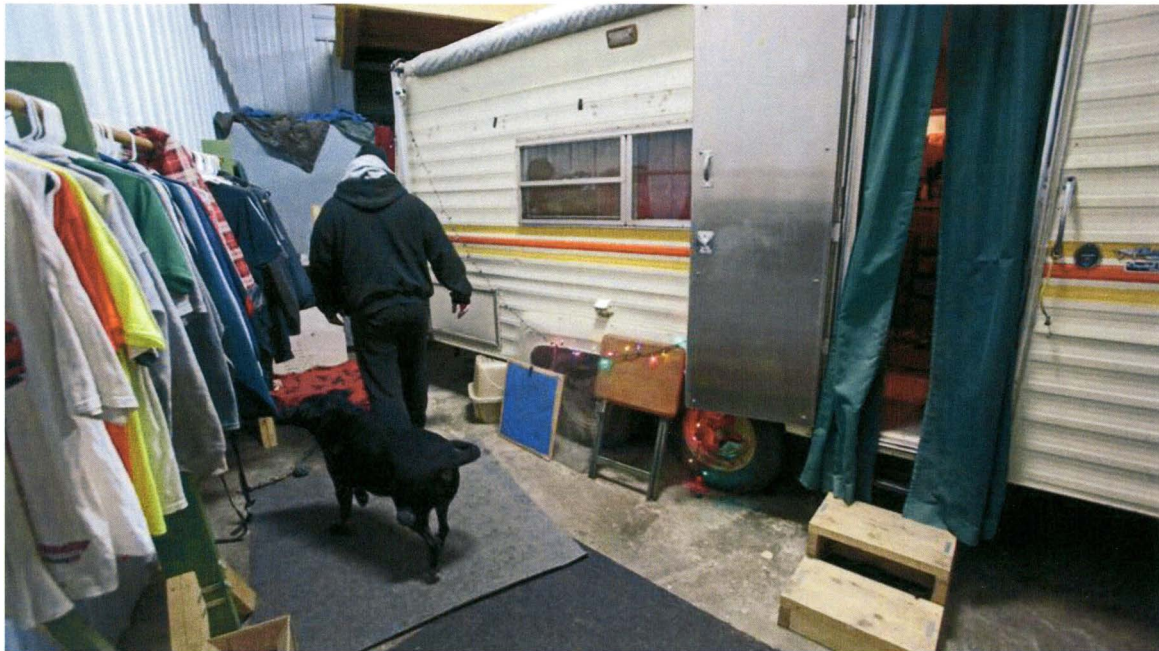
Pierce 150

Sheridan 23

Wells 103

A 'precarious' life: Without a proper living space, 'Homeless Dave' ekes out existence in Moorhead industrial park

By [Robin Huebner](#) on Jan 6, 2019 at 2:31 p.m.



"Homeless Dave" walks past his camper housed in an industrial park garage in Moorhead. David Samson / Forum News Service1 / 4

MOORHEAD, Minn. — He rents “shop space” in a cold-storage building in this city’s industrial park, but isn’t using it for woodworking or any other hobby. Instead, “Homeless Dave,” as he calls himself, has turned the spot not meant for human habitation into his home.

Boxes overflowing with household items cover the concrete floor. A bumper-pull camper parked inside is where he showers and sleeps. A makeshift office, where he uses his old computer, is shrouded in tarps and equipped with heat lamps to stave off the winter chill.

Dave, 50, has lived here nearly three years. Before that, he lived in a similar setting in Bismarck. “I’m trying. I’m trying to maintain as normal a life as I possibly can under the conditions that I’m in,” he said.

Forum News Service granted Dave's request not to use his full name or show his face, because he fears he'll be kicked out of the space.

Cody Schuler, executive director of the Fargo-Moorhead Coalition to End Homelessness, wouldn't estimate how many people in the area “sleep rough” in campers or cars because they're a hidden, hard-to-count population. “They’ll do that because it feels safe to them,” Schuler said.

Pastor Sue Koesterman, executive director of Churches United for the Homeless in Moorhead, said it wears on a person's health in a serious way to not be adequately sheltered. "It's a very, very precarious, kind of day-by-day existence," Koesterman said.

No credit

For Dave, finding work and keeping money coming in hasn't been a problem. After he left a painting job because the fumes made him sick, he was unemployed for a little more than a month before finding a full-time position as a machinist for a local trailer manufacturer.

He said he doesn't receive any government assistance. His driving record is good, and he has a minimal criminal record. The primary barrier to him finding a place to rent is that he's never had a credit card. "I don't have bad credit, I have no credit," he said.

In addition, landlords want to talk to previous landlords about whether potential renters pay on time, and whether they left any damage in their previous place. Because of his somewhat transient, under-the-radar lifestyle, Dave doesn't have any references like that.

"All I have is a bunch of receipts from a place I'm not supposed to be living in," he said. So, he continues to rent the shop space in the industrial park for a substantial \$1,000 a month, with additional expenses for heat and internet. "There's that saying, 'We need someone who thinks outside the box or looks outside the box.' Well, I live outside the box," Dave said.

Cold, cramped quarters

It's a challenge for Dave to stay warm in the shop. He uses space heaters and heat lamps to supplement a single wall-mounted heater. On a mild winter day when Forum News Service visited, the temperature inside was barely 60 degrees.

Dave has no access to a kitchen, so he prepares meals on a crowded shop table. A toaster oven, steamer and slow cooker fight for space in the clutter. "Forgive the big pile of dirty dishes," Dave said.

The place has a one-gallon water heater, so he can wash only a few dishes at a time in the bathroom sink before the hot water runs out. He has a small refrigerator, freezer and washer but no dryer, so he hangs his clothes to dry.

A string of lights is draped down the side of the camper — not because he has Christmas spirit, he said, but to provide a lighted path if he gets up at night to use the bathroom.

A dog and cat keep Dave company. He built a large, enclosed "litter box" filled with sand for the animals to use when he's away at work. He doesn't often take his dog outdoors, so as not to raise suspicion about his living arrangement. Both animals need veterinary care, but he said he doesn't have the time or money to take them in.

Vehicular homelessness

There are people all over the country like Dave living in vehicles, campers or storage units. Often, they've shunned shelters because they've had a bad experience at one or feel anxious in crowded spaces. The phenomenon of "vehicular homelessness" is growing, especially in high-rent metropolitan areas on the West Coast.

While the U.S. Department of Housing and Urban Development (HUD) doesn't collect vehicle-specific data, unsheltered homelessness — which includes people sleeping in cars — is on the rise. According to a HUD-required, point-in-time count on a single night in January 2018, a third of the more than 550,000 homeless people nationwide were living unsheltered, such as on the street, in abandoned buildings or cars. That represents a nearly 3 percent increase from the previous year.

Point-in-time numbers for North Dakota have bounced around. In January 2017, the most recent count available, 331 of 1,089 homeless people statewide were unsheltered. Only five years earlier, 53 of 688 homeless people were reported as unsheltered. A major spike occurred in 2013, when 1,395 of 2,069 homeless people were unsheltered.

As numbers rise, more cities are imposing criminal or civil punishments on people living in their vehicles. The National Law Center on Homelessness & Poverty reports that in 2016, nearly 40 percent of cities surveyed prohibited living in vehicles, a 143 percent increase since 2006.

'Stuck in a rut'

Dave knew of a half dozen others living in storage units in Bismarck. He's not aware of people like him in the Fargo-Moorhead area, "but I can guarantee you there are," he said.

Schuler said there are nearly 300 beds in the area's seven shelters, and they're always full. When people call seeking a bed, it's hard to know if they have been staying in a vehicle because they rarely volunteer that information.

"They're afraid they might get pushed out of the space they have, because the space you have is better than no space at all," Koesterman said. Dave said his body is beat up from working manual labor jobs and being homeless. He's proud of his resiliency, but desperately wants to find something better.

Someday, he hopes to buy a small piece of land and put a single-wide mobile home on it, but that someday seems far away. "I'm stuck in a rut, between being able to get into a legitimate place to live and, you know, being under a bridge," he said.

<https://www.thedickinsonpress.com/news/4553004-precarious-life-without-proper-living-space-homeless-dave-ekes-out-existence-moorhead>

HOUSING INCENTIVE FUND PROJECTS

SB2271 1/22/19 Att#2 pg14

The North Dakota Housing Incentive Fund (HIF) is an effective, locally-driven, rental housing financing tool created and authorized during the 2011 North Dakota legislative session. Community leaders, private developers, and nonprofit organizations have leveraged HIF to construct new or improve existing rental housing. Because of HIF, low- to moderate-wage workers, the state’s aging population, individuals with disabilities, and persons experiencing homelessness have increased access to safe, decent and affordable housing.

Workforce Housing Projects

Persons wanting a two-bedroom apartment need to earn more than \$34,000 or \$16.44 per hour to afford \$855 in rent according to HUD’s Fair Market Rent summary. In November 2018, 17.4% of the jobs listed through Job Service North Dakota offered \$14.99 per hour or less.

Meadow Lark Homes — New Rockford, ND		Completed: 2016	
Project Focus	New Construction, Family	HIF Investment	\$430,000
# Units	10	Project Cost	\$1,435,268

Redeveloped the former New Rockford City Hospital, which closed in 1990 and had sat vacant for 25 years, was severely dilapidated and condemned due to asbestos. The New Rockford Area Betterment Corporation secured a grant from the EPA to clean up the site for redevelopment. Housing that is affordable was created to assist the school in filling vacant positions and allow older homeowners to downsize and be able to stay in New Rockford.

Prairie Heights I & II — Watford City, ND		Completed: 2013 and 2014	
Project Focus	New Construction, Family	HIF Investment	\$2,000,000
# Units	124	Project Cost	\$17,156,143

Mixed income housing for low- to moderate-income households including individuals and families employed by the private sector. Community-based living with green space and the ability to expand into a walkable community providing access to local amenities, such as childcare. Public financing was leveraged to create rents varying from \$400 to \$1,800. In 2017, 48.3% of households in Watford City earned less than \$75,000 per year and could qualify to live in income-restricted housing. The project showcases the value of public/private partnerships. MBI Energy contributed \$2 million to HIF in support of this project, recognizing the need for affordable workforce housing.

Senior Housing Projects

Most seniors ages 74 to 85-years-old and beyond are able to afford rents ranging from \$403 to \$898 based on 30% of their annual median income. Housing costs in excess of 30% can make them housing cost-burdened and force them to make choices between basic necessities, medications, food and transportation.

Cherrywood Village — Grand Forks, ND		Completed: 2014	
Project Focus	New Construction, Senior	HIF Investment	\$454,545
# Units	30	Project Cost	\$5,235,244

Independent-living apartments for seniors who are healthy enough to live on their own, but do not want the responsibility of maintaining a house and yard. 62.8% of North Dakotans 85 years and older still own their own home. As they explore other housing options, accessibility such as no stairs or elevator access and affordability are contributing factors for them to be able to move out of their home. Project funding included HUD’s Section 202 Supportive Housing Program and a project based rental assistance contract to support very low-income seniors.

Senior Housing Projects

Legacy Living At Central Place — Williston, ND Completed: 2014

Project Focus	Adaptive Reuse, Senior	HIF Investment	\$949,898
# Units	44	Project Cost	\$12,482,215

The historic junior high school was rehabilitated into affordable senior living units as an option for seniors facing escalating rental prices. The median income for North Dakotans ages 75 to 84 is \$35,900 and drops to \$19,700 for residents 85 and older. At the time the project was completed the average price for a one-bedroom apartment in Williston was just under \$2,400. The architect preserved historic features of the building which was constructed in 1931 and is on the National Register of Historic Places.

Permanent Supportive Housing Projects

HIF is a source of gap financing leveraged when an income restricted rental housing project will not cash flow with traditional financing. Minimal debt after construction or rehabilitation results in lower monthly rents and reduces the need for housing vouchers.

Jeremiah Program Apartments — Fargo, ND Completed: 2018

Project Focus	New Construction, At Risk Family	HIF Investment	\$2,200,000
# Units	20	Project Cost	\$5,866,485

Supportive housing for single mothers with children under the age of five. Currently, more than 2,300 single mothers are living in poverty in the Fargo-Moorhead area, a number that has increased 16% over the last six years. The majority of these mothers have children under the age of four. An on-site early childhood education center and individualized support are offered to the families. College enrollment or career advancement track required to live in the units.

Grace Gardens — West Fargo, ND Estimated Completion: 2019

Project Focus	New Construction, At Risk Family	HIF Investment	\$500,000
# Units	30	Project Cost	\$6,993,549

Domestic violence survivor housing for women with children. In 2017, 314 women and children were eligible for Cass County YWCA's supportive housing units, but only 60 were able to gain homes through the organization. Unfortunately, women escaping domestic violence typically do not score high enough on assessments to be rapidly housed. Families will improve their economic stability and health, breaking the cycles of abuse and poverty for the next gener-

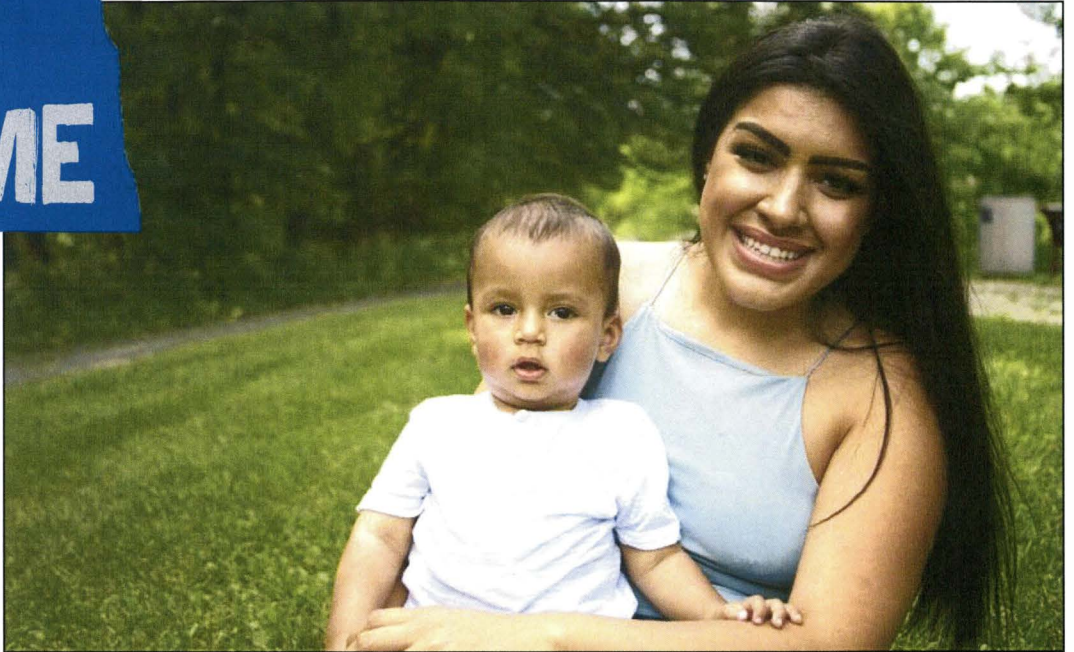
Edwinton Place — Bismarck, ND Estimated Completion: 2019

Project Focus	New Construction, At Risk Individuals	HIF Investment	\$500,000
# Units	40	Project Cost	\$10,355,768

Rapid housing for chronically homeless individuals that are working with a case manager. Chronically homeless individuals are frequent users of emergency services which can cost a community \$30,000 to \$50,000 per year per individual. Providing these individuals with immediate access to housing is estimated to save a community up to 40% of the total cost of experiencing chronic homelessness. Support services are offered to address the underlying causes of homelessness, such as mental health or substance abuse issues, chronic health conditions, or a history of physical or sexual abuse. This infill project maximized a vacant city lot and is located within a designated Opportunity Zone.

FACES OF HOME

From Poverty to Prosperity



Kristie Garcia's desire for a better life for herself and her 14-month-old son, Rey, was so strong that the prospect of driving eight hours roundtrip each week for 12 weeks did not deter her from her goal. In order to create the future she envisioned, the 22-year old knew she needed support and guidance.

Garcia learned about the Jeremiah Program, a comprehensive program that helps single mothers progress from poverty to prosperity, from a program participant. In order to be accepted into the Fargo-Moorhead program, she was required to complete an Empowerment course focused on effective conflict management, assertive communication and personal accountability. At the time, she was living in Richfield, Minn., more than 240 miles away.

"When I started Empowerment, I was still going through a lot of emotions and anger about my son's dad, who has not made an effort to be in Rey's life," Garcia said. "The class helped me have the right mentality and gain support from other women who were dealing with similar challenges. The drive was not as important to me as beginning a new journey that would be better for

When Kristie Garcia, 22, discovered she and her son could have a better life, she didn't give an eight-hour weekly round trip to Fargo, N.D., a second thought. She enrolled in Jeremiah Program's 12-week Empowerment class, undertaking the first step the program requires of single mothers who are motivated to lift themselves from poverty.

my son and me."

Jeremiah Program prepares determined single mothers like Garcia to excel in the workforce, readies their children to succeed in school, and reduces generational dependence on public assistance. Its Fargo-Moorhead campus has 20 furnished apartments designed to support the mothers who are required to work part time or volunteer, attend college full time working toward a career-track education, and participate in weekly coaching and life skills classes. A licensed early child development center, that serves children age six weeks until starting kindergarten, is part of the site.

The Fargo-Moorhead campus, which opened in January 2018, is one of the first supportive housing projects in the

country developed with assistance from the National Housing Trust Fund (HTF), a federal program that provides revenue to build, preserve, and rehabilitate housing for people with extremely low incomes. North Dakota Housing Finance Agency (NDHFA) administers the program on behalf of the state.

In early 2016, Diane Solinger, Jeremiah Program's Fargo-Moorhead executive director, had secured about half of the funds needed to develop the campus, including \$2.2 million in assistance from the North Dakota Housing Incentive Fund when she learned about the HTF. Jeremiah relies heavily on donations and at the time Solinger was optimistically pursuing a large contribution, but knew she would need at least \$1 million more to move the project forward.



Jeremiah's Fargo-Moorhead campus has 20 apartments that provide the families who participate in the program with an affordable home while the mothers pursue a college education.

costs associated with crime and special education.

The assistance provided through HTF allowed the Jeremiah Program to break ground on the Fargo-Moorhead campus the following year. The first families moved into the

course, Garcia moved into one of the new apartments on the Fargo-Moorhead campus and found part-time work at a college bookstore. After she finishes some general coursework, Garcia will start classes at North Dakota State University. Rey attends the campus' on-site child development center while Garcia works and is in school.

Ultimately, Garcia plans to earn a bachelor's degree in radiological sciences and pursue a career as a diagnostic sonographer. She would like to specialize in obstetrics.

"I honestly don't know where I would be without this program and the donors and agencies who supported it," Garcia said. "I feel like I have grown so much as a person already and I am so happy to be in a program that has put my son and me on a better path. I feel like I finally have a fresh start and a place to call home."

(Published August 2018 by North Dakota Housing Finance Agency.)

"When I learned about the National Housing Trust Fund from NDHFA, how it was dedicated to providing housing for families like ours, I knew we'd be competitive," said Solinger. While she continued working on her private donor, Solinger and the staff at Jeremiah's national office completed the HTF application.

"On Nov. 8, 2016, I had what I now refer to as my \$2 million day. In the morning, the private donor I'd been working with called to share that the million dollar gift had been secured. I was elated," said Solinger. "And, that same day, at 3:30 p.m., I received a call from NDHFA telling me that our project was one of three selected for a HTF award. We received exactly what we applied for, \$1,052,655."

A Wilder Research study estimates that every \$1 invested in a Jeremiah family returns up to \$4 to society through first-generation benefits of decreased dependence upon public assistance and increased taxable earnings, plus second-generation benefits of increased lifetime earnings/taxes paid, and savings from

property in Jan. 2018.

"Affordable housing provides a stable platform for individuals and families that allows them to better their lives," said NDHFA Executive Director Jolene Kline. "If we can move a family out of poverty, it's a win for the household and a win for the community."

After completing the Empowerment

National Housing Trust Fund

The National Housing Trust Fund (HTF) is a federal program established as part of the Housing and Economic Recovery Act of 2008. Its primary purpose is to increase and preserve the supply of affordable rental housing for extremely low-income households, those earning less than 30 percent of area median income, including homeless families.

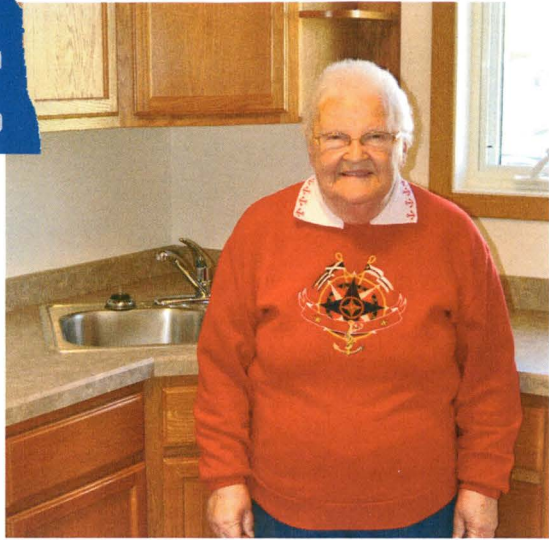
As the administrator of HTF, North Dakota Housing Finance Agency (NDHFA) is responsible for the development of an Annual Allocation Plan, which defines the process by which funds are distributed. The plan promotes the selection of properties addressing the state's most crucial needs within the priorities outlined in North Dakota's Consolidated Plan and the relevant strategies identified in North Dakota's Ten-Year Plan to End Long-Term Homelessness.

HTF dollars can be used for the production, preservation, rehabilitation and operation of a project. The financial awards are structured as forgivable zero-interest loans with a minimum term of 30 years.

NDHFA made the first financial awards in 2016. Since then, six properties have shared \$5.58 million supporting the development of 85 housing units for individuals and families who have experienced homelessness or who are at risk of homelessness. NDHFA is currently accepting applications for the 2018 program with the project awards slated to be made in early November.

Able to Stay in My Community

FACES OF HOME



Alerene Hoffman's home in New Rockford, N.D., was getting to be just a little too much for her to handle. This retired widow loved spending time in her garden tending to her flowers but health issues slowed her down and she wished for something smaller with less maintenance and no steps. She also wanted to stay in the town she had called home for years.

Hoffman moved into one of Eddy County Housing Authority's new twin homes on June 1 fulfilling all those wishes.

Hoffman and her husband Robert raised five children on a farm north of town. She spent 30 years working at the Lutheran Home of the Good Shepherd, an 80-bed nursing home in the rural North Dakota town. When her husband was injured in a construction accident, she was the main bread winner and they moved from the farm to a large home in town. After her husband passed away, she moved into a smaller house on First Avenue. Now, she says, it's time for something with fewer steps.

When the twin homes were completed this spring, Hoffman was one of the lucky ones chosen to live in the rental units which went fast and now have a waiting list.

"This will be a wonderful experience for me," Hoffman said. "I don't have to mow the grass or shovel snow or any of that. This will just be great. These are such nice homes."

Eddy County Housing Authority took on the twin home project in 2010 to help alleviate a rental housing shortage in the community of about 1,400 people. There are two sets of twin homes with two-bedroom units on Seventh Street and three-bedroom units on Third Avenue.

The response to this project was just

tremendous and really showed us the housing situation in the community," said

Tracy Henningsgard, executive director of the Eddy County Housing Authority. "We've had a lot of interest with over 25 families expressing interest in renting."

Hoffman agrees. "I think it is just wonderful that I can step out of my garage straight into my apartment and not have to worry about steps," she said. "There are a lot of us in town that are at that point where we have to take a step back and these apartments are just such a help."

This is the housing authority's first venture as property owners and came in response to low rental vacancy rates and aging housing stock in the town.

New Rockford Mayor Jim Belquist said there are a number of houses in such disrepair in the community that the city would soon be condemning them. He hoped that the Eddy County Housing project might spur other developments like it. "That will open up some lots so hopefully we can get some other new homes going in town," he said.

Henningsgard said they looked at three

things to make this project viable: controlling the costs, low-cost financing and low rents. "We looked at tax credits and other programs but those didn't work well with a small project like this," said Henningsgard.

Instead they used an Essential Function Bond through local lender Bank Forward, a U.S. Department of Housing and Urban Development HOME program loan from Eastern Dakota Housing Alliance, and cash contributions from Eddy County Housing and the New Rockford Area Betterment Corp. in addition to a \$50,000 Rural Housing Investment Incentive Program (RHIP) allocation from the North Dakota Housing Finance Agency (NDHFA).

"Without any of these, this would have been a dead project," Henningsgard said.

Rural Housing Investment Incentive

In 2009, the Industrial Commission approved a pilot program that it hoped would assist in overcoming these obstacles. The program supported the development of single- or multi-family housing, or the substantial rehab of existing structures in difficult to develop areas of the state by offering a dollar for dollar match for private sector investment.

The RHIP program was established as a pilot to help address the unique challenges to housing development in rural communities. NDHFA utilized \$400,000 of reserve

funds for the program which has been a resounding success leveraging more than \$6.6 million in housing activity in rural North Dakota.

In the New Rockford project, the RHIP award was matched with \$60,000 in equity investments. That had the effect of helping ease the \$225,000 projected appraisal gap on the project and lowering required rents by \$126 on average enabling affordable rents for low-income families.

NDHFA Director of Planning and Housing Development Jolene Kline said RHIP did just what it was supposed to. "New Rockford epitomizes the pilot," she said. "It addresses the valuation gap and affordability."

(Original article published June 2011.)

Promise of Affordability

FACES OF HOME

A pink rocking chair sways in the breeze on Miriam Shaw's front porch at ParkRidge Townhomes in Williston's new Harvest Hills subdivision as she stands at her stove tending to boiling pots. The spacious kitchen is the Jamaican native's favorite place in her new home and the comfort of knowing it will be affordable for years to come makes everything taste a little sweeter.

Shaw moved into her townhome with her two children shortly after the complex opened in October 2015. "It reminds us of our home back in Georgia," she said. "It is really nice. We really like it."

A nurse at Mercy Medical Center's occupational health clinic in Williston, Shaw moved to town in 2014 following her daughter who had come, like many others, in search of opportunity. She appreciates what the community and state have to offer. "I like Williston. It is small, but I like the open spaces, places to walk and the scenery," she said. "And I love living here. It is really comfy and just cozy like our [previous] home was."

Shaw struggled to find a place to live when she first arrived in Williston and lived in several other apartment units which had space and cost challenges before moving into the townhouse community. ParkRidge Townhomes, developed by Mountain Plains Equity Group, includes 36 units with half of them targeted to Essential Service Workers like Shaw. Rent for the ESWs are restricted and tenants must be below income limits.



In addition to medical staff, there are also law enforcement personnel, school employees and county workers who call ParkRidge home.

Shaw said while market rate rents in Williston have fluctuated due to changes in the oil industry, the assurance that her rent will remain affordable was a huge bonus.

"The promise that the price would remain affordable for 15 years is very nice," she said. "It just gives you comfort in your mind that it will remain. That really is a nice promise because we don't know what lies around the corner."

The stability of the rent in Shaw's unit at ParkRidge comes from its funding through the Housing Incentive Fund. The \$7.2 million project received just over \$2 million from HIF, administered by the North Dakota Housing Finance Agency.

grocery bags out," she said. "The layout is nice. We have so much storage; they utilized every inch."

The units must remain at affordable levels for at least 15 years.

Shaw's townhome has an open-concept with all the amenities she was looking for including a heated attached garage. "That is so nice, to be able to pull in and throw the

Housing Incentive Fund (HIF)

Administered by North Dakota Housing Finance Agency (NDHFA), HIF supports the development of affordable units for low- and moderate-income households.

The program was created during the 2011 Legislative Session. It was reauthorized during the 2013 and 2015 sessions.

Since HIF's inception, NDHFA has allocated over \$80 million to projects, leveraging nearly \$380 million in construction financing.

She also appreciates its convenient location just blocks from the new Williston High School, where her son will attend. "I'm excited to be closer to the school... probably more than he is," she said. "I'm going to be so happy to have a shorter drive to his school events."

Shaw who lived and worked as a nurse in New York and Georgia before coming to North Dakota sees herself enjoying more evenings rocking in her pink chair which she hopes to make even more colorful or in her kitchen cooking unique Jamaican fare like jerked chicken and pork, rice and beans in coconut milk, curried goat and spicy fried fish dishes. "It is such a nice place," she said. "I feel like we are going to be here a while."

'Grateful for My Home'

FACES OF HOME



When Jeri Fick first learned she would be able to move into the new North Sky Apartments in Fargo's Urban Plains neighborhood in the southwest part of town, she cried.

"I just get very emotional thinking about it because I am so appreciative," she said. "I don't know how people would be able to do it without assistance like this."

The first phase of North Sky Apartments opened in Fall 2014 and Jeri moved with her assistance dog, Molly, into her one-bedroom unit in January 2015 after living at another market-rate apartment complex in the community.

"It just got to be too expensive," she said. "I couldn't afford it anymore. It got to the point where I didn't know if I was going to be homeless."

That's what made her North Sky apartment so special to her. "I can actually have a life," she said. "I can afford my rent and still go to a movie if I want to now. Before, all of my money was going to pay rent."

She also appreciates the sense of community in the 55+ apartment complex. "I am meeting new friends and we're like a family; we watch out for each other," Fick said. "I enjoy baking brownies and things and taking them to my new neighbors. Everyone has just been so great."

And Fick says she is looking forward to the "family" extending. The second phase of

North Sky opened in September 2015 with a third phase breaking ground at the same time. In total, the project will have 84 units all targeted to seniors.

The \$11.65 million project was funded by a number of state and federal programs including the Neighborhood Stabilization Program, HOME Investment Partnerships Program, Low Income Housing Tax Credits and the North Dakota Housing Incentive Fund. In all, those programs brought \$10.1 million in funding. The Fargo Housing and Redevelopment Authority, which manages the project, also placed project-based rental assistance vouchers on some of the units in North Sky I and plans to do the same in the other phases.

"It is a challenge for Fargo seniors to find housing that is affordable and every year

that population increases," said Beyond Shelter Inc. CEO Dan Madler. "Without multiple layers of support, our organization would not be able to keep a project's rents at such reasonable levels."

It is the reasonable rents that help Fick and other seniors like her. "I don't know how people would do it without

help like this," she said. "It makes me kind of sad that these buildings are all full because I know there are a lot of other people who need affordable apartments.

Housing Incentive Fund (HIF)

Administered by North Dakota Housing Finance Agency (NDHFA), HIF supports the development of affordable units for low- and moderate-income households.

The program was created during the 2011 Legislative Session. It was reauthorized during the 2013 and 2015 sessions.

Since HIF's inception, NDHFA has allocated over \$84 million to projects, leveraging more than \$429.2 million in construction financing.

Where would they go if this wasn't here?"

Fick, while working part time at Sam's Club, relies almost entirely on her Social Security disability check. "When you have a disability, there is no way you could live anywhere on just Social Security," she said. "I am just so grateful

for my home. I can't express how grateful I am.

"I wake up in the mornings and just look around in amazement. It is gorgeous. Everything is new and I'm just so proud," she said. "It is a blessing from God – it truly is a blessing."

(Original article published Sept. 2015)

'Godsend To Our Police Department'

FACES OF HOME

A year and a half ago, Hunter Easterling completed law enforcement training and moved from California to Dickinson, ND, to pursue a career as a police officer.

While settling in, Easterling found that finding a home in a growing oil boom town wasn't easy. He lived in an RV park, a hotel and an apartment that

was not quite ideal before Patterson Heights Apartments, a new affordable housing development, became available.

Patterson Heights is one of the first developments in North Dakota to set-aside rental units specifically for law enforcement personnel.

"The place is outstanding; everything is new," said Easterling. "It was such a relief to find a place to live, truly a weight off my shoulders."

In recent years, Dickinson has experienced an influx of energy industry workers and, while new housing units are being added, finding affordable housing is a challenge.

Recruiting and retaining the personnel that provide essential public services is difficult due to increased housing costs and shortages.

Dave Wilkie, administrative captain at the Dickinson Police Department, has noticed significant growth in his home town. "Our department has grown over the last few years and we are adding more and more officers as needed," said Wilkie. "Many out-of-



state workers are hired because they are good candidates looking for a job and their own local police departments are slowing down."

The Dickinson Police Department is constantly in touch with real estate

agents and apartment managers about potential listings, rental openings or even basements for rent to aid their staff in finding places to live. The city of Dickinson also has FEMA trailers

available for officers just until they can find something more permanent.

"Having affordable housing is really important to our community. There are many people who don't work in the oil fields and they can't afford the high rents," said Wilkie. "We currently have three officers living in Patterson

Heights and the development has truly been a Godsend to our police department."

Patterson Heights is supported by North Dakota Housing Finance Agency's Housing Incentive Fund (HIF) and a Law Enforcement Pilot Program (LEPP). The programs are a means to create affordable rental units for essential services

workers and households of limited means.

Created during North Dakota's 2011 legislative session, HIF provides developers of affordable rental units with low-cost financing. It is

The Law Enforcement Pilot Program was created to address the challenge of providing affordable rental housing for law enforcement personnel in energy-impacted areas of North Dakota. The program was funded by the approximately \$3 million that the State received through the Mortgage Servicer Settlement Fund which originated from a landmark settlement reached with the nation's five major mortgage servicers.

capitalized by contributions from state taxpayers. Contributors to the fund received a dollar-for-dollar state income tax credit for their support.

The North Dakota Industrial Commission asked NDHFA to develop LEPP. The program is targeted to creating housing for

law enforcement personnel in communities in energy-impacted areas.

"I like Dickinson," said Easterling. "The city is growing, I like my new development and I really appreciate the housing I'm living in."

(Original article published in Oct. 2013.)

Enjoying Life's Little Luxuries

FACES OF HOME



Bowman in 1985, the year ABLE opened the group home. Prior to that, Vogel, who is in his 70's, lived in Grafton, ND, at a state-run facility where most of North Dakota's developmentally disabled population was institutionalized before a landmark lawsuit in 1983 declared the practice to be a violation of their civil rights.

Carolynne Jones, director of satellite services for ABLE's Bowman and Hettinger properties, says that Vogel named himself 'Hoppy' after Hopalong Cassidy, a fictional cowboy hero. She believes that action saved his life. "He made a world for himself in order to live in the world he was put into," says Jones. Vogel enjoyed the little bit of freedom that living in the group home setting gave him. When asked if he wanted his own apartment, Jones says he was reluctant to make the change.

"I told Hoppy I'd have to sleep on a cot outside his door the first night because I was so worried," said Jones. "He told me to go, and the next morning he put his arm around me and said he was okay. Whew! When I asked if his new

Many of us take for granted the little luxuries that come from having a place of our own. Having our own kitchen where we can cook what we want to eat, having a spacious bed to sleep in at night, and having the freedom to entertain guests whenever we please.

Two North Dakota men who are supported by ABLE Inc., a private, nonprofit organization that provides residential and day support to people with intellectual and development disabilities, are enjoying these little luxuries for the first time.

George "Hoppy" Vogel and David Hippe moved into their own apartments at The Landing in Bowman, ND, in July. Prior to the move, they lived in the same community in a Transitional Community Living Facility, a place commonly known as a "group home."

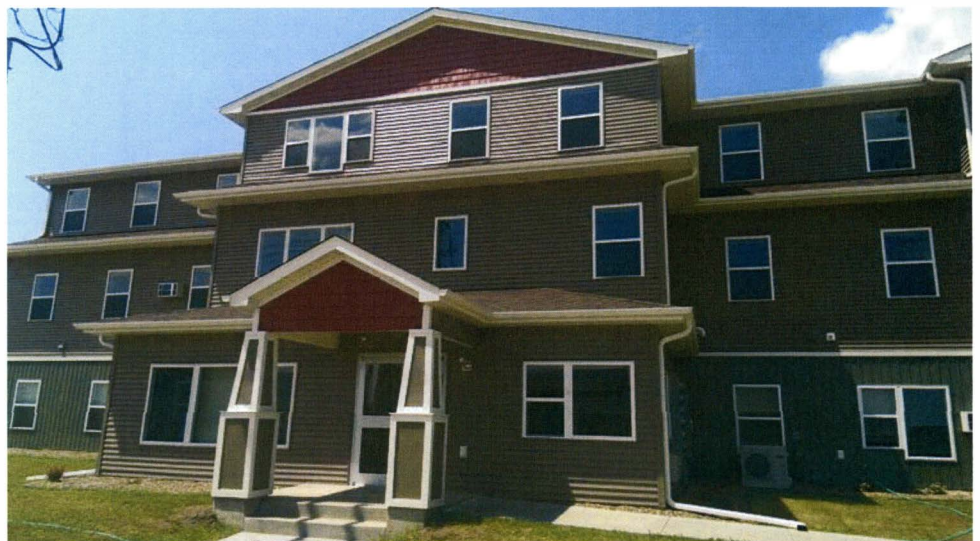
"Such a situation can be ideal for people that need intense physical or emotional support," says Mary Anderson, ABLE Inc. executive director. "For Hoppy and David, independent living is a much better fit."

Nine of the 26 housing units at The Landing, which was developed by Lutheran Social Services Housing, are reserved for people that receive

supportive services from ABLE. Having the units in close proximity allows the organization to efficiently provide services. And, thanks to the support of North Dakota Housing Finance Agency's Housing Incentive Fund (HIF), the rent is affordable.

"For the people who needed a change in environment, moving from group settings to apartments, the HIF program has been a huge plus," says Anderson. "We could not have improved their quality of housing without the development assistance."

George "Hoppy" Vogel, moved to



full-size bed was comfortable, he said sure and told me to quit worrying. Can you imagine your whole adult life in a twin-size bed?"

In his new independent living situation, Vogel is able to stock his own fridge and decide for himself what he wants to eat rather than participating in communal meals. Prior to the move, his medical team wanted him to gain some weight. Since moving into The Landing, Vogel has gained 7 pounds and everyone is pleased with how well he is doing living on his own.

Unlike Vogel, David Hippe longed for independence. He is in his mid-twenties and, like most young adults, he coveted a place of his own without roommates or restrictions on his decorating choices. He also wanted to be able to entertain friends at his home.

"David was rather lost and going down a destructive path in life when he moved to Bowman," said Jones. "He was embarrassed to live in the group home because he so wanted to be on his own yet knew he needed the structure and safety net ABLE provides."

Hippe adapted quickly to independent living. His new apartment is festooned with sports memorabilia from his favorite football team, the Dallas Cowboys. He enjoys inviting company over to watch a movie in the evening or come for coffee in the



morning. His Erickson's Meat Market co-workers are frequent guests.

Housing Incentive Fund

The Housing Incentive Fund (HIF) supports the development of affordable multifamily housing units for essential service workers, main street employees and fixed-income households. Approximately one-third of the 31 developments supported by HIF during the 2013-2015 biennium created housing for special needs households including disabled, homeless and elderly individuals and families.

"This move has made a huge difference in people's lives," says Jones. "At first, not having joint gathering spaces – a centralized kitchen or recreation space – was a concern, people pretty much stayed to themselves in their own apartments. After about a month we started to see people, if they wanted company, inviting guests to come into their home. It's on their terms, the way it should

be."

Including HIF, a program that supports the development of affordable multifamily housing, The Landing received more than \$2.4 million from the state of North Dakota to ensure the units occupied by people supported by ABLE are affordable. The remaining 17 units in the complex rent at market rate.

ABLE is dedicated to enhancing relationships, providing opportunities for growth and encouraging people to reach their personal dreams. The organization supports people in their homes, work and communities.

ABLE is currently working with Sullivan Properties in Dickinson, ND, to develop an apartment complex that will offer living arrangements similar to the set-up at The Landing.

(Original article published in Dec. 2014.)

FACES OF HOME

Meeting a Need in the Community

Kris Fehr of AK Investments doesn't shy away from helping her community of Dickinson, North Dakota. She serves as an assisting minister and sings in the choir at St. John's Lutheran church; she is director of the Best Friends Mentoring Program; she's involved with Boy Scouts, is an active Rotarian, and serves as President of the school board. So when an opportunity came to further help residents of Dickinson, Fehr jumped right in.

Dickinson has become a hub for the oil and gas industry and many people have moved into the area for the economic opportunities. The current housing stock that is affordable for low- to moderate-income households has become limited with the high growth rates.

In 2011, Fehr read about the Housing Incentive Fund (HIF), administered by the North Dakota Housing Finance Agency. It was created during the legislative session that year to provide developers of affordable rental units with low cost financing.

"I was hearing heartbreaking stories," said Fehr. "Rents were increasing and some residents couldn't afford to stay here. I felt like we could make a difference and help address our community's affordable housing shortage."

Fehr put an application together and it was accepted in an early 2012 funding round. HIF was the perfect tool for Kris



and her husband, Alan, to convert 161 S Main, a 100-year-old property, into 10 units of affordable housing.

While the couple had acquired and owned rental property for many years, this would be the first project that they would be developing. Despite the challenges of finding a contractor, working through a myriad of details, coordinating city inspections, utilities, water, additional financing and dealing with a couple minor setbacks, the apartments were completed in September 2013.

"We didn't set out to be developers; we enjoyed meeting a need in the community," said Fehr. "HIF did what it was intended to do. Our units were nearly all rented in two months and our tenants are new residents of Dickinson – all ages and all ethnicities."

Through the process, Fehr developed a new admiration for developers.

"There is really so much involved and so much can go wrong, you really have to work as a team and depend on others to complete the project," said Fehr. "It was my goal to be open, honest and straightforward with what I'm doing

and to communicate. In the end it was really satisfying to know we could help others."

Since 2011, developers like Fehr have made more than 1,500 units in 57 developments in communities across the state possible by utilizing HIF.

Housing Incentive Fund (HIF)

Administered by North Dakota Housing Finance Agency (NDHFA), HIF supports the development of affordable units for low- and moderate-income households.

The program was created during the 2011 Legislative Session. It was reauthorized and expanded during the 2013 session.

Since HIF's inception, NDHFA has allocated over \$49 million to projects, leveraging more than \$240 million in construction financing.

Those projects provide much-needed housing for families, essential service workers and disabled and elderly households.

"These units are for people who are not making the big money, yet they are working as ambulance drivers, firefighters, grocery store clerks, mechanics, office

managers, dental hygienists. They are part of what makes our town great, progressive and productive. If we don't find ways to support them, they will leave," said Fehr. "Everyone deserves quality housing."

(Original article published April 2014.)

Housing is defined as affordable if its occupants pay **no more than 30 percent of their income** on housing. If they pay more than 30 percent, that cost-burdened household has less money to pay for other necessities like food, clothing, healthcare, childcare and education.

Homeowners

1 in 11 are cost-burdened¹



\$1,326

The median cost per month for homeowners in North Dakota with a mortgage.²

1 in 25 are severely cost-burdened

Renters

1 in 5 are cost-burdened¹



\$16.40

The hourly wage needed for a single adult to rent an affordable two-bedroom apartment in North Dakota, costing \$855, based on HUD's fair market rents.

1 in 7 are severely cost-burdened

North Dakota occupations that pay less than \$16.40/hr.³



Childcare Worker	\$11.07
Grocery Cashier	\$11.47
Nursing Assistant	\$15.81
Janitor	\$14.57

What About Seniors?

For fixed-income households, affordable housing costs are even more important. On average, North Dakota **seniors receive \$1,344 per month⁴** in social security benefits. If social security is their only source of income, these individuals cannot afford costs greater than \$403 per month.

Housing Challenges

- Limited affordable housing options make **workforce recruitment** and retention more difficult;
- Housing needs for the state's **senior population** continue to grow;
- Special populations including people with **disabilities and the homeless** have unmet needs for housing with supportive services.

¹ U.S. Census Bureau, 2016 1 Year ACS PUMS File; ² U.S. Census Bureau, 2017 American Community Survey 1-Year Estimates; ³ Labor Market Information, Job Service North Dakota, 2018; and ⁴ www.ssa.gov, 2017.

Table 2.44 North Dakota Household Projections for Renter-Occupied Housing Units with Householder Ages 65 and Older, 2019 to 2029

Sources: U.S. Census Bureau and the Center for Social Research at NDSU

Area	Renter-Occupied Housing Units with Householder Ages 65 and Older						
	Estimates		% change: 2010 to 2014	Projections			% change: 2014 to 2029
	2010	2014		2019	2024	2029	
North Dakota	16,449	18,496	12.4%	21,657	25,719	29,166	57.7%
Adams County	118	82	-30.2%	87	90	89	8.1%
Barnes County	482	521	8.1%	579	636	675	29.6%
Benson County	147	133	-9.8%	144	165	176	32.8%
Billings County	19	11	-39.6%	12	14	15	30.7%
Bottineau County	232	193	-16.6%	211	229	243	25.6%
Bowman County	67	92	37.2%	93	111	115	25.1%
Burke County	52	48	-8.6%	45	44	45	-5.3%
Burleigh County	2,015	2,164	7.4%	2,713	3,348	3,906	80.5%
Cass County	3,585	4,300	20.0%	5,738	7,128	8,262	92.1%
Cavalier County	98	108	9.7%	105	106	101	-6.1%
Dickey County	206	153	-25.6%	152	166	172	12.3%
Divide County	53	46	-13.7%	41	45	46	0.6%
Dunn County	37	26	-29.2%	30	37	42	60.4%
Eddy County	78	63	-18.9%	66	71	72	13.8%
Emmons County	75	116	54.7%	118	123	130	12.0%
Foster County	142	95	-32.8%	95	104	111	16.3%
Golden Valley County	27	52	91.5%	49	46	47	-9.1%
Grand Forks County	1,060	1,474	39.1%	1,767	2,049	2,258	53.1%
Grant County	66	90	36.6%	96	101	104	15.4%
Griggs County	102	100	-1.6%	102	103	99	-1.4%
Hettinger County	76	58	-23.4%	57	54	53	-9.0%
Kidder County	95	62	-34.8%	71	78	79	27.6%
LaMoure County	112	120	7.2%	135	147	145	20.7%
Logan County	44	36	-18.0%	33	28	26	-27.9%
McHenry County	193	146	-24.6%	152	160	164	12.7%
McIntosh County	65	89	37.4%	81	84	87	-2.6%
McKenzie County	94	231	145.7%	323	433	589	155.0%
McLean County	205	264	28.9%	289	329	346	31.0%
Mercer County	141	151	6.9%	174	209	226	49.9%
Morton County	611	702	14.9%	814	965	1,084	54.4%
Mountrail County	60	151	151.5%	184	238	291	92.8%
Nelson County	111	63	-42.9%	61	65	64	1.1%
Oliver County	32	54	68.9%	63	71	74	36.9%
Pembina County	178	242	35.7%	271	302	313	29.6%
Pierce County	204	222	9.0%	225	244	269	21.0%
Ramsey County	500	568	13.6%	617	705	810	42.6%
Ransom County	182	205	12.5%	206	213	214	4.5%
Renville County	51	66	29.5%	67	70	73	10.6%
Richland County	324	321	-0.9%	367	422	451	40.5%
Rolette County	170	195	14.7%	235	276	315	61.6%
Sargent County	120	92	-23.6%	108	121	128	39.5%
Sheridan County	27	41	53.3%	40	40	38	-8.2%
Sioux County	65	96	47.6%	101	107	118	23.0%
Slope County	8	7	-13.7%	8	8	8	15.9%
Stark County	698	696	-0.2%	764	975	1,195	71.6%
Steele County	37	86	131.2%	100	122	148	73.0%
Stutsman County	722	781	8.1%	861	955	1,045	33.9%
Towner County	82	102	24.9%	113	126	122	19.1%
Traill County	368	295	-19.7%	326	378	422	42.9%
Walsh County	404	374	-7.4%	371	374	369	-1.4%
Ward County	1,131	1,285	13.6%	1,343	1,569	1,776	38.2%
Wells County	187	164	-12.5%	158	163	170	3.9%
Williams County	491	662	34.9%	696	972	1,246	88.1%
Bismarck city	1,912	2,132	11.5%	2,724	3,357	3,937	84.6%
Devils Lake city	488	518	6.2%	544	619	714	37.7%
Dickinson city	651	645	-1.0%	617	763	924	43.3%
Fargo city	2,957	3,336	12.8%	4,673	5,824	6,839	105.0%
Grand Forks city	1,004	1,330	32.5%	1,629	1,892	2,091	57.2%
Jamestown city	666	721	8.2%	809	900	986	36.8%
Mandan city	491	631	28.4%	723	856	960	52.2%
Minot city	996	1,122	12.6%	1,064	1,233	1,400	24.8%
Valley City city	448	487	8.6%	543	594	633	30.1%
Wahpeton city	226	149	-34.1%	171	190	203	36.3%
West Fargo city	398	731	83.7%	1,025	1,273	1,422	94.5%
Williston city	392	558	42.5%	455	632	798	42.9%
Fort Berthold Reservation	63	111	76.2%	120	128	137	23.4%
Spirit Lake Reservation	65	49	-24.6%	49	49	49	0.0%
Standing Rock Reservation	65	96	47.6%	101	107	118	23.0%
Turtle Mountain Reservation	78	63	-19.2%	65	67	69	9.5%
Region 1	638	939	47.2%	1,060	1,450	1,881	100.3%
Region 2	1,923	2,111	9.8%	2,227	2,554	2,861	35.5%
Region 3	1,075	1,169	8.7%	1,280	1,449	1,596	36.5%
Region 4	1,753	2,154	22.9%	2,470	2,790	3,004	39.5%
Region 5	4,616	5,299	14.8%	6,845	8,384	9,625	81.6%
Region 6	2,062	2,060	-0.1%	2,196	2,386	2,530	22.8%
Region 7	3,332	3,740	12.2%	4,479	5,371	6,105	63.2%
Region 8	1,050	1,025	-2.4%	1,100	1,335	1,564	52.6%

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Table 2.45 Numeric and Percent Change in North Dakota Renter-Occupied Housing Unit Projections by Age of Householder, 2014 to 2029										
Sources: U.S. Census Bureau and the Center for Social Research at NDSU										
Area	Change in Renter-Occupied Housing Units by Age of Householder									
	Total		Less than 25		Ages 25 to 44		Ages 45 to 64		Ages 65 and older	
	Numeric	Percent	Numeric	Percent	Numeric	Percent	Numeric	Percent	Numeric	Percent
North Dakota	25,664	22.9%	1,001	4.0%	13,466	31.4%	526	2.0%	10,670	57.7%
Adams County	62	20.1%	23	28.6%	44	45.7%	-11	-22.8%	7	8.1%
Barnes County	45	3.0%	-13	-4.5%	-41	-9.6%	-55	-21.5%	154	29.6%
Benson County	-73	-8.9%	6	12.9%	-37	-11.0%	-85	-28.1%	43	32.8%
Billings County	-3	-3.1%	1	6.5%	-6	-20.1%	-1	-2.0%	4	30.7%
Bottineau County	75	10.2%	98	86.0%	-20	-10.8%	-51	-21.0%	50	25.6%
Bowman County	35	9.8%	17	37.0%	7	5.6%	-13	-14.9%	23	25.1%
Burke County	23	6.5%	49	51.5%	-12	-8.1%	-11	-15.6%	-3	-5.3%
Burleigh County	3,648	31.7%	643	27.4%	1,060	27.2%	202	6.6%	1,742	80.5%
Cass County	9,822	28.2%	680	7.5%	4,343	29.9%	838	12.1%	3,962	92.1%
Cavalier County	-28	-12.2%	-2	-8.5%	8	17.2%	-27	-51.2%	-7	-6.1%
Dickey County	-16	-2.5%	52	31.4%	-54	-32.0%	-32	-23.4%	19	12.3%
Divide County	59	31.1%	1	14.8%	63	77.2%	-5	-8.6%	0	0.6%
Dunn County	96	30.8%	26	50.2%	61	41.3%	-6	-7.2%	16	60.4%
Eddy County	-30	-10.5%	3	9.0%	-11	-10.0%	-31	-42.0%	9	13.8%
Emmons County	-4	-1.4%	-9	-11.7%	17	32.3%	-26	-43.4%	14	12.0%
Foster County	-11	-2.7%	-7	-8.0%	0	0.2%	-19	-26.4%	16	16.3%
Golden Valley County	30	13.5%	-1	-10.2%	20	24.5%	16	21.9%	-5	-9.1%
Grand Forks County	1,191	8.2%	-1,054	-21.5%	1,871	34.1%	-410	-15.4%	784	53.1%
Grant County	-22	-8.7%	4	10.6%	-16	-22.1%	-24	-42.2%	14	15.4%
Griggs County	-40	-15.0%	3	18.5%	-9	-12.3%	-33	-39.3%	-1	-1.4%
Hettinger County	59	27.7%	26	69.3%	39	52.1%	-2	-4.6%	-5	-9.0%
Kidder County	4	1.8%	1	2.5%	-1	-1.5%	-12	-37.3%	17	27.6%
LaMoure County	-7	-1.8%	10	12.1%	2	1.9%	-44	-41.2%	25	20.7%
Logan County	8	5.3%	3	6.1%	21	54.8%	-6	-20.9%	-10	-27.9%
McHenry County	-2	-0.3%	12	21.1%	-28	-14.6%	-4	-3.2%	18	12.7%
McIntosh County	-21	-8.9%	-3	-15.3%	1	0.8%	-16	-42.3%	-2	-2.6%
McKenzie County	1,563	100.0%	36	53.1%	742	99.3%	427	82.7%	358	155.0%
McLean County	128	13.3%	61	37.5%	30	11.1%	-44	-16.4%	82	31.0%
Mercer County	118	17.9%	28	26.5%	73	32.7%	-58	-32.7%	75	49.9%
Morton County	536	18.1%	30	5.5%	127	13.4%	-3	-0.4%	382	54.4%
Mountrail County	430	38.6%	14	22.4%	201	39.0%	76	19.5%	140	92.8%
Nelson County	-5	-1.9%	3	9.8%	27	22.3%	-36	-47.6%	1	1.1%
Oliver County	25	19.7%	-4	-20.9%	21	61.6%	-12	-51.3%	20	36.9%
Pembina County	-34	-4.5%	-4	-5.9%	-20	-7.8%	-81	-43.1%	71	29.6%
Pierce County	26	5.1%	-2	-3.6%	16	13.5%	-35	-33.2%	47	21.0%
Ramsey County	195	10.4%	-2	-1.6%	78	11.9%	-123	-24.7%	242	42.6%
Ransom County	-10	-1.5%	-6	-8.8%	52	30.9%	-66	-26.8%	9	4.5%
Renville County	-24	-9.1%	3	9.5%	-16	-15.2%	-18	-27.0%	7	10.6%
Richland County	208	11.8%	6	1.3%	185	33.1%	-113	-29.0%	130	40.5%
Rolette County	220	15.2%	63	36.9%	65	9.5%	-29	-7.3%	120	61.6%
Sargent County	18	4.6%	-5	-8.4%	20	16.7%	-33	-28.8%	36	39.5%
Sheridan County	-13	-14.5%	0	-	4	39.6%	-13	-33.9%	-3	-8.2%
Sioux County	147	23.1%	8	23.8%	71	28.5%	46	17.9%	22	23.0%
Slope County	6	11.5%	0	1.4%	5	15.9%	-1	-15.5%	1	15.9%
Stark County	1,510	39.2%	386	49.7%	401	27.8%	224	24.0%	499	71.6%
Steele County	2	0.9%	-6	-15.3%	-26	-39.3%	-28	-50.1%	62	73.0%
Stutsman County	-32	-1.0%	20	4.4%	-62	-6.6%	-254	-26.2%	264	33.9%
Towner County	-5	-2.3%	6	39.5%	3	5.6%	-34	-51.2%	20	19.1%
Traill County	0	0.0%	-12	-9.6%	-61	-20.4%	-53	-30.6%	127	42.9%
Walsh County	-72	-5.9%	-3	-1.6%	63	21.7%	-127	-35.7%	-5	-1.4%
Ward County	2,622	24.1%	-368	-13.0%	2,229	48.9%	269	12.2%	491	38.2%
Wells County	-3	-0.8%	6	10.0%	31	35.4%	-47	-37.1%	6	3.9%
Williams County	3,213	61.9%	181	31.2%	1,884	77.3%	564	37.4%	584	88.1%
Bismarck city	3,416	30.7%	551	23.3%	1,003	27.2%	58	2.0%	1,805	84.6%
Devils Lake city	125	7.6%	-4	-2.7%	56	10.3%	-122	-27.5%	196	37.7%
Dickinson city	1,215	35.6%	328	46.3%	497	38.5%	111	14.4%	279	43.3%
Fargo city	8,342	28.1%	689	8.3%	3,574	29.2%	576	10.1%	3,503	105.0%
Grand Forks city	900	6.8%	-1,022	-21.6%	1,661	35.1%	-500	-20.4%	761	57.2%
Jamestown city	-6	-0.2%	32	7.8%	-51	-6.6%	-252	-28.4%	265	36.8%
Mandan city	401	16.0%	6	1.2%	103	12.6%	-38	-6.7%	329	52.2%
Minot city	1,808	21.8%	-330	-15.6%	1,787	55.7%	72	3.9%	278	24.8%
Valley City city	49	3.8%	8	3.0%	-53	-16.1%	-52	-24.7%	146	30.1%
Wahpeton city	126	9.8%	25	5.8%	149	36.3%	-102	-34.3%	54	36.3%
West Fargo city	1,159	27.7%	-3	-0.5%	426	23.7%	44	4.4%	691	94.5%
Williston city	2,151	48.9%	148	29.6%	1,455	71.5%	309	23.7%	240	42.9%
Fort Berthold Reservation	254	23.1%	16	22.5%	111	23.0%	101	23.3%	26	23.4%
Spirit Lake Reservation	2	0.3%	0	0.0%	1	0.4%	1	0.4%	0	0.0%
Standing Rock Reservation	147	23.1%	8	23.8%	71	28.5%	46	17.9%	22	23.0%
Turtle Mountain Reservation	75	8.9%	7	9.6%	38	8.8%	24	8.8%	6	9.5%
Region 1	4,835	69.7%	218	33.3%	2,689	82.3%	986	47.4%	942	100.3%
Region 2	3,151	21.9%	-196	-6.0%	2,371	40.7%	226	7.0%	750	35.5%
Region 3	278	5.7%	74	16.6%	106	5.6%	-329	-23.7%	427	36.5%
Region 4	1,079	6.4%	-1,059	-20.3%	1,942	31.6%	-655	-20.0%	850	39.5%
Region 5	10,040	25.9%	656	6.6%	4,513	28.7%	544	6.9%	4,326	81.6%
Region 6	-78	-1.1%	69	5.6%	-110	-5.4%	-507	-27.9%	470	22.8%
Region 7	4,566	25.8%	762	22.8%	1,384	23.6%	55	1.2%	2,365	63.2%
Region 8	1,793	33.2%	477	46.9%	571	28.0%	205	15.5%	539	52.6%

Table 2.46 North Dakota Household Projections for Extremely Low Income Households, 2019 to 2029						
Sources: U.S. Census Bureau and the Center for Social Research at NDSU						
Area	Extremely Low Income Households - Earning 0% to 30% of the Median Family Income (MFI)					
	2014	2019	Projections		2029	% change: 2014 to 2029
			2024	2029		
North Dakota	50,607	54,703	58,249	62,538	23.6%	
Adams County	149	153	160	162	9.0%	
Barnes County	760	789	799	809	6.5%	
Benson County	626	623	620	611	-2.3%	
Billings County	64	61	65	71	11.6%	
Bottineau County	587	589	614	643	9.6%	
Bowman County	203	204	228	235	15.6%	
Burke County	217	207	207	218	0.4%	
Burleigh County	4,710	5,292	5,965	6,665	41.5%	
Cass County	11,307	12,623	13,659	14,900	31.8%	
Cavalier County	229	216	207	193	-15.8%	
Dickey County	374	365	385	392	4.7%	
Divide County	182	174	179	187	2.8%	
Dunn County	236	266	296	319	35.4%	
Eddy County	226	233	229	217	-4.1%	
Emmons County	380	375	378	381	0.4%	
Foster County	288	278	288	296	2.6%	
Golden Valley County	196	200	200	211	7.4%	
Grand Forks County	6,332	6,508	6,370	6,745	6.5%	
Grant County	270	275	273	265	-2.0%	
Griggs County	149	146	144	139	-6.4%	
Hettinger County	141	143	139	141	0.0%	
Kidder County	196	208	219	213	8.7%	
LaMoure County	354	379	387	377	6.4%	
Logan County	159	152	137	129	-18.7%	
McHenry County	461	468	479	487	5.6%	
McIntosh County	313	293	284	276	-11.9%	
McKenzie County	606	897	1,075	1,265	108.6%	
McLean County	709	756	796	814	14.9%	
Mercer County	635	684	755	794	25.1%	
Morton County	1,662	1,826	2,034	2,207	32.8%	
Mountrail County	541	647	730	813	50.2%	
Nelson County	311	292	290	279	-10.2%	
Oliver County	123	138	151	153	24.5%	
Pembina County	498	502	510	503	1.0%	
Pierce County	428	428	444	473	10.6%	
Ramsey County	1,056	1,106	1,183	1,264	19.8%	
Ransom County	363	358	353	348	-4.2%	
Renville County	167	166	165	164	-1.6%	
Richland County	1,107	1,184	1,209	1,251	13.0%	
Rolette County	1,796	1,955	2,070	2,186	21.7%	
Sargent County	252	274	283	284	12.8%	
Sheridan County	111	107	103	97	-12.4%	
Sioux County	307	348	364	380	23.8%	
Slope County	57	65	69	65	13.6%	
Stark County	1,744	2,004	2,304	2,635	51.0%	
Steele County	120	127	143	166	38.4%	
Stutsman County	1,561	1,613	1,655	1,726	10.6%	
Towner County	180	189	191	182	1.0%	
Traill County	565	592	615	640	13.3%	
Walsh County	950	922	909	901	-5.1%	
Ward County	3,495	3,842	4,078	4,368	25.0%	
Wells County	398	385	389	394	-1.0%	
Williams County	1,759	2,076	2,470	2,904	65.1%	
Bismarck city	4,458	4,976	5,599	6,284	41.0%	
Devils Lake city	928	951	1,005	1,076	15.9%	
Dickinson city	1,403	1,533	1,707	1,903	35.7%	
Fargo city	9,598	10,757	11,513	12,583	31.1%	
Grand Forks city	5,898	6,017	5,847	6,191	5.0%	
Jamestown city	1,226	1,274	1,302	1,363	11.2%	
Mandan city	1,246	1,345	1,504	1,628	30.7%	
Minot city	2,846	2,989	3,127	3,337	17.2%	
Valley City city	571	605	600	610	6.8%	
Wahpeton city	657	711	680	696	6.0%	
West Fargo city	1,258	1,459	1,662	1,799	43.0%	
Williston city	1,366	1,431	1,656	1,918	40.4%	
Fort Berthold Reservation	513	552	592	631	23.0%	
Spirit Lake Reservation	409	409	409	409	0.0%	
Standing Rock Reservation	307	348	364	380	23.8%	
Turtle Mountain Reservation	1,118	1,151	1,183	1,217	8.9%	
Region 1	2,547	3,147	3,724	4,356	71.0%	
Region 2	5,896	6,347	6,717	7,166	21.5%	
Region 3	4,112	4,322	4,500	4,653	13.1%	
Region 4	8,090	8,224	8,079	8,428	4.2%	
Region 5	13,714	15,158	16,262	17,589	28.3%	
Region 6	4,356	4,400	4,468	4,538	4.2%	
Region 7	9,101	10,009	11,038	11,969	31.5%	
Region 8	2,790	3,096	3,461	3,839	37.6%	

Table 2.47 North Dakota Household Projections for Very Low Income Households, 2019 to 2029						
Sources: U.S. Census Bureau and the Center for Social Research at NDSU						
Area	Very Low Income Households - Earning 31% to 50% of the Median Family Income (MFI)					
	2014	Projections				% change: 2014 to 2029
		2019	2024	2029		
North Dakota	49,919	55,178	58,929	62,579	25.4%	
Adams County	194	196	202	205	5.8%	
Barnes County	795	832	837	855	7.5%	
Benson County	445	442	437	428	-3.8%	
Billings County	26	26	28	29	11.2%	
Bottineau County	480	495	518	537	11.8%	
Bowman County	161	164	178	185	14.6%	
Burke County	141	141	140	136	-3.9%	
Burleigh County	5,452	6,108	6,848	7,581	39.1%	
Cass County	12,682	14,540	15,849	17,150	35.2%	
Cavalier County	260	246	234	215	-17.4%	
Dickey County	414	400	396	391	-5.7%	
Divide County	154	153	150	158	2.3%	
Dunn County	214	237	263	283	32.4%	
Eddy County	144	147	148	144	0.0%	
Emmons County	361	354	348	350	-3.1%	
Foster County	182	179	184	188	3.4%	
Golden Valley County	154	156	158	174	12.9%	
Grand Forks County	5,098	5,554	5,743	5,898	15.7%	
Grant County	173	173	164	160	-7.7%	
Griggs County	225	216	208	198	-12.2%	
Hettinger County	201	214	215	219	8.8%	
Kidder County	165	168	163	158	-4.5%	
LaMoure County	254	266	264	252	-9.9%	
Logan County	159	153	141	136	-14.3%	
McHenry County	435	442	445	448	3.1%	
McIntosh County	301	293	278	266	-11.7%	
McKenzie County	668	967	1,208	1,511	126.3%	
McLean County	696	758	795	807	15.9%	
Mercer County	362	391	431	451	24.7%	
Morton County	1,874	2,043	2,245	2,407	28.4%	
Mountrail County	399	487	550	609	52.5%	
Nelson County	217	210	211	205	-5.6%	
Oliver County	93	105	114	114	22.1%	
Pembina County	570	562	562	550	-3.5%	
Pierce County	365	365	372	387	6.2%	
Ramsey County	886	895	913	929	4.9%	
Ransom County	391	389	398	403	3.0%	
Renville County	131	127	125	125	-4.6%	
Richland County	908	965	1,001	1,032	13.6%	
Rolette County	680	735	763	793	16.7%	
Sargent County	227	257	262	259	13.9%	
Sheridan County	89	88	87	86	-3.3%	
Sioux County	194	215	228	237	22.2%	
Slope County	55	62	63	59	6.8%	
Stark County	1,867	2,173	2,421	2,683	43.7%	
Steele County	147	143	148	158	7.8%	
Stutsman County	1,522	1,538	1,559	1,567	2.9%	
Towner County	157	169	166	151	-3.6%	
Traill County	509	524	521	520	2.2%	
Walsh County	761	727	697	675	-11.3%	
Ward County	4,949	5,503	5,779	6,126	23.8%	
Wells County	348	339	336	338	-3.0%	
Williams County	1,583	2,146	2,435	2,653	67.6%	
Bismarck city	4,872	5,435	6,094	6,764	38.8%	
Devils Lake city	621	621	617	617	-0.6%	
Dickinson city	1,450	1,652	1,816	1,978	36.4%	
Fargo city	10,293	11,951	12,959	14,076	36.8%	
Grand Forks city	4,318	4,674	4,814	4,921	14.0%	
Jamestown city	1,306	1,319	1,335	1,343	2.8%	
Mandan city	1,431	1,532	1,683	1,800	25.8%	
Minot city	3,792	4,073	4,284	4,533	19.5%	
Valley City city	567	610	597	612	7.9%	
Wahpeton city	467	514	525	535	14.6%	
West Fargo city	1,806	1,993	2,197	2,338	29.5%	
Williston city	1,238	1,617	1,775	1,881	52.0%	
Fort Berthold Reservation	238	257	275	292	22.7%	
Spirit Lake Reservation	211	211	211	211	0.0%	
Standing Rock Reservation	194	215	228	237	22.2%	
Turtle Mountain Reservation	393	404	416	428	8.9%	
Region 1	2,405	3,266	3,793	4,322	79.7%	
Region 2	6,900	7,560	7,929	8,368	21.3%	
Region 3	2,571	2,634	2,661	2,660	3.4%	
Region 4	6,645	7,053	7,213	7,328	10.3%	
Region 5	14,864	16,818	18,179	19,522	31.3%	
Region 6	4,202	4,216	4,203	4,191	-0.3%	
Region 7	9,460	10,403	11,423	12,351	30.6%	
Region 8	2,872	3,228	3,528	3,837	33.6%	

Table 2.48 North Dakota Household Projections for Low Income Households, 2019 to 2029						
Sources: U.S. Census Bureau and the Center for Social Research at NDSU						
Area	Low Income Households - Earning 51% to 80% of the Median Family Income (MFI)					
	2014	Projections				% change: 2014 to 2029
		2019	2024	2029		
North Dakota	68,690	75,587	79,668	83,184		21.1%
Adams County	300	305	311	315		4.9%
Barnes County	1,118	1,119	1,112	1,088		-2.7%
Benson County	580	570	558	544		-6.3%
Billings County	89	93	93	89		0.4%
Bottineau County	596	600	619	635		6.6%
Bowman County	264	270	271	275		4.3%
Burke County	200	195	190	186		-6.9%
Burleigh County	8,007	8,860	9,815	10,760		34.4%
Cass County	16,494	18,850	20,284	21,712		31.6%
Cavalier County	377	362	347	326		-13.5%
Dickey County	519	505	493	481		-7.2%
Divide County	210	228	236	243		15.6%
Dunn County	285	309	346	374		31.4%
Eddy County	274	256	235	218		-20.4%
Emmons County	402	384	368	345		-14.2%
Foster County	369	361	346	336		-8.9%
Golden Valley County	124	125	120	129		4.0%
Grand Forks County	6,611	7,225	7,535	7,582		14.7%
Grant County	274	262	241	225		-18.0%
Griggs County	265	240	222	203		-23.5%
Hettinger County	306	337	337	341		11.3%
Kidder County	236	239	231	221		-6.6%
LaMoure County	461	475	449	424		-8.1%
Logan County	215	216	202	204		-5.3%
McHenry County	592	598	587	582		-1.8%
McIntosh County	295	291	270	256		-13.3%
McKenzie County	789	1,176	1,398	1,616		104.9%
McLean County	946	1,008	1,020	1,019		7.7%
Mercer County	712	743	779	801		12.5%
Morton County	3,087	3,289	3,453	3,592		16.3%
Mountrail County	625	758	803	845		35.2%
Nelson County	361	352	353	346		-4.1%
Oliver County	163	155	151	150		-8.1%
Pembina County	836	813	787	756		-9.6%
Pierce County	400	395	380	370		-7.5%
Ramsey County	1,085	1,099	1,121	1,141		5.1%
Ransom County	514	506	499	494		-3.8%
Renville County	242	242	231	217		-10.5%
Richland County	1,492	1,518	1,580	1,606		7.6%
Rolette County	959	1,024	1,032	1,045		8.9%
Sargent County	430	455	450	436		1.4%
Sheridan County	188	183	171	163		-13.4%
Sioux County	237	263	277	290		22.2%
Slope County	34	34	31	33		-1.6%
Stark County	2,306	2,688	2,931	3,239		40.4%
Steele County	258	259	246	222		-13.8%
Stutsman County	2,428	2,415	2,410	2,394		-1.4%
Towner County	202	208	197	177		-12.3%
Traill County	734	752	737	726		-1.1%
Walsh County	1,217	1,196	1,170	1,150		-5.5%
Ward County	6,133	7,177	7,679	7,980		30.1%
Wells County	503	493	480	468		-7.0%
Williams County	2,344	3,111	3,484	3,814		62.7%
Bismarck city	6,917	7,594	8,400	9,227		33.4%
Devils Lake city	776	780	788	803		3.5%
Dickinson city	1,650	1,909	2,038	2,188		32.6%
Fargo city	12,699	14,638	15,620	16,681		31.4%
Grand Forks city	5,386	5,840	6,095	6,096		13.2%
Jamestown city	1,914	1,882	1,870	1,855		-3.1%
Mandan city	2,327	2,424	2,522	2,600		11.7%
Minot city	4,445	5,249	5,641	5,798		30.4%
Valley City city	667	676	664	657		-1.4%
Wahpeton city	693	699	731	729		5.2%
West Fargo city	2,496	2,729	2,991	3,203		28.3%
Williston city	1,666	2,034	2,222	2,417		45.1%
Fort Berthold Reservation	499	537	575	614		23.0%
Spirit Lake Reservation	264	264	264	264		0.0%
Standing Rock Reservation	237	263	277	290		22.2%
Turtle Mountain Reservation	573	590	606	623		8.7%
Region 1	3,343	4,515	5,118	5,673		69.7%
Region 2	8,789	9,965	10,489	10,815		23.1%
Region 3	3,477	3,519	3,490	3,451		-0.8%
Region 4	9,025	9,586	9,845	9,834		9.0%
Region 5	19,922	22,340	23,796	25,196		26.5%
Region 6	6,173	6,115	5,984	5,854		-5.2%
Region 7	14,254	15,386	16,506	17,566		23.2%
Region 8	3,707	4,161	4,440	4,795		29.3%

Table 2.49 North Dakota Household Projections for Lower Moderate Income Households, 2019 to 2029

Sources: U.S. Census Bureau and the Center for Social Research at NDSU

Area	Lower Moderate Income Households - Earning 81% to 115% of the Median Family Income (MFI)					% change: 2014 to 2029
	2014	Projections			2029	
		2019	2024	2029		
North Dakota	35,211	39,247	41,168	42,632	21.1%	
Adams County	128	133	138	140	9.8%	
Barnes County	641	641	636	616	-4.0%	
Benson County	203	200	198	195	-3.9%	
Billings County	26	28	27	27	3.6%	
Bottineau County	257	250	250	248	-3.6%	
Bowman County	148	156	156	155	4.6%	
Burke County	91	88	85	86	-5.2%	
Burleigh County	4,530	4,970	5,456	5,944	31.2%	
Cass County	8,427	9,699	10,381	10,996	30.5%	
Cavalier County	164	151	137	122	-25.5%	
Dickey County	264	257	233	217	-17.9%	
Divide County	112	134	143	145	29.8%	
Dunn County	127	136	147	158	24.9%	
Eddy County	143	143	133	121	-15.6%	
Emmons County	107	99	92	83	-22.3%	
Foster County	188	186	180	176	-6.3%	
Golden Valley County	67	65	68	77	14.6%	
Grand Forks County	2,885	3,126	3,234	3,245	12.5%	
Grant County	78	80	71	63	-19.4%	
Griggs County	113	101	92	83	-26.4%	
Hettinger County	120	138	143	146	22.2%	
Kidder County	129	129	122	115	-10.8%	
LaMoure County	228	233	213	197	-13.7%	
Logan County	91	95	97	98	8.1%	
McHenry County	335	333	337	336	0.3%	
McIntosh County	99	94	84	76	-23.5%	
McKenzie County	614	904	1,043	1,183	92.8%	
McLean County	436	464	466	464	6.4%	
Mercer County	391	405	411	413	5.6%	
Morton County	1,403	1,497	1,539	1,578	12.4%	
Mountrail County	408	511	537	554	35.6%	
Nelson County	196	184	174	165	-15.8%	
Oliver County	77	85	88	84	9.6%	
Pembina County	381	364	340	320	-16.1%	
Pierce County	254	246	232	219	-13.8%	
Ramsey County	477	489	500	505	5.9%	
Ransom County	313	309	307	308	-1.6%	
Renville County	132	127	123	121	-8.4%	
Richland County	752	759	784	793	5.5%	
Rolette County	373	396	400	403	8.1%	
Sargent County	239	268	262	250	4.8%	
Sheridan County	69	67	59	55	-20.7%	
Sioux County	104	120	125	129	24.0%	
Slope County	48	55	54	49	1.4%	
Stark County	1,546	1,852	1,975	2,107	36.3%	
Steele County	99	96	90	80	-19.5%	
Stutsman County	1,113	1,082	1,055	1,028	-7.6%	
Towner County	135	142	129	112	-17.1%	
Traill County	417	412	390	364	-12.6%	
Walsh County	617	585	556	539	-12.6%	
Ward County	3,135	3,732	4,024	4,152	32.4%	
Wells County	189	187	186	185	-2.1%	
Williams County	1,593	2,244	2,466	2,607	63.7%	
Bismarck city	3,655	3,972	4,356	4,762	30.3%	
Devils Lake city	288	302	310	318	10.4%	
Dickinson city	1,287	1,538	1,630	1,717	33.4%	
Fargo city	5,481	6,369	6,784	7,189	31.2%	
Grand Forks city	2,283	2,482	2,599	2,587	13.3%	
Jamestown city	784	754	732	724	-7.7%	
Mandan city	912	965	998	1,018	11.7%	
Minot city	2,163	2,550	2,747	2,824	30.5%	
Valley City city	425	432	420	410	-3.6%	
Wahpeton city	338	345	360	361	6.9%	
West Fargo city	1,976	2,127	2,302	2,422	22.6%	
Williston city	1,120	1,554	1,672	1,726	54.1%	
Fort Berthold Reservation	207	223	238	256	23.7%	
Spirit Lake Reservation	72	72	72	72	0.0%	
Standing Rock Reservation	104	120	125	129	24.0%	
Turtle Mountain Reservation	210	217	222	230	9.5%	
Region 1	2,318	3,282	3,652	3,935	69.8%	
Region 2	4,613	5,287	5,588	5,716	23.9%	
Region 3	1,495	1,521	1,497	1,458	-2.5%	
Region 4	4,079	4,259	4,304	4,269	4.7%	
Region 5	10,246	11,543	12,214	12,791	24.8%	
Region 6	2,926	2,876	2,776	2,676	-8.5%	
Region 7	7,324	7,916	8,429	8,928	21.9%	
Region 8	2,209	2,563	2,708	2,859	29.4%	

Table 2.52 North Dakota Household Projections for Tax Credit Households, 2019 to 2029					
Sources: U.S. Census Bureau and the Center for Social Research at NDSU					
Area	Tax Credit Income Households - Earning 0% to 60% of the Median Family Income (MFI)				
	2014	2019	Projections		% change: 2014 to 2029
			2024	2029	
North Dakota	115,438	126,203	134,390	143,168	24.0%
Adams County	407	413	425	431	6.0%
Barnes County	1,738	1,805	1,822	1,851	6.5%
Benson County	1,201	1,193	1,184	1,163	-3.1%
Billings County	104	101	108	117	12.2%
Bottineau County	1,174	1,194	1,249	1,311	11.7%
Bowman County	430	430	467	484	12.5%
Burke County	415	404	401	402	-3.1%
Burleigh County	11,752	13,156	14,751	16,368	39.3%
Cass County	27,674	31,353	34,036	36,933	33.5%
Cavalier County	574	544	520	484	-15.7%
Dickey County	868	845	858	856	-1.4%
Divide County	390	376	380	398	2.0%
Dunn County	495	550	608	654	32.1%
Eddy County	431	436	429	410	-4.8%
Emmons County	817	803	796	799	-2.2%
Foster County	559	542	552	562	0.6%
Golden Valley County	410	417	414	443	7.9%
Grand Forks County	12,924	13,722	13,863	14,394	11.4%
Grant County	502	498	489	476	-5.2%
Griggs County	449	427	411	388	-13.5%
Hettinger County	396	414	411	415	4.7%
Kidder County	416	433	439	426	2.4%
LaMoure County	695	734	739	716	3.1%
Logan County	366	352	320	311	-15.0%
McHenry County	1,066	1,083	1,093	1,103	3.5%
McIntosh County	698	667	642	620	-11.1%
McKenzie County	1,382	2,021	2,471	2,997	116.8%
McLean County	1,618	1,743	1,828	1,858	14.8%
Mercer County	1,260	1,351	1,481	1,555	23.4%
Morton County	4,173	4,546	4,984	5,348	28.2%
Mountrail County	1,034	1,249	1,401	1,550	49.9%
Nelson County	632	605	602	585	-7.5%
Oliver County	246	269	287	290	18.0%
Pembina County	1,235	1,230	1,232	1,206	-2.3%
Pierce County	885	883	902	946	6.9%
Ramsay County	2,231	2,301	2,410	2,520	13.0%
Ransom County	860	854	857	857	-0.3%
Renville County	334	330	325	322	-3.7%
Richland County	2,300	2,452	2,534	2,620	13.9%
Rolette County	2,690	2,919	3,062	3,208	19.2%
Sargent County	546	602	612	607	11.1%
Sheridan County	231	226	222	211	-8.5%
Sioux County	552	624	652	681	23.3%
Slope County	116	130	135	129	10.8%
Stark County	4,156	4,810	5,430	6,101	46.8%
Steele County	305	308	323	350	14.8%
Stutsman County	3,642	3,717	3,778	3,864	6.1%
Towner County	368	388	385	358	-2.6%
Traill County	1,295	1,346	1,360	1,384	6.9%
Walsh County	1,962	1,893	1,846	1,814	-7.5%
Ward County	9,901	10,992	11,609	12,343	24.7%
Wells County	869	841	836	840	-3.3%
Williams County	3,666	4,681	5,419	6,109	66.6%
Bismarck city	10,768	11,980	13,421	14,940	38.7%
Devils Lake city	1,775	1,803	1,864	1,945	9.6%
Dickinson city	3,309	3,715	4,104	4,510	36.3%
Fargo city	22,850	26,094	28,096	30,563	33.8%
Grand Forks city	11,421	12,029	12,073	12,508	9.5%
Jamestown city	2,951	3,011	3,047	3,120	5.7%
Mandan city	3,216	3,433	3,763	4,023	25.1%
Minot city	7,677	8,214	8,650	9,170	19.4%
Valley City city	1,230	1,312	1,295	1,322	7.5%
Wahpeton city	1,230	1,339	1,334	1,360	10.6%
West Fargo city	3,552	4,010	4,483	4,816	35.6%
Williston city	2,750	3,252	3,653	4,028	46.5%
Fort Berthold Reservation	849	914	980	1,046	23.2%
Spirit Lake Reservation	695	697	697	697	0.3%
Standing Rock Reservation	552	624	652	681	23.3%
Turtle Mountain Reservation	1,643	1,692	1,738	1,789	8.9%
Region 1	5,438	7,078	8,270	9,504	74.8%
Region 2	14,809	16,135	16,980	17,977	21.4%
Region 3	7,494	7,781	7,990	8,143	8.7%
Region 4	16,754	17,450	17,543	17,999	7.4%
Region 5	32,980	36,915	39,722	42,751	29.6%
Region 6	9,882	9,930	9,958	10,008	1.3%
Region 7	21,567	23,649	25,929	28,012	29.9%
Region 8	6,515	7,265	7,998	8,774	34.7%

Testimony in Support of SB 2271
Industry, Business and Labor
Chairman: Senator Jerry Klein
January 22, 2019

Submitted by: Dan Madler, Chief Executive Officer - Beyond Shelter Inc. (BSI),
701-730-2734, dmadler@beyondshelterinc.com, Lobbyist #8

Chairman Klein and members of the Committee, my name is Dan Madler, I live in ND District 27 and I am the CEO of Beyond Shelter, Inc. (BSI), a mission driven North Dakota nonprofit developer of affordable housing. I would like to express support of Senate Bill 2271 and the requested \$40,000,000 appropriation to fund the Housing Incentive Fund (HIF).

HIF has been be a great tool for Community and Economic Development and I have found its design to be very nimble as it relates to the financing of affordable housing. Because of this, BSI has been able to put awarded HIF funds to work quickly; leveraging approximately \$12M in HIF's to produce \$79.6M in long-term quality affordable housing assets. Essentially, for every \$1 of HIF investment, BSI has been able to produce \$6.63 in long-term affordable housing assets. These affordable housing assets are and/or will be serving the communities of Bismarck, Burlington, Dickinson, Fargo, Minot, and West Fargo and are and/or will be providing 416 HIF homes to elderly and physically disabled households, victims of domestic violence, homeless individuals, law enforcement, and essential service workers.

In addition, I would say that homes are where "Jobs" sleep at night, and if a community and state want to be strong economically, they need to provide a balance of housing stock to their residents. There needs to be housing for all income levels and the HIF program helps ND communities and the state of ND provide this balance.

In closing, I respectfully request your support for \$40M of HIF funding. This funding would be a continued long-term investment in ND communities, offering great financial leverage, while providing needed quality affordable housing options that will enable local families, longtime residents, and those on fixed incomes to affordably live in the ND community that they call home.

Thank you for your time and consideration.

SB2271 1/22/19 Att #4

Written Testimony in Support of SB 2271
Industry, Business and Labor
Chairman: Senator Jerry Klein
January 22, 2019

Submitted By: M. Blake Strehlow, Executive Director = Housing Authority of Cass County
(701) 282-3443, forent@ideaone.net

Chairman Klein and Members of the Committee, my name is Blake Strehlow and I am the Executive Director of the Housing Authority of Cass County. The Housing Authority of Cass County is the first Housing Authority established in the State of North Dakota. That being said, we have the oldest public housing units in the State. Just recently, we were awarded funding through the Low Income Housing Tax Credit Program for 84 units of senior housing. What really makes this project exciting is that we will be demolishing a physically obsolete 60 unit public housing project in West Fargo to make this happen!

As you can image, this is not an easy task to complete. In fact, in order to make this project a reality, we were required to tap many resources to fill the “gap” in our financing to make this project affordable. One key component was the Housing Incentive Fund. Without the leverage that this program offered, this affordable housing project would not have been possible. In addition, it will be necessary for us to use this valuable resource again next year when it is our plan to raze the oldest public housing project in North Dakota located in West Fargo. Our intent is to demolish 24 public housing units and replace them with a 45 unit Low Income Housing Tax Credit project designed for families. As you can see, the HIF is a great tool for the affordable housing industry to ensure that low income residents have a nice place to call home.

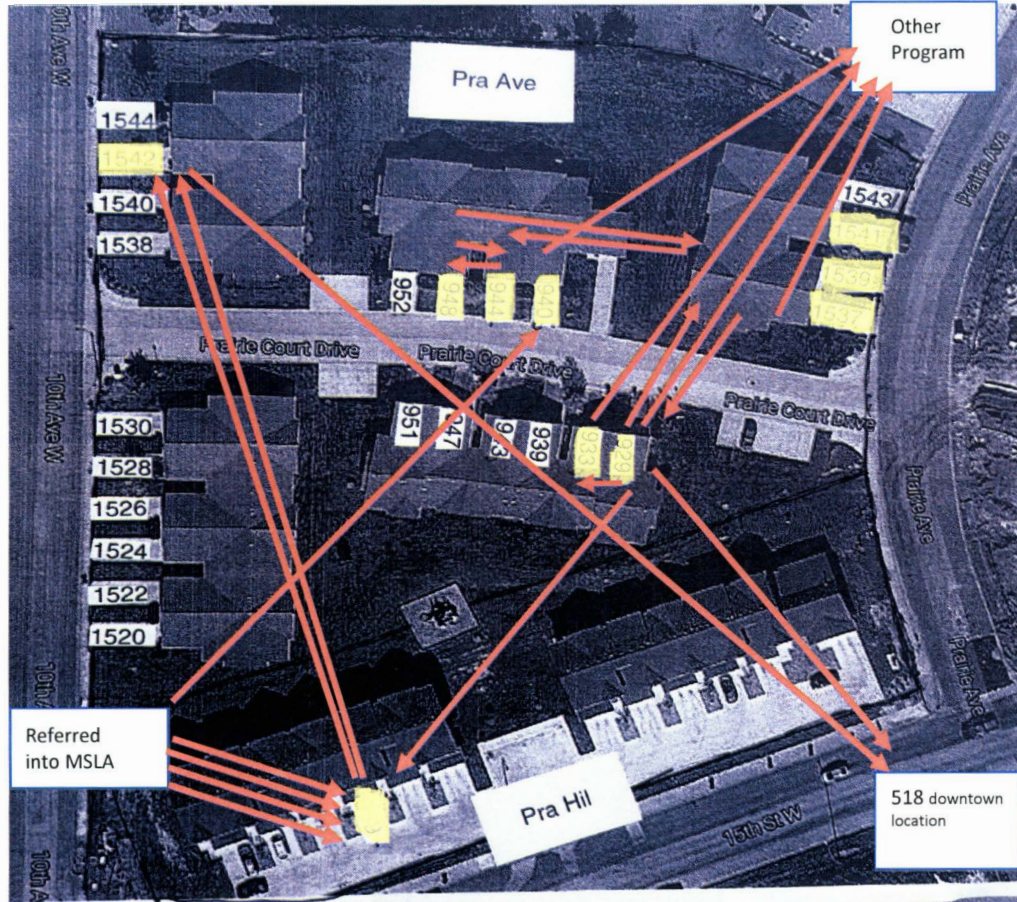
So many times as administrators for housing, we speak in terms of “units.” This can’t be further from the truth. In actuality, it’s about the seniors that will have been given an affordable home where they can live out their lives without having to worry about having enough money to purchase their prescriptions, food, or rent.

SR2271 1/22/19 Att#5

ABLE, Inc Presentation---Housing Incentive Funds (HIF) 2019



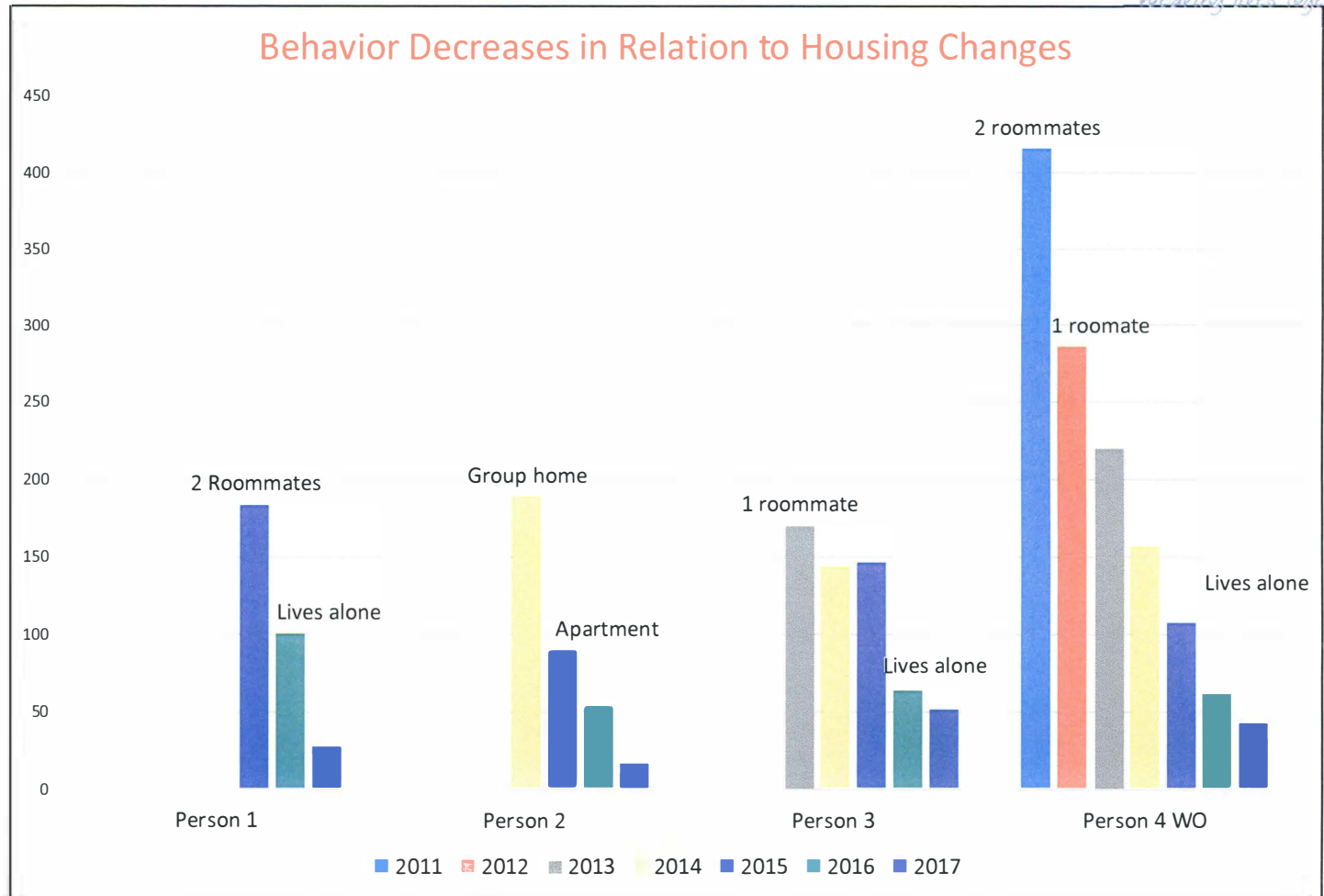
PRE HIF: Moves made 2006-2015



- Each arrow represents one move by 1 person.
- 21 moves completed

**POST HIF: 2015-Current
Sample of 4 people**

- **ZERO MOVES
NECESSARY**
- Behavioral data
 - Person 1 time periods with aggression
 - Person 2 physical guidance needed
 - Person 3 days w/high anxiety
 - Person 4 # incidents crying/screaming



SB2271 1/22/19
 AHH6



1-22-2019

Proposals by ABLE, Inc.

I. NDHFA (HIF) needs funding per their bills.

II. NDHFA (HIF) needs permanent funding to do more!

- ❖ PEOPLE supported by ABLE, Inc. benefitted tremendously from Money Follows the Person's (MFP) funding. This allowed for gap subsidies until we could get vouchers and property based subsidies. MFP is not available to the general population. HIF needs to have something like this for people. This could be accomplished with permanent funding for temporary housing assistance/subsidies while waiting for other funding to come through.
- ❖ Please consider this for 2019 funding cycle.

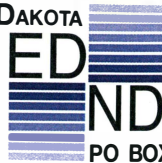
III. INTENTIONAL HOUSING FUNDING

- ❖ I also want you to understand the complexity of housing people. ABLE, Inc. supports **MANY** people who need specialized housing. It is not just a matter of finding an apartment. We have to be intentional about their needs. This translates into more expensive building/renovation projects:
 - High impact sheetrock
 - Noise reducing/canceling products
 - Extreme accessibility; we platformed a bathtub and added a flushing system into the bathtub
 - Monitoring systems for greater independence.
 - Generators and special outlets for people who use mechanical ventilators

IN CONCLUSION:

1. NDHFA has the right people and the right programs.
2. HIF is unique to the United States.
3. HIF is a ND program that can meet ND priorities.
4. ABLE, Inc. can attest to the success. Let's help others experience the difference!!!
5. Please continue to support this program and
6. Please permanently fund it

Call us if questions; Mary Anderson, Executive Director 701-456-3000;
manderson@ableinc.net



SB 2271 1/22/19 Att #8

Testimony of Mason Sisk
Economic Development Association of North Dakota
In Support of SB 2271
January 22, 2019

Chairman Klein and Members of the Senate Industry, Business and Labor Committee:

The Economic Development Association of North Dakota represents more than 80 large and small and rural and urban economic development organizations on the front line of growing businesses and communities in North Dakota. The primary purpose of the organization is to promote the creation of new wealth throughout North Dakota to develop more vibrant communities and improve quality of life. It is for these reasons our organization and its members want to express support for SB 2271.

Workforce and affordable housing continues to be a priority for expansion of North Dakota's businesses and communities in all areas of North Dakota. The Housing Incentive Fund capitalizes contributions from state taxpayers developing affordable multi-family housing for essential service workers, main street employees and fixed-income households. A major stumbling block to attracting businesses that would diversify the economy or to attracting workers to fill the thousands of basic service jobs open in the state is a lack of affordable housing.

A recent high impact example of the housing incentive program's benefit is in the Beulah/Hazen area, where a housing study of the region identified a need for additional apartments. The community came together and utilized the fund to create new housing for a variety of its citizens. An abandoned piece of land where mobile homes stood in the 1980s is now home to New Energy Apartments. These one to three bedroom units are open to a range of families, including low-income and essential workers. The Hazen community also identified a need for Hazen seniors to have housing to age in place. Through a Housing Incentive Fund grant, the community was able to tear down an old, abandoned hospital and build a new, 18-unit senior facility. This is one of the many examples where these funds return investment into the rural and urban communities throughout North Dakota.

In order to diversify our economy, we need to partner with our communities to create livable spaces. A part of this formula is affordable housing, and this fund creates an economic 'win-win' for both the employees and the communities.

Thank you for the opportunity to express our support for SB 2271 and for your continued commitment to keeping North Dakota globally competitive to recruit and retain the state's workforce.



Real Possibilities in

SB 2271 1/22/19 Att #9 pg. 1

North Dakota

SB 2271

January 22, 2019

Senate Industry, Business and Labor Committee

Mike Chaussee- AARP-ND

mchaussee@aarp.org or (701) 390-0161

Chairman Klein, members of the House Appropriations Committee, I am Mike Chaussee, representing AARP North Dakota.

There are some ideas that hit home with us at AARP more than others. The Housing Incentive Fund is one of them. Dr. Ethel Percy Andrus founded what would become AARP. The moment of awakening for Dr. Andrus happened when she found a retired former colleague living alone, in a chicken coop, because she had run out of options. From that moment on, she set out to help older Americans live safe, secure and dignified lives.

AARP has grown to a membership of 38 million people nationwide - 88,000 live in North Dakota. They all want to live fulfilling lives.

Programs like the Housing Incentive Fund help older North Dakotans, especially those with low or fixed incomes, live in safe, comfortable housing at an affordable price.

There is a document attached to this testimony that provides information about the number of North Dakotans who live on fixed incomes. Almost a quarter of North Dakotans who collect Social Security rely on it for nearly every penny they make. And 45 percent rely on it for more than half of their income. That's a good chunk of North Dakotans who rely heavily (or fully) on Social Security. Data you also heard earlier from the Housing Finance Agency shows the average Social Security check in North Dakota averages just more than \$1,300.

Providing incentives to developers to include low income set-aside units in their developments is a creative and effective way to promote affordable housing. AARP policy supports the tenants of the Housing Incentive Fund. Specifically, there are two AARP policy principles that call for a program like HIF:

"Promote affordable housing options. Ensure that land use and other policies support the private and public sectors in providing a variety of housing sizes and

types. Promote funding and policy for programs that lead to an adequate supply of affordable rental and ownership options integrated with the community to meet the needs of people of all ages, family compositions, and incomes.”

“Increase capacity for public-private partnerships. Reauthorize or create programs and policies at the federal, state, and local levels to ensure that the private sector has the capacity and tools to effectively partner with governmental agencies to increase the range of housing choices available to older people.”

At AARP North Dakota, we believe people should be given every opportunity to choose where they live as they age. Making affordable housing options available can help keep people in the communities where they live and out of institutional care longer, saving the state money in the long run. Again, we believe this is about choice.

Additionally, we at AARP believe the priority of HIF should be on low-income North Dakotans who desperately need affordable housing – Senate Bill 2271 restores the original intention of HIF by making that a priority.

The Housing Incentive Fund is an excellent private and public partnership designed to build homes – and help keep North Dakotans safe and secure in the communities where they choose to live.

Again, we support the North Dakota Housing Finance Agency’s commitment to the Housing Incentive Fund. We urge you to support Senate Bill 2271.

Thank you

Mike Chaussee, AARP North Dakota



Real Possibilities



AARP STATE FACT SHEET NORTH DAKOTA

AARP has offices in all 50 states, Washington, DC, Puerto Rico and the US Virgin Islands.

Contact Information

North Dakota State Office
Josh Askvig
State Director
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701-355-3642

National Office
Beverly Gilyard
Director of Federal Strategy
bgilyard@aarp.org
202-434-3747

AARP is working to help Americans 50+ in North Dakota live life to the fullest. We advocate for our members on critical priorities, such as strengthening Social Security, protecting seniors' access to their doctors, and ensuring all Americans have independence and choice as they age.

AARP serves as a one-stop resource for information on the age 50+ population in North Dakota and public opinion research. In addition to serving as a clearinghouse for information about older Americans, we also offer programs and tools that help Americans age 50+ make the best decisions about their health and financial security. We hope the data below and the programs on the reverse side will be helpful to you and your constituents.

AARP MEMBERS

Total number of AARP members in North Dakota: **85,624**

SOCIAL SECURITY

Social Security Beneficiaries: **125,786**

Retirees: **87,569**

Widow(er)s: **10,965**

Disabled Workers: **13,917**

Social Security recipients who rely on Social Security for 50% or more of their income: **45.3%**

Social Security recipients who rely on Social Security for 90% or more of their income: **23.1%**

MEDICARE

Total Medicare Beneficiaries: ~ **115,636**

HELPING PEOPLE LIVE INDEPENDENTLY

(Medicaid data for older adults and people with physical disabilities)

Percent of Medicaid long-term care spending for home and community-based services: **14.7%**

Percent of Medicaid long-term care spending for institutional care: **85.3%**

Estimated number of family caregivers during the year: **62,100**

Unpaid contributions of family caregivers annually are valued at: **\$860 million**

NORTH DAKOTA AT A GLANCE

AARP: Helping Americans 50+ Live Their Best Lives

AARP is working to ensure Americans 50+ have choice, control and independence through every stage of their lives. Take advantage of these offerings that can enhance the lives of you, your family members and friends.

Getting Ready for Retirement

It's never too late to plan for retirement, and it doesn't have to be complicated. AARP offers award-winning, unbiased online tools and information that can help you make effective financial and health-related retirement decisions, such as determining how much money you will need, when to claim Social Security to maximize benefits, and how to navigate through and select Medicare choices. www.aarp.org/readyforretirement

Finding a Job or Starting a Business

Whether you're looking for a new job or thinking about starting your own business, AARP can help turn your goals and dreams into real possibilities. Check out www.aarp.org/work for tips, tools and other information on topics such as using social media to job hunt, finding a company that values your years of experience, and polishing your résumé. AARP is working with the Small Business Administration to provide mentoring and resources for people who want to start or grow a business; visit www.aarp.org/startabusiness. In addition, employers can find a variety of resources on recruiting and retaining experienced workers at www.aarp.org/employers.

Making Communities More Livable and Age-Friendly

AARP research shows that nearly 90 percent of people age 45 and older want to stay in their homes and communities for as long as possible. That's why AARP is helping cities, towns, counties and states become great places for people of all ages to live, work and play. Learn more about how communities are creating age-friendly housing and transportation options; safe, walkable streets; access to needed services; and opportunities for residents of all ages to participate in community activities. www.aarp.org/livable

Staying Ahead of the Curve with AARP Driver Safety

All drivers can sharpen their driving skills and refresh their knowledge of the rules of the road by taking the AARP Smart Driver Course, available in a classroom or online, in English or Spanish. In some states, participants may receive a multi-year auto insurance discount for completing the AARP Smart Driver Course (participants should consult their insurance agent for details). To learn more, visit www.aarp.org/drive or call 1-877-846-3299.

In addition, CarFit (www.aarp.org/carfit) can help you learn how your vehicle's design and operating features can better-fit your needs, and the We Need to Talk seminar (www.aarp.org/weneedtotalk) provide tips on how to recognize when it's time for family members to limit or stop driving, and how to discuss this topic with loved ones. Find state-specific driving information and enjoy personalized tools, games and programs at the AARP Driving Resource Center. www.aarp.org/drc

Staying Connected with Friends and Loved Ones by Sharpening Digital Skills

AARP TEK Academy can help you connect with friends, family and your passions through free, online courses on the topics of Intro to Smartphones and Tablets, Beyond the Basics with Smartphones and Tablets, Intro to Facebook and Other Social Networks, and Fraud Protection and Online Safety. In addition, AARP TEK and Kaplan University have partnered to offer LearningAdvisor, an online program offering over 33,000 courses from 20 different providers for free or at low-cost. Learn more at www.aarptek.org.

Caring for a Loved One

Caring for a family member or close friend is one of the most important —and complicated — roles you'll play. Find resources, tools, and support to help you manage the care of a loved one at www.aarp.org/caregiving or 877-333-5885.

Connect to Fun, Interactive Learning from AARP Community Programs In-Person or Online

Whether you're sharpening your skills to find a job, trying to connect with other family caregivers or want to learn how to use your mobile device, AARP Community Programs connects you to fun, interactive local events and e-learning – at no charge! Our in-person classes are offered in cities and towns nationwide, including in [insert city or state name]. You'll also find us at fairs, festivals and local events. And, you can learn online anytime through webinars, interactive videos, games, tools and online fairs. Find us in your community and access e-Learning at: www.aarp.org/academy.

Senate - Industry, Business & Labor
January 22, 2019
SB 2271
Roosevelt Park Room

Chairman Klein and members of the Committee my name is Tom Alexander and I am the Executive Director of the Minot Housing Authority (MHA).

MHA was approached by Beyond Shelter, a nonprofit affordable housing developer in Fargo in 2012/13 to partner on a variety of projects to create affordable housing in the Minot area. As of today, this partnership has completed a two phase 64 unit town home project called Washington Town Homes (SE Minot), a 42 unit property called Fieldcrest (NE Minot), a 55 and older property with 40 units called Cooks Court (SE Minot – just north of Kmart), a 40 unit town home project called The Burlington Willows (Burlington, ND) and a 35 unit property called Sunset Ridge (NW Minot).

We have created 221 affordable units for essential workers, seniors and low income. It is my hope that this partnership continues to grow to ensure that future projects can be developed as needed and to assist in maintaining affordable housing units for the Minot Community. Having said that, the Housing Incentive Fund has been very instrumental to ensure that the rents remain affordable for the above mentioned projects.

MHA fully supports SB 2271 as before you today. In my opinion, the Housing Incentive Fund has been a very successful program that has created affordable housing units all over the state of North Dakota.

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Thank you and I would be happy to answer any questions you may have.

My contact information is,

Tom Alexander – Minot Housing Authority

tom.alexander@minothousing.com

701-852-0485

Testimony from Erin Prochnow, CEO, YWCA Cass Clay
North Dakota Senate Industry, Business and Labor Committee
January 22, 2019
SB 2271

Introduction:

Good morning Chairman Klein and members of the committee, my name is Erin Prochnow, CEO at YWCA Cass Clay. Our agency offers the largest Emergency Shelter serving women and children in the state of North Dakota and northwestern Minnesota. We have been providing services in our community for over 110 years, spending the past 40 years providing emergency shelter and housing services to women and their children escaping domestic violence and abusive situations.

If SB 2271 is approved, the North Dakota Hosing Incentive Fund (HIF) will help women and families served by YWCA escape abuse, move out of homelessness, and live independent lives.

Private - Public Partnership Project:

In early 2016 Pastor Joel Baranko from Lutheran Church of the Cross in West Fargo reached out to YWCA inquiring about areas of community need where vacant land owned by the church may be most useful. The most significant unmet need for women and children served at YWCA, as documented in the YWCA Cass Clay Strategic Plan is supportive affordable housing.

Together with our private, public and non-profit partners YWCA is developing a housing initiative, Grace Garden, that includes 30 apartments ranging in size from one to four bedrooms; two office spaces for our support services staff, a community room, playground, and patio are included in the construction that is in progress thanks in part to HIF investment appropriated through previous legislative sessions. Equity from HIF helped propel Grace Garden from a planning and development phase to a reality that is under construction, scheduled to open later this year and become home to an estimated 75 people.

The demand for the YWCA Housing Program is significant. Last year alone, 162 women and children were eligible for the program, but only 22 women and children were able to be accepted (14% were able to be accepted). We simply don't have enough affordable homes to meet the growing need.

Permanent supportive housing is a strategy that has proven successful and documented to be the most cost-effective prevention to chronic homelessness.

Changing the Course of Her Life: From Crisis to Independence:

When a woman arrives at the YWCA, she often lacks the building blocks to independence: a living wage, adequate credit, childcare and transportation. At the YWCA we provide comprehensive programs and services to help each woman to overcome these barriers.

In 2018, the average length of stay at our Emergency Shelter was 39 days. While women can make significant progress in just over a month, this is typically not enough time to gain lasting financial security and independence. Often a woman's road to independence is longer because she is recovering physically or mentally from abuse, has a disability, is going back to school, or working hard to regain her financial footing.

To help a woman move from crisis to independence and extend the amount of time she has to rebuild, the YWCA's Supportive Housing Program provides ongoing support and advocacy for women and their families. The reality is the women we serve are just like all of us – to live independently and provide for their families.

On average, a woman stays in our Supportive Housing Program just 24 months. The YWCA Supportive Housing Program is a proven solution for helping families break the cycles of poverty and violence. A

woman who participates in the program earns more money, is healthier, and is better equipped to live independently and create an environment for her children to thrive.

- 72% of women increase their education or income while in the program
- 88% of women improve their physical and/or mental health while in the program
- 96% of women that moved out of YWCA housing in 2016 remain stably housed today

Wherever a woman may be on her journey, together we must walk alongside her to ensure she has access to the tools and resources necessary to heal, reach her goals and ultimately, build a future free from violence for her family.

Thank you.

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YWCA Cass Clay: Supportive Housing Story

**eliminating racism
empowering women**
ywca

**No one served by YWCA ever planned to be homeless.
Even those living closest to the edge.**

Kayla had her happiness stolen by a very violent abuser. She bravely sought freedom by moving into an apartment of her own - wanting safety too for her baby and school-aged boys. Their newfound calm was soon upended by tough life circumstances.

The business where she worked was sold. Her position ended. Her last paycheck came in. With nothing in savings, already used for a security deposit, there was no way to cover another month's rent. It took everything Kayla had to provide food for her family, and gas to search for a new job.

Soon they were evicted, and homeless. Rather than going back to her abuser, Kayla and her children came to YWCA Emergency Shelter.

I tell you this story because your past decision to support YWCA helped make us ready with resources that Kayla would need, and we are asking your help again.

Our shelter has been over capacity almost every night last year, including 35 to 40 children at any time, making our need for support particularly urgent.

Kayla came with her baby and 10- and 13-year-old boys, Thomas and Malik, because of sudden homelessness. They needed a place to stay and sort out plans for their future. Other moms who came last spring had swiftly fled their abusers to find safety after the school year ended.

From safety, life can change from struggle to a life of possibilities and create a new pathway forward.

Possibilities are what Kayla hoped for. She wanted her boys to have a stable home. They finished the school year as two of the hundreds of invisible homeless children in Fargo-Moorhead. At YWCA, Thomas and Malik had homework help in our Study Buddies program and the presence of a supportive YWCA team. They kept up their studies and grades stayed on track.

Last July, the YWCA housing team readied a YWCA supportive housing apartment that would become a stable home for Kayla and her family: filling it with donated furniture. The final touch was placing teddy bears onto the children's beds. (A generous community donor has given these bears in loving remembrance of her daughter so all children moving into our housing program find a source of joy and comfort waiting for them.)

Our YWCA team was prepared for the children's excitement upon seeing their apartment, but tenderly taken aback by 13-year-old Malik's enthusiastic hugging of his new stuffed bear.

"They are a very close family and the boys are so sweet. Malik is never bothered that his younger brother is his constant tag-along, and they're both so helpful with the baby," says her advocate.

Kayla's children thrived over the summer. Our Study Buddies coordinator saw to it they joined in outings to parks, swimming pools and places like Thunder Road through donated passes. She helped Kayla enroll them in day recreation programs so twice weekly the boys could play basketball and make friends with others their ages. The boys are in new schools but already met some of their classmates through their summer programs. Kayla tells us that Thomas and Malik talked daily about the arrival of that first day of school, excited to begin a new year from a safe and stable home.

YWCA here is when abuse is too much, when rent has run out, when women doubled up with friends have overstayed their welcome. Your support brings safety when experiences at motels, campgrounds or vehicles used for overnight shelter prove too frightening and dangerous.

Children without a regular night time residence experience emotional toil and stress to their grades. Children facing homelessness think about survival, old clothes, lack of supplies, and live in constant anxiety about their family's security. Their likelihood of developmental delays are four times the rate of their peers. They are more likely to miss days, repeat grades, drop out early and more. Homeless children isolate themselves from friendships, fearing their circumstances will be discovered by classmates. Hunger is a constant presence.

You can see that housing crisis means life crisis.

YWCA brings safety when abuse and poverty have caused homelessness. Last year, 784 children were served with shelter and housing.

Each child came with different circumstances. Not one deserves to be homeless. It's a chaotic life experience that can end with your support.

YWCA helps children stay on track. But we need your help to do it. We cannot overlook children who need resources to bring future success. Children served by YWCA are counting on you, on us, to give them hope and I know we won't let them down.

SB2271 1/22/19 AH#12

Testimony Presented on Senate Bill 2271 to the
Senate Industry, Business and Labor Committee

Senator Jerry Klein, Chair

for the City of Fargo

by Jim Gilmour, Strategic Planning Director

January 22, 2019

Mr. Chairman and Members of the Committee:

The Fargo City Commission supports programs that assist with maintaining existing lower income housing and the development of new housing for lower income households, especially the elderly and very low-income individuals and families.

Existing programs do not meet the need for lower income housing in North Dakota. Programs through the US Department of Housing and Urban Development have been reduced over the past decade, while the costs of housing has increased. Federal Low Income Housing Tax Credits do not meet the need, as tax credits available in North Dakota were only sufficient to approve less than half the applications.

The City of Fargo has an aging public housing high rise building with 248 housing units. The building is 47 years old and needs more than \$20 million in renovation work. Without renovation, the building will have to close. Housing Incentive Funds are needed to assist with the replacement of these housing units or assist with renovation of the existing building.

A major housing need in Fargo is for people over the age of 65. Population projections indicate the growth of elderly households (those over age 64) is 519 households per year. Many of these newly-retired households have lower incomes and cannot afford market rate apartments.

We encourage your committee to recommend a "Do Pass" on SB 2271.

Thank you for your consideration.

Industry, Business and Labor Committee,

The housing incentive funds plays an important role in developing affordable housing solutions across the state, and can also help secure existing federally funded housing programs. Great Plains Housing Authority administers HUD voucher programs in six counties (Stutsman, Wells, Foster, Logan, Dickey, and Sargent). Between 2011 and 2016, 275 units of HUD and USDA subsidized properties converted to market rate programs. HUD replaced those units with vouchers, however, only 34 clients from that amount remain. HUD subsidized units may have all utilities included, zero tenant portion, and work with clients that had poor rental history. Owners left those programs in order to capture on hot rental markets and hopefully improve their properties.

HUD and USDA restrict the rents participating landlords can charge. Additionally, those federal agencies also restrict any equity or loans to improve properties and make them marketable. These massive changes did not help the owners or communities as intended, instead the mass exodus increased the vacancy rates and the number of outdated housing units.

Federal inspection requirements are also changing. Units that receive federal funds will need to meet International Building Code for today, not when it was built. Some federal programs may eliminate any housing units (single or multi-family) that were built prior to 1980 because of lead-based paint issues.

This also had a negative impact of the most vulnerable and hard to house. These units became market rate, which means although they had housing subsidies, the landlord can screen out clients with assistance for any reason and say no. There are more people searching and trying to find housing that get screened out, yet they need a safe roof over their head. The State Hospital and housing authorities have had a tougher time placing individuals. Between September 1, 2018 and December 31, 2018; Great Plains Housing Authority issued nearly 180 vouchers - guaranteeing rent. Only 66 households found housing and entered into a lease. Meanwhile, there were 40 terminations by landlords and tenants during that same time. Where did the 110+ other households go? Housed with families or in unsafe structures, or continuing to re-apply hoping a landlord will give them a chance.

HIF could help current owners who have HUD subsidies improve their properties and keep their subsidies. These properties help the most vulnerable who have behavioral health issues, those with poor credit, and some homeless. HIF can make a difference in maintaining those units. Our region can illustrate the damaging effects when the subsidies end and the safety net is removed.

David Klein
Executive Director
Great Plains Housing Authority
Dickey Sargent Housing Authority
www.greatplainsha.com

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HOUSING INCENTIVE FUND IMPACT ON AGING POPULATIONS

The North Dakota Housing Incentive Fund (HIF) is an effective, locally-driven, rental housing financing tool created and authorized during the 2011 North Dakota legislative session. Community leaders, private developers, and nonprofit organizations have leveraged HIF to construct new or improve existing rental housing for low- to moderate-income seniors. Because of HIF, seniors have increased access to safe, decent and affordable housing across the state.

Independent Senior Housing – Making Lives Better and More Meaningful

Community vitality, social connections, affordable housing and quality healthcare are important for North Dakota’s aging population. The state ranks 7th in the nation with the highest proportion of individuals ages 85 and older.¹ As seniors age past 80, maintaining financial resources is essential to affording basic needs such as housing, health care, medications, healthy food and transportation.

Currently, 76.1 percent of residents ages 75 to 84 own their own home. For those 85 and older, the number drops to 62.8 percent.² According to national trends, 80-years-old is the approximate age that seniors move out of their homes, due to physical restrictions and isolation, and move into more community-based housing.

As seniors explore independent housing options, financial restrictions may prevent them from leaving their home, increasing the potential for accidents, injuries and further isolation. Another hindrance is the availability of affordable housing options due to limited income. The median income for North Dakotans ages 75 to 84 is \$35,900. Individuals 85 and older have a median income of \$19,700.³ Those living solely off of social security average \$16,133 annually and more than 29,000 rely on social security for 90 percent or more of their income.^{4,5}

In order for a senior to not be considered housing burdened, they can allocate up to 30 percent of their income towards housing costs and utilities. Based on median income, North Dakotan ages 75 to 84 can afford to pay \$898 per month for all housing costs, 85 years and older can pay \$492, and individuals living on social security can afford \$403.

It is estimated that one out of two North Dakotan’s will need long-term care sometime during their lives. As people age, the need for personal assistance with everyday activities increases. Creating affordable housing options allows seniors to age in place longer and be able to utilize in-home care, which promotes independence. Living at home also alleviates pressure on licensed assisted living facilities, which are at 95 percent capacity and licensed long-term care nursing facilities, which are at 93.6 percent capacity.⁶

North Dakota's Aging Population

75-84	ages 85+
\$35,900	\$19,700
<i>annual median income</i>	
76.1%	62.8%
<i>homeownership rate</i>	
15.3%	50.1%
<i>two or more disabilities</i>	
\$898	\$492
<i>affordable monthly rent</i>	
<i>Social Security Income</i>	
\$16,133	
<i>annual median income</i>	
\$403	
<i>affordable monthly rent</i>	
29,057	
<i>rely on social security for 90% or more of their income</i>	



For more information contact:
Jolene Kline, NDHFA executive director
800/292-8621 • 701/328-8080 • jkline@nd.gov

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Ongoing Need for HIF

Seniors ages 74 to 85-years-old and beyond are able to afford rents ranging from \$403 to \$898 based on their annual median income. The goal is to limit their housing costs to be at or below 30 percent so they are not housing cost-burdened and can afford basic necessities, medications, food and transportation.

Traditional financing mechanisms used for construction and operational expenses require market rate rents to cover expenses. HIF provides critical gap financing to lower debt service, therefore, an affordable rent structure can be implemented to cover operational expenses. Many of North Dakota's seniors have an income restricted threshold that they need to consider when moving out of their home.

In addition to cost, this segment of the population must take into consideration accessibility and physical limitations when evaluating rental housing. If they are not able to find affordable rental housing they must stay in their current home, which may pose additional risk to their health and well being or move into an assisted living, basic care or nursing home facility. The monthly average cost for these facilities are: assisted living \$2,341, basic care \$3,668, and nursing facility \$7,871.⁷ During the 2017-2019 biennium budget, the state of North Dakota, allocated more than \$393 million to North Dakota Department of Human Services for long-term care services and expenses.⁸

Below is a financing scenario detailing the difference in rent structure to cash flow a traditional financed project and one leveraging gap financing. Construction and operations costs are the same, however, seniors can be offered affordable rents based on their income when gap financing eliminates the need to take out a 20-year loan.

New Construction Scenario

24 Unit Apartment Building

Cost of Construction is \$175,000 (per unit) x 24 units = \$4.2 million

Traditional Financing Market Rate Rent		Non-Traditional Financing Income Restricted Rent	
Equity Investment	\$1.26 million (30%)	Equity Investment	\$1.26 million (30%)
Loan	\$2.94 million (70%)	Gap Financing	\$2.94 million (70%) <i>(ie HIF, federal funds, private investments/donations)</i>
<i>Annual Expenses:</i>		<i>Annual Expenses:</i>	
\$252,757	Loan Payment (6%, 20 years)	\$0	Loan Payment
\$120,000	Operating Expense	\$120,000	Operating Expense
<u>\$100,800</u>	Return on Equity (8%)	<u>\$100,800</u>	Return on Equity (8%)
\$473,557	Annual revenue needed from rents to cover expenses	\$220,800	Annual rent revenue needed from rents to cover expenses
Average Monthly Rent Per Unit to Cover Expenses:		Income Restricted Rent Structure to Cover Expenses:	
\$1,644		5 units at \$403	5 units at \$898
		5 units at \$493	9 units at \$1,050

Financing Structure

HIF awards are structured as forgivable loans and are available to local housing authorities, tribal entities, and nonprofit or for-profit housing developers. The maximum award size varies depending on whether a project also receives federal funding. The award amount typically equals less than 30 percent of the total development cost, and no more than \$3 million. Awards are competitive and projects must meet strict scoring criteria.

^{1,6,7} 2017 North Dakota Long Term Care Facts & Figures.

^{2,3} U.S. Census Bureau. 2017 Decennial Census and American Community Survey.

⁴ 2017 North Dakota OASDI Beneficiaries.

⁵ 2017 North Dakota AARP Fact Sheet.

⁸ Department of Human Services Human Services Committee presentation July 27, 2018.

SB 2271

January 30, 2019

**North Dakota Housing Finance Agency
Division of the State Industrial Commission
Testimony of Jolene Kline, Executive Director
Senate Appropriations Committee**

Chairman Holmberg and members of the Senate Appropriations Committee:

My name is Jolene Kline, executive director of the North Dakota Housing Finance Agency.

I am here in support of Senate Bill 2271, which provides funding for the Housing Incentive Fund (HIF). Since the session has started, I have stood before the House Appropriations Committee—Government Operations Division asking the committee to include Governor Burgum’s recommendation of \$20 million from the Strategic Investment and Improvement Fund (SIIF) in House Bill 1014, which is the Industrial Commission budget bill. I also have testified before the Senate Finance and Taxation committee in favor of SB 2302, which includes a funding request for \$10 million in tax credits for HIF.

Whether funded by a general fund appropriation, SIIF or tax credits, funding for HIF during this biennium is essential to keeping North Dakota’s elderly population aging in place as long as possible, keeping the chronically homeless and persons released from prison off of the streets, creating housing available and affordable to meet growing workforce demands, and preserving our existing aging affordable housing stock.

Background

HIF is an effective, locally-driven rental housing financing tool, created and authorized during the 2011 legislative session. Community leaders, private developers and nonprofit organizations have leveraged the fund to construct new or rehabilitate existing

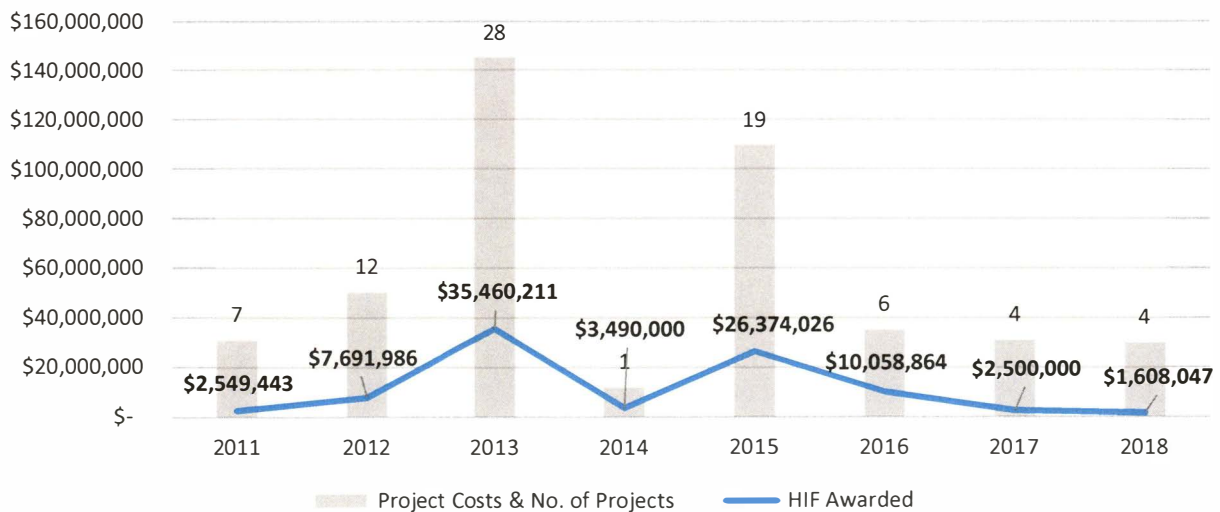
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rental housing. By statute, HIF targets low- to moderate-income households including seniors, people with disabilities, families with children, veterans and people experiencing homelessness. If North Dakotans cannot afford housing or too much of their income is allocated to this one expense, it impacts their ability to maintain stability in their lives, advance economically, pursue educational opportunities and be able to afford basic necessities such as food, utilities, transportation, childcare and medical coverage.

During the 2017-19 legislative session, HIF was permanently added to the Century Code, however, no new funding was authorized. Deobligated funds totaling \$3.7 million were carried over from the 2015-17 biennium into the 2017-19 biennium. All HIF funding has been obligated as of September 2018.

To date, \$89,732,577 of HIF funding has been leveraged in 80 projects creating or rehabilitating 2,501 units in urban and rural communities across the state. Total constructions costs exceeded \$441 million. Every dollar in HIF funding has resulted in more than four dollars in private and federal equity.

Housing Incentive Fund Project Development 2011-2018



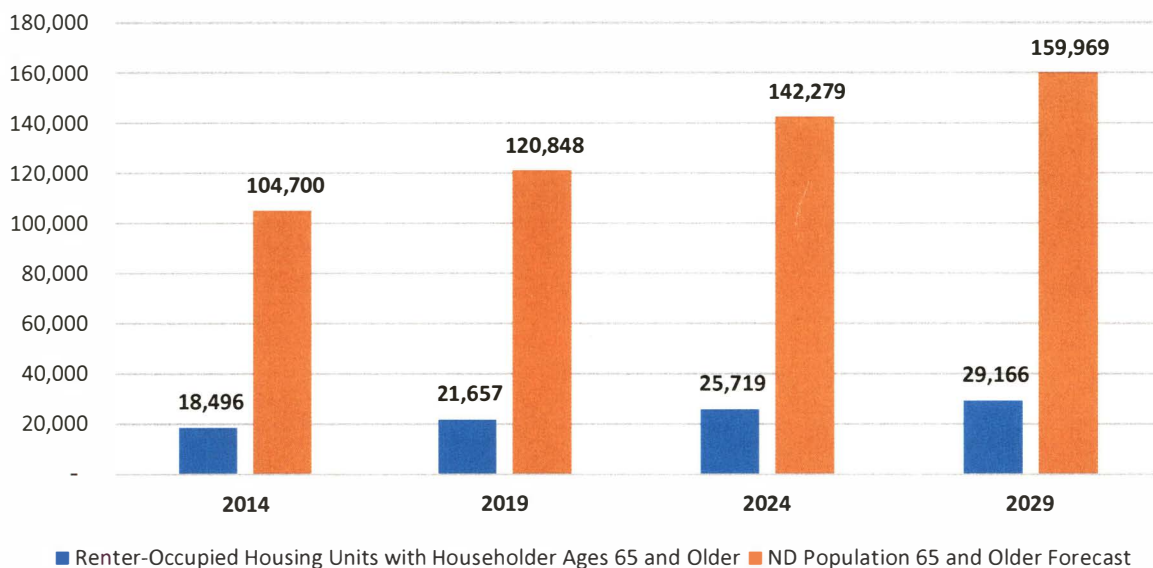
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Targeted Populations

Seniors and Frail Elderly—The percentage of persons ages 65 and older will increase 52.8 percent as this segment is forecasted to grow from 104,700 in 2014 to 159,969 in 2029. As the state’s population gets older, there will be more pressure to create affordable and accessible housing options for seniors and the frail elderly to remain independent. Projections for renter-occupied housing units with householders ages 65 and older is anticipated to grow 57.7 percent by 2029.

**Household Projections for Renter-Occupied Housing Units
with Householder Ages 65 and Older: 2019 to 2029**



In fiscal year 2017, the state paid \$258 million for a monthly average of 2,950 individuals living in a nursing home, which is a cost of nearly \$90,000 per person per year. That same year, the state paid \$43 million for about 2,500 individuals, or an average of \$17,000 per person per year between four in-home care programs (Home and Community-Based Services Waiver (HCBS), SPED, ExSPED and Basic Care). Of those programs, HCBS is the most costly on a per person basis, serving about 300 people per month for \$23,000 per person per year. These numbers come from the North Dakota Department of Human Services (ND DHS).

According to AARP, 29,057 North Dakotans currently rely on social security for 90 percent or more of their income, and the median annual social security income for the

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state is \$16,133. The state ranks seventh in the nation with the highest proportion of individuals ages 85 and older. As most of us age past 80, maintaining our financial resources is essential to affording basic care such as housing, healthcare, medications, healthy food and transportation. As seniors explore independent housing options, financial restrictions may prevent them from leaving their home, increasing the potential for accidents and injuries and further isolation. Another hindrance is the availability of affordable housing options due to limited income.

The goal at our Agency is to create housing options in urban and rural communities that allow older adults and persons with disabilities the ability to age in place with as much independence as possible for as long as possible.

Workforce—Labor Market Information identified 15.7 percent of the 13,373 vacant positions (2,099) posted on the Job Service of North Dakota (JSND) website pay less than \$15 per hour. Many of these “low-wage” positions are entrepreneurial start-ups or service-sector positions. Over the past decade, North Dakota has frequented lists published by Forbes, Fortune, and Business Insider as the best state to start a business. Affordable housing and cost of living are critical to the livelihood of both entrepreneurs and established business owners in rural and urban communities.

According to the U.S. Department of Housing and Urban Development (HUD) you need to earn \$16.40 per hour to afford \$855 for a two-bedroom apartment in North Dakota. We know that the price of a two-bedroom apartment varies for each legislative district. For illustrative purposes your handouts include an overview for District 17. If you are interested in knowing more information about affordable housing and vulnerable populations in your district, please visit our website:

ndhfa.org/Publications/PublicAffairs.html

HIF-funded projects create affordable rents, which can lead to financial and housing stability for lower-wage workers. The progression of wealth creation for these individuals can allow them to progress into a market-rate unit or become a homeowner. Coupled with employment opportunities, safe communities, exceptional schools and access to medical facilities, we can attract and retain these state residents.

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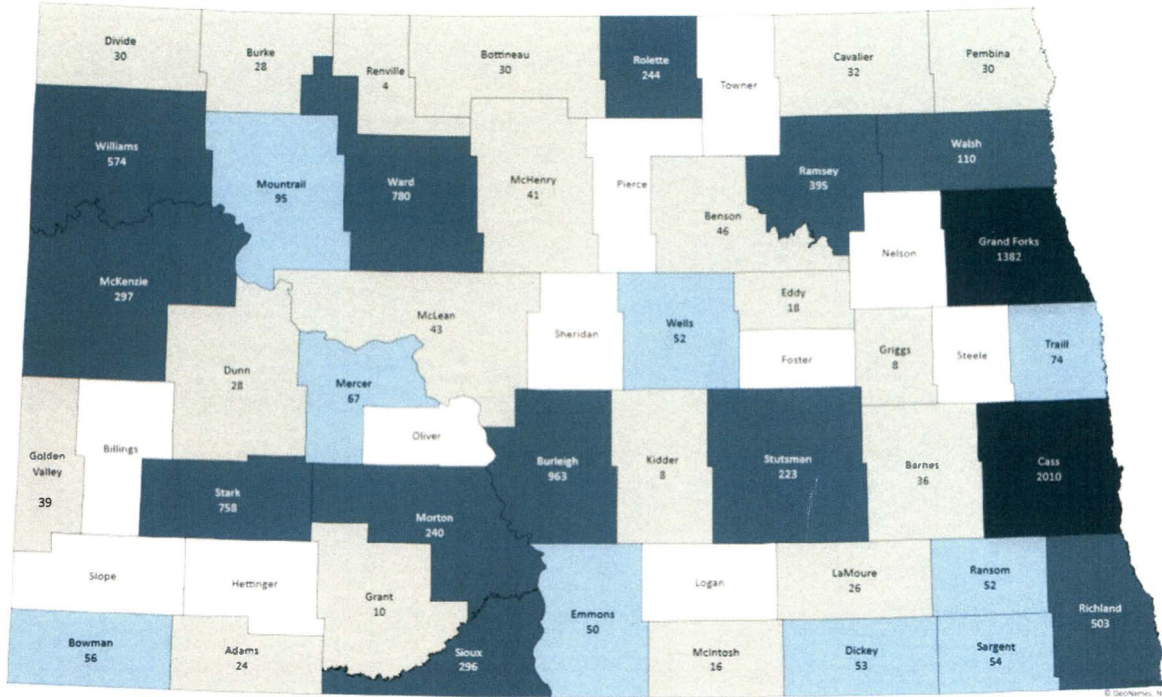
Chronically Homeless, Homeless and At-Risk of Homelessness—Finally, I must touch on the need for housing for individuals and families that are at risk of becoming homeless or those experiencing homelessness. According to HUD data, over the past decade North Dakota has averaged 1,089 men, women and children living on the streets or in homeless shelters. The 2016 North Dakota Housing Needs Assessment projects that the state's extremely low-income households will increase 23.6 percent and reach 62,538 households by 2029. I've included attachments showing the projected growth for the extremely low-income to moderate low-income households for the state and by county for you to review.

Just because a household is deemed extremely low income or homeless does not mean that they are unemployed. What we do know is that they cannot afford a place to live without combining the financial resources of numerous adults and youth to be able to pay their monthly bills. HIF has provided gap financing for projects in Fargo, West Fargo, Grand Forks, Mandan and Bismarck to take the most extreme cases and create housing stability for these individuals and their families to address the on-going cause of homelessness. The Agency administers the financing to build the housing, and agencies like ND DHS, JSND, Department of Corrections and the Department of Public Instruction provide the one-on-one case management services.

Current Affordable Housing Stock

The Agency monitors 9,825 state and federally funded affordable housing units across the state.

Affordable Housing Units Monitored by NDHFA 2018

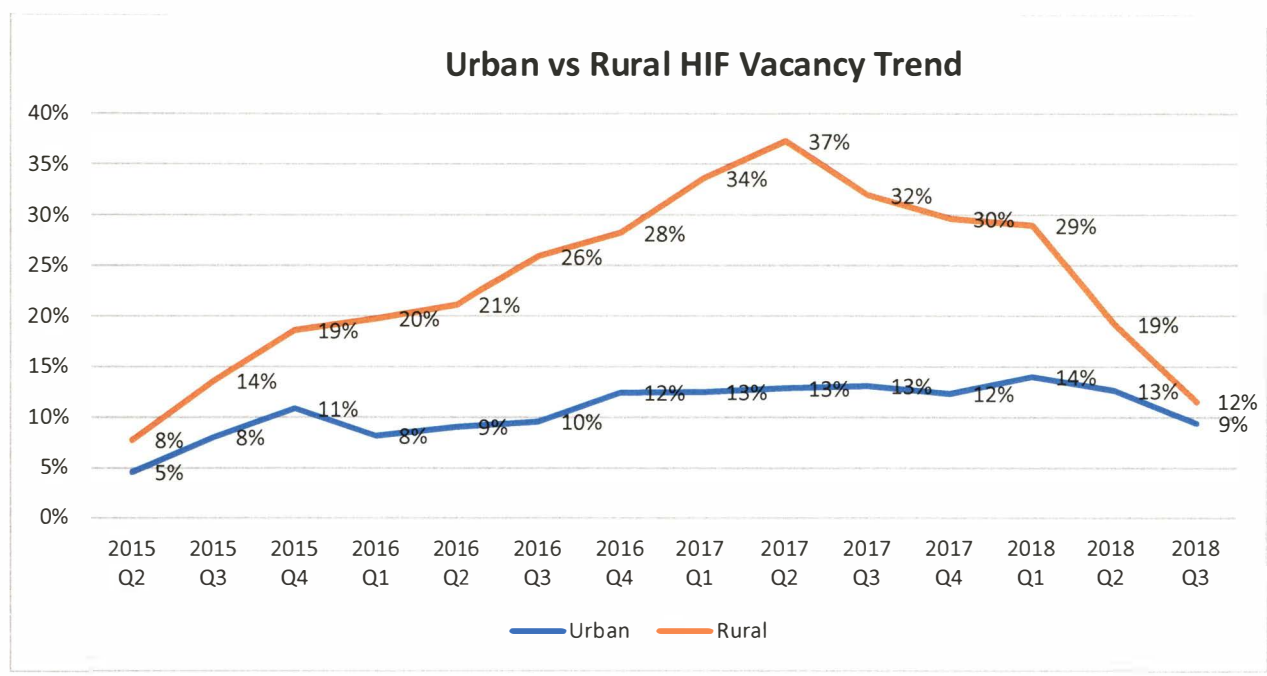


These units received state and federal program funding to provide assistance to meet the needs for affordable housing for low-income households, elderly and individuals with a disability. A substantial portion of these units are approaching the end of the program mandatory affordability period or the building's lifecycle, therefore, requiring additional funding for replacement or renovation. The potential loss of housing for low income households, especially in small rural communities, puts some of the state's most vulnerable citizens at risk and may contribute to further depopulation of rural communities as people move in search of affordable housing. Because of limited inventories of low-income housing, small changes in inventory may result in a substantial decline in the number of available low-income housing units. The loss of even a small number of subsidized housing units can have a substantial impact on low-income households' access to safe, adequate, and secure housing. It is estimated that almost 3,000 units will reach maturity by 2029.

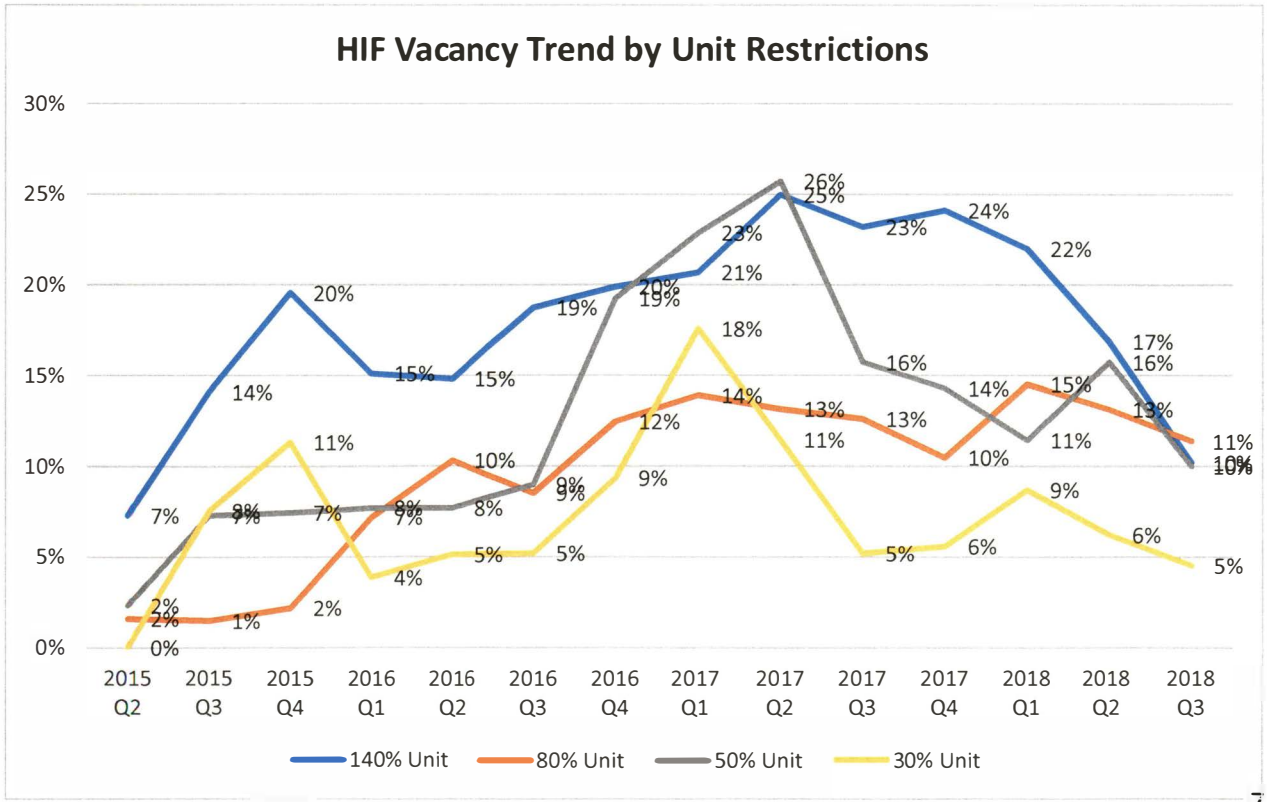
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The Agency began tracking quarterly vacancy rates in 2015 and the chart below compares urban and rural (pop. Under 12,500) projects. Rural projects are only 24 percent of the total units, and small variances in the number of vacant units in one project can impact the overall quarterly vacancy report by up to 10 percent.



HIF units have varying income restrictions. The chart below shows the vacancy rates by income.



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Each community in North Dakota has unique population and housing demographics. HIF is one of the most flexible and accessible programs that communities have to address their housing needs. Some communities may want to invest more in housing for workers filling entry-level positions. Other communities may need affordable housing for seniors to keep them as part of their community. Urban communities may need more permanent supportive housing options with accessibility to medical facilities for individuals to address their personal issues causing homelessness. When HIF was first created in 2011, many western North Dakota communities were struggling to recruit and retain workers to fill essential service jobs due to rapidly escalating rental rates. North Dakota Century Code 54-17-40.2.b. requires priority be given to housing for essential service workers. SB 2271 removes this language, which the Agency supports.

Financing Structure

HIF awards are available to local housing authorities, tribal entities, and nonprofit or for-profit housing developers. The maximum award size varies depending on whether a project also receives federal funding. The award amount typically equals less than 30 percent of the total development cost, and no more than \$3 million. Awards are competitive and projects must meet strict scoring criteria.

HIF funding has been a catalyst in filling the financial gap to create affordable housing when conventional financing has fallen short. Conventional debt financing requires market-rate rents to cover mortgage payments and operating expenses. HIF reduces required debt service thus allowing for a variable priced, reduced rent structure. The following is a financing scenario detailing the difference in rent structure to cash flow a conventional financed project and one supplemented with HIF. As you can see, for a newly constructed, 24-unit apartment building, construction and operations costs are the same, however, individuals and families can be offered affordable rents based on their income when gap financing eliminates the need for a 20-year loan.

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New Construction Financing Scenarios

24 Unit Apartment Building

Cost of Construction is \$175,000 (per unit) x 24 units = \$4.2 million

Conventional Financing Market Rate Rent		Non-Conventional Financing Income Restricted Rent	
Equity Investment	\$1.26 million (30%)	Equity Investment	\$1.26 million (30%)
Loan	\$2.94 million (70%)	Gap Financing <small>(i.e. HIF, federal funds, private investments/donations)</small>	\$2.94 million (70%)
<i>Annual Expenses:</i>		<i>Annual Expenses:</i>	
\$252,757	Loan Payment (6%, 20 years)	\$0	Loan Payment
\$120,000	Operating Expense	\$120,000	Operating Expense
<u>\$100,800</u>	Return on Equity (8%)	<u>\$100,800</u>	Return on Equity (8%)
\$473,557	Annual revenue needed from rents to cover expenses	\$220,800	Annual rent revenue needed from rents to cover expenses
Average Monthly Rent Per Unit to Cover Expenses:		Income Restricted Rent Structure to Cover Expenses:	
\$1,644		5 units at \$403	5 units at \$898
		5 units at \$493	9 units at \$1,050

A conventionally financed, market-rate rental unit requires an annual salary of \$65,760 to not be considered housing cost-burdened. Those living in the non-conventionally financed/income-restricted units could earn an annual salary of \$16,120 to \$42,000 and not be considered housing cost-burdened. Individuals and families living in HIF units primarily fall into four categories: low-wage earners, persons with a disability, seniors with low income or disabilities, and individuals and families at risk of or who are experiencing homelessness.

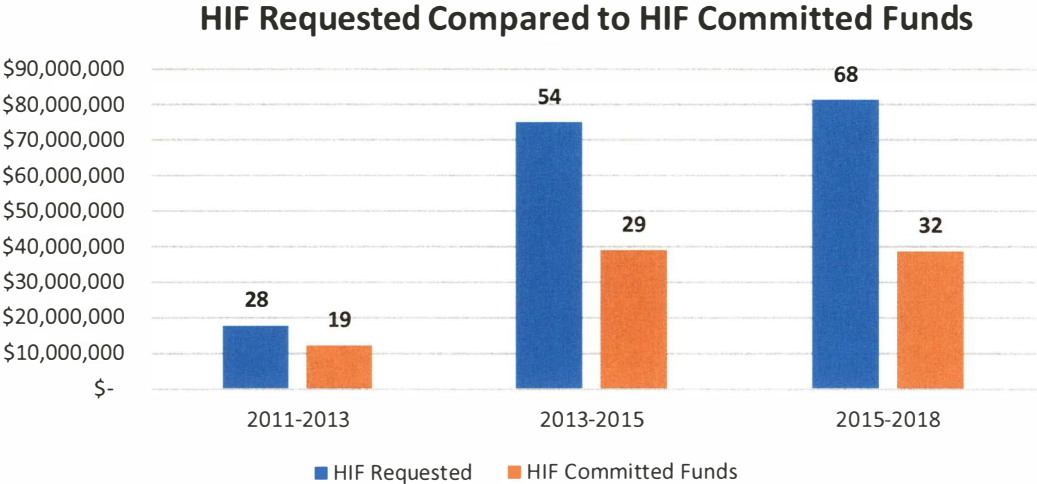
In addition to HIF, the Agency has the authority to issue tax-exempt multifamily bonds. We also administer both the 9 percent competitive federal low-income housing tax credits (LIHTCs) which bring in equity for about 70 percent of construction and rehabilitation costs as well as non-competitive 4 percent LIHTCs which bring in equity for about 25 percent of the project cost. We receive \$3.1 million annually in competitive 9 percent LIHTCs. There is no cap on the amount of 4 percent non-competitive LIHTCs that we can allocate as long as the project is otherwise financed with tax exempt bonds. This is a resource to the state that is largely going unused due to the lack of state funds

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to fill financing gaps. I believe HIF, while leveraging the federal 4 percent LIHTCs, could be the critical financing piece to rehabilitate some of the state's oldest affordable housing stock.

HIF Demand

The demand for HIF has exceeded the amount available since inception.



HIF provides gap financing and is often layered with federal, private and local funding that is needed to support the lowest rents. The numbers of future housing units constructed or rehabilitated with HIF will be dependent upon the program's allocation plan, and whether HIF dollars can be leveraged with other federal funds. Historically, our average cost of construction per unit has been \$176,704 and HIF is normally restricted to no more than 30 percent of the construction or rehabilitation cost. In the absence of federal funds, more HIF financing will be required as the competitive 9 percent LIHTC program only funds four to five projects or 175 to 200 units annually.

NDHFA's mission is to ensure that every North Dakotan has a safe and affordable place to call home. Our most vulnerable households are the ones that need our help the most. Federal funds are insufficient to address the needs of these vulnerable households. We respectfully ask this committee and this legislative body to recognize that an investment in housing is an investment in the infrastructure of our state. Affordable Housing Empowers People, Improves Lives, and Inspires Success.

Thank you and I would be glad to answer any questions.

NORTH DAKOTA

STATE RANKING #32*

In **North Dakota**, the Fair Market Rent (FMR) for a two-bedroom apartment is **\$855**. In order to afford this level of rent and utilities — without paying more than 30% of income on housing — a household must earn **\$2,849** monthly or **\$34,190** annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of:

\$16.44
PER HOUR
STATE HOUSING
WAGE

FACTS ABOUT NORTH DAKOTA:

STATE FACTS	
Minimum Wage	\$7.25
Average Renter Wage	\$15.75
2-Bedroom Housing Wage	\$16.44
Number of Renter Households	111,254
Percent Renters	36%

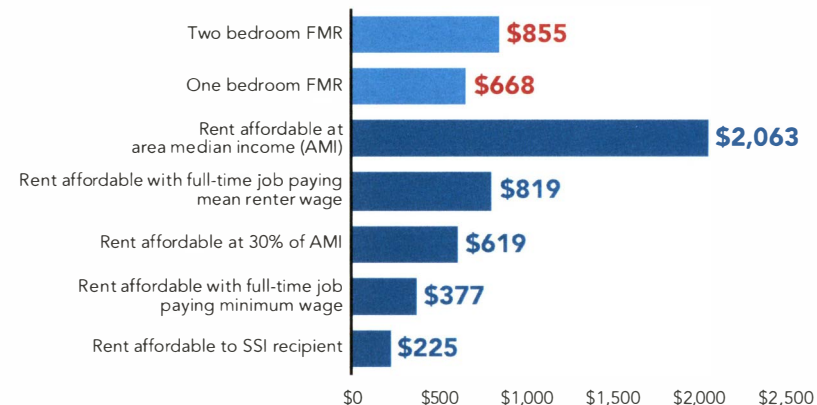
91
Work Hours Per Week At
**Minimum Wage To Afford a 2-Bedroom
Rental Home** (at FMR)

71
Work Hours Per Week At
**Minimum Wage To Afford a 1-Bedroom
Rental Home** (at FMR)

2.3
Number of Full-Time Jobs At
**Minimum Wage To Afford a
2-Bedroom Rental Home** (at FMR)

1.8
Number of Full-Time Jobs At
**Minimum Wage To Afford a
1-Bedroom Rental Home** (at FMR)

MOST EXPENSIVE AREAS	HOUSING WAGE
Dunn County	\$24.40
Ward County	\$20.54
Mountrail County	\$19.67
Williams County	\$19.40
Grand Forks MSA	\$18.58



MSA = Metropolitan Statistical Area; HMFA = HUD Metro FMR Area

* Ranked from Highest to Lowest 2-Bedroom Housing Wage. Includes District of Columbia and Puerto Rico.

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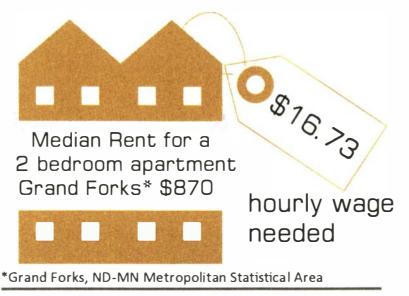
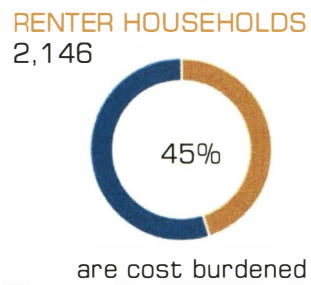
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District 17 Affordable Housing Facts

POPULATION
15,878

HOUSEHOLDS
6,789

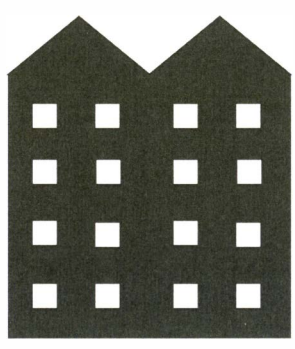
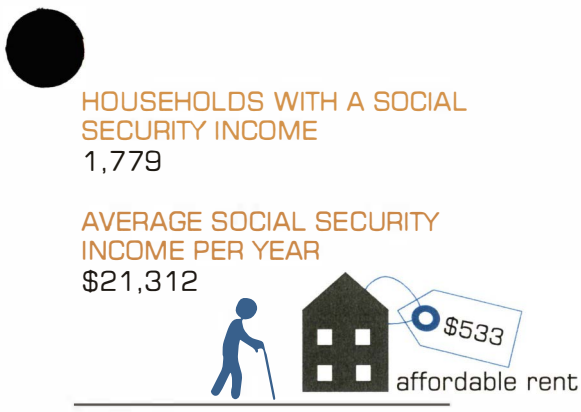
MEDIAN HOUSEHOLD INCOME
\$76,796



SENIOR HOUSEHOLDS
1,586

SENIOR HOUSEHOLDS WITH FOOD STAMPS
61

SENIORS WITH A DISABILITY
621



EXTREMELY LOW- AND VERY LOW-INCOME HOUSEHOLDS PROJECTIONS (2014-2029)
Grand Forks + 1.213

The Impact of Affordable Housing

Housing is defined as affordable if its occupants pay **no more than 30 percent of their income** on housing. If they pay more than 30 percent, that cost-burdened household has less money to pay for other necessities like food, clothing, healthcare, childcare and education.

Homeowners

1 in 11 are cost-burdened¹



\$1,326

The median cost per month for homeowners in North Dakota with a mortgage.²

1 in 25 are severely cost-burdened

Renters

1 in 5 are cost-burdened¹



\$16.40

The hourly wage needed for a single adult to rent an affordable two-bedroom apartment in North Dakota, costing \$855, based on HUD's fair market rents.

1 in 7 are severely cost-burdened

North Dakota occupations that pay less than \$16.40/hr.³



Childcare Worker	\$11.07
Grocery Cashier	\$11.47
Nursing Assistant	\$15.81
Janitor	\$14.57

What About Seniors?

For fixed-income households, affordable housing costs are even more important. On average, North Dakota **seniors receive \$1,344 per month⁴** in social security benefits. If social security is their only source of income, these individuals cannot afford costs greater than \$403

Housing Challenges

- Limited affordable housing options make **workforce recruitment** and retention more difficult;
- Housing needs for the state's **senior population** continue to grow;
- Special populations including people with **disabilities and the homeless** have unmet needs

¹U.S. Census Bureau, 2016 1 Year ACS PUMS File; ²U.S. Census Bureau, 2017 American Community Survey 1-Year Estimates;

³Labor Market Information, Job Service North Dakota, 2018; and ⁴ www.ssa.gov, 2017.

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Edwinton Place Apartments—Bismarck, ND

Project Highlights:

- Permanent Supportive Housing utilizing 'Housing First' model for Chronically Homeless Individuals
- 40 one bedroom/bathroom apartments
- 24/7 staffing with controlled building entrances
- Project Based Housing Choice Vouchers provided by Burleigh County Housing Authority



Infill Lot in an Opportunity Zone, Bismarck



Architectural Rendering



Construction Progress, January 2019

Project Financing:

Funding commitments provided by NDHFA will cover the majority of Edwinton Place's development costs. The state agency awarded federal Low Income Housing Tax Credits that will provide the project with \$7.2 million in equity, and awarded \$1,026,147 from the National Housing Trust Fund, \$500,000 from the state's Housing Incentive Fund and \$460,000 from the Neighborhood Stabilization III Program. The total project cost is \$10.3 million.

Edwinton Place also received support from the City of Bismarck, in agreement with Burleigh County and the Bismarck Public School District, a 20-year Payment in Lieu of Taxes for the property valued at more than \$2 million. The North Dakota Department of Commerce committed \$730,000 through the Neighborhood Stabilization I Program for land acquisition. Through Bank of North Dakota, the Federal Home Loan Bank awarded \$750,000 from the Affordable Housing Program, and the Otto Bremer Trust committed \$62,000 to help cover pre-development costs. The project's construction financing will be provided by Gate City Bank.

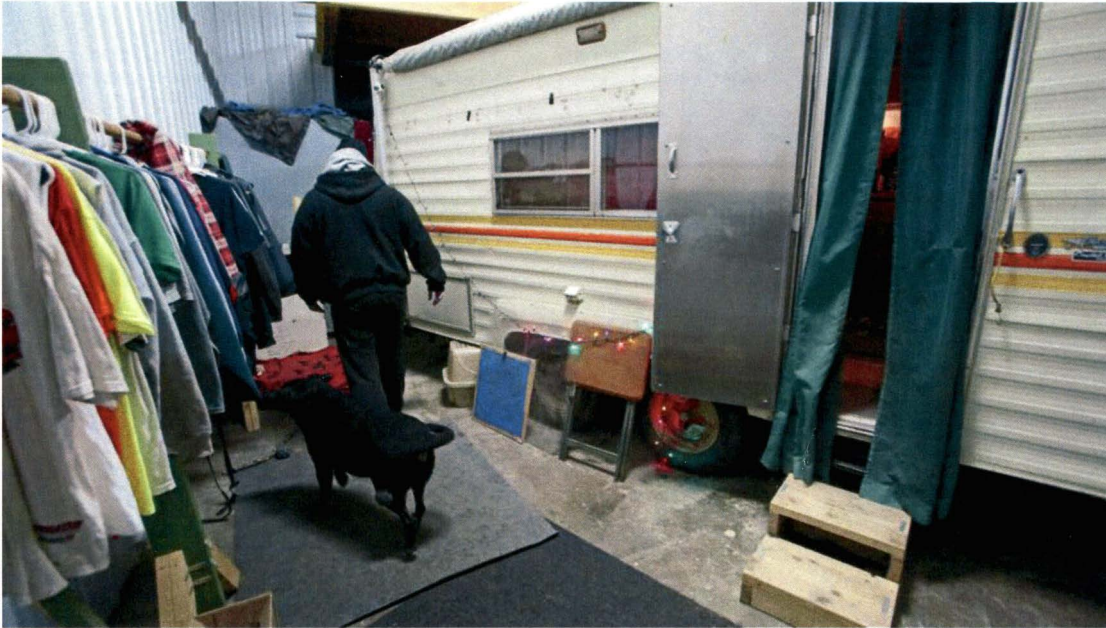
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A 'precarious' life: Without a proper living space, 'Homeless Dave' ekes out existence in Moorhead industrial park

By [Robin Huebner](#) on Jan 6, 2019 at 2:31 p.m.



"Homeless Dave" walks past his camper housed in an industrial park garage in Moorhead. David Samson / Forum News Service 1 / 4

MOORHEAD, Minn. — He rents “shop space” in a cold-storage building in this city’s industrial park, but isn’t using it for woodworking or any other hobby. Instead, “Homeless Dave,” as he calls himself, has turned the spot not meant for human habitation into his home.

Boxes overflowing with household items cover the concrete floor. A bumper-pull camper parked inside is where he showers and sleeps. A makeshift office, where he uses his old computer, is shrouded in tarps and equipped with heat lamps to stave off the winter chill.

Dave, 50, has lived here nearly three years. Before that, he lived in a similar setting in Bismarck. “I’m trying. I’m trying to maintain as normal a life as I possibly can under the conditions that I’m in,” he said.

Forum News Service granted Dave's request not to use his full name or show his face, because he fears he’ll be kicked out of the space.

Cody Schuler, executive director of the Fargo-Moorhead Coalition to End Homelessness, wouldn’t estimate how many people in the area “sleep rough” in campers or cars because they’re a hidden, hard-to-count population. “They’ll do that because it feels safe to them,” Schuler said.

Pastor Sue Koesterman, executive director of Churches United for the Homeless in Moorhead, said it wears on a person's health in a serious way to not be adequately sheltered. "It's a very, very precarious, kind of day-by-day existence," Koesterman said.

No credit

For Dave, finding work and keeping money coming in hasn't been a problem. After he left a painting job because the fumes made him sick, he was unemployed for a little more than a month before finding a full-time position as a machinist for a local trailer manufacturer.

He said he doesn't receive any government assistance. His driving record is good, and he has a minimal criminal record. The primary barrier to him finding a place to rent is that he's never had a credit card. "I don't have bad credit, I have no credit," he said.

In addition, landlords want to talk to previous landlords about whether potential renters pay on time, and whether they left any damage in their previous place. Because of his somewhat transient, under-the-radar lifestyle, Dave doesn't have any references like that.

"All I have is a bunch of receipts from a place I'm not supposed to be living in," he said. So, he continues to rent the shop space in the industrial park for a substantial \$1,000 a month, with additional expenses for heat and internet. "There's that saying, 'We need someone who thinks outside the box or looks outside the box.' Well, I live outside the box," Dave said.

Cold, cramped quarters

It's a challenge for Dave to stay warm in the shop. He uses space heaters and heat lamps to supplement a single wall-mounted heater. On a mild winter day when Forum News Service visited, the temperature inside was barely 60 degrees.

Dave has no access to a kitchen, so he prepares meals on a crowded shop table. A toaster oven, steamer and slow cooker fight for space in the clutter. "Forgive the big pile of dirty dishes," Dave said.

The place has a one-gallon water heater, so he can wash only a few dishes at a time in the bathroom sink before the hot water runs out. He has a small refrigerator, freezer and washer but no dryer, so he hangs his clothes to dry.

A string of lights is draped down the side of the camper — not because he has Christmas spirit, he said, but to provide a lighted path if he gets up at night to use the bathroom.

A dog and cat keep Dave company. He built a large, enclosed "litter box" filled with sand for the animals to use when he's away at work. He doesn't often take his dog outdoors, so as not to raise suspicion about his living arrangement. Both animals need veterinary care, but he said he doesn't have the time or money to take them in.

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Vehicular homelessness

There are people all over the country like Dave living in vehicles, campers or storage units. Often, they've shunned shelters because they've had a bad experience at one or feel anxious in crowded spaces. The phenomenon of "vehicular homelessness" is growing, especially in high-rent metropolitan areas on the West Coast.

While the U.S. Department of Housing and Urban Development (HUD) doesn't collect vehicle-specific data, unsheltered homelessness — which includes people sleeping in cars — is on the rise. According to a HUD-required, point-in-time count on a single night in January 2018, a third of the more than 550,000 homeless people nationwide were living unsheltered, such as on the street, in abandoned buildings or cars. That represents a nearly 3 percent increase from the previous year.

Point-in-time numbers for North Dakota have bounced around. In January 2017, the most recent count available, 331 of 1,089 homeless people statewide were unsheltered. Only five years earlier, 53 of 688 homeless people were reported as unsheltered. A major spike occurred in 2013, when 1,395 of 2,069 homeless people were unsheltered.

As numbers rise, more cities are imposing criminal or civil punishments on people living in their vehicles. The National Law Center on Homelessness & Poverty reports that in 2016, nearly 40 percent of cities surveyed prohibited living in vehicles, a 143 percent increase since 2006.

'Stuck in a rut'

Dave knew of a half dozen others living in storage units in Bismarck. He's not aware of people like him in the Fargo-Moorhead area, "but I can guarantee you there are," he said.

Schuler said there are nearly 300 beds in the area's seven shelters, and they're always full. When people call seeking a bed, it's hard to know if they have been staying in a vehicle because they rarely volunteer that information.

"They're afraid they might get pushed out of the space they have, because the space you have is better than no space at all," Koesterman said. Dave said his body is beat up from working manual labor jobs and being homeless. He's proud of his resiliency, but desperately wants to find something better.

Someday, he hopes to buy a small piece of land and put a single-wide mobile home on it, but that someday seems far away. "I'm stuck in a rut, between being able to get into a legitimate place to live and, you know, being under a bridge," he said.

<https://www.thedickinsonpress.com/news/4553004-precarious-life-without-proper-living-space-homeless-dave-ekes-out-existence-moorhead>

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Beyond Shelter surpasses 1,000 units of affordable housing with new apartment building

FARGO-A new apartment building was 90 percent pre-leased weeks before prospective tenants could even see the building. HomeField Apartments, 4245 28th Ave. S., is now completely filled. The fact this happened in an area of town with a 12.5 percent...

Written By: Ryan Johnson Sep 1st 2017 - 3pm.



Dorothy Kaufman sits Tuesday, Aug. 29, 2017, in her HomeField apartment built by Beyond Shelter, Inc., at 4245 28th Ave. S., Fargo. Michael Vosburg / Forum Photo Editor

FARGO-A new apartment building was 90 percent pre-leased weeks before prospective tenants could even see the building.

HomeField Apartments, 4245 28th Ave. S., is now completely filled. The fact this happened in an area of town with a 12.5 percent apartment vacancy rate isn't going unnoticed.

"If you talk to someone in the market-rate world, their jaws just drop," said Jamie Hager, regional manager for MetroPlains Management that oversees the new complex.

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It's not just the in-unit washers and dryers or the building's fitness center and media room-it's all about the rent. Senior citizen tenants here pay \$388 to \$696 for the 39 one- or two-bedroom units, depending on household size and income, far below the \$850 to \$900 they'd pay for a comparable one-bedroom elsewhere.

It's the latest project from Beyond Shelter Inc., a nonprofit started by former Fargo Housing and Redevelopment Authority staff in 1999. Board Member Bev Rohde told a crowd gathered earlier this week to celebrate that the nonprofit has come a long way since launching with a \$5,000 loan and "some wide-eyed optimism."

'Our last place'

Rohde said federal restrictions for affordable housing at the time were "uncomfortable," including a mandate to hire contractors with the lowest bid. That meant complexes were built with the cheapest materials and appliances and lacked basics like garages, air conditioning and carpet.

"We were fairly sure we could do better," she said.

Their work benefits people like Donna Allard. The 75-year-old said she appreciates HomeField's open floor plan that gives her plenty of room for furniture. She also likes having a garage stall. It's the price that ultimately drew her here. Allard said she previously struggled keeping up with a two-bedroom apartment in south Fargo that cost about \$800 per month.

"This is so nice," she said. "I just felt real fortunate when I was able to move in."

Marlys Workin got into her unit in mid-July. She left her Fargo house where she had lived for 48 years to move here, but she said she enjoys her "roomy and bright" new home. "I don't miss it a bit," she said.

Gary Hasse, too, said he's glad to be here. "I haven't met all the people that live here yet, but the ones that I have, we've all decided that this is our last place before we go upstairs," he said. "We're tired of moving, and this is an excellent place to call home."

More needed

With the completion of HomeField, as well as a groundbreaking later this month on the LaGrave on First project for homeless people in Grand Forks, CEO Dan Madler said Beyond Shelter has

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developed more than 1,000 affordable housing units in eight communities across North Dakota, South Dakota and Minnesota.

Madler said their work is about more than providing shelter. An affordable home can make residents safer, happier and healthier while also improving employment prospects, he said.

But it's not easy, according to Jolene Kline, and the executive director of the North Dakota Housing Financing Agency said the need is far beyond supply.

The only way to make it happen, she said, is a complicated "layering" of funding and support from local, state and federal partners as well as the private sector. For example, the agency allocated about \$600,000 of federal low income housing tax credits purchased by Wells Fargo to fund the \$6.18 million HomeField project.

"The private sector cannot and will not produce units at \$400 a month rent," Kline said.

But she said there's only funding to do a handful of projects each year, and Fargo will need more than 100 additional units of affordable housing each year for the next 15 years. She encouraged North Dakota legislators to provide state funding to help.

Beyond Shelter plans to build two more 39-unit complexes at the HomeField site in the next two years.

MetroPlains now manages 485 affordable apartment units for seniors in the Fargo-Moorhead area. Those units have a vacancy rate of less than 1 percent, far below the metro's overall 8.35 percent vacancy as of June 1, according to a study released by Appraisal Services Inc.

"I've been doing this for 17 years, and I always think we're going to hit this saturated market," Hager said. "We just have not done that yet, not in affordable."

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HOUSING INCENTIVE FUND PROJECTS

The North Dakota Housing Incentive Fund (HIF) is an effective, locally-driven, rental housing financing tool created and authorized during the 2011 North Dakota legislative session. Community leaders, private developers, and nonprofit organizations have leveraged HIF to construct new or improve existing rental housing. Because of HIF, low- to moderate-wage workers, the state's aging population, individuals with disabilities, and persons experiencing homelessness have increased access to safe, decent and affordable housing.

Workforce Housing Projects

Persons wanting a two-bedroom apartment need to earn more than \$34,000 or \$16.44 per hour to afford \$855 in rent according to HUD's Fair Market Rent summary. In November 2018, 17.4% of the jobs listed through Job Service North Dakota offered \$14.99 per hour or less.

Meadow Lark Homes — New Rockford, ND		Completed: 2016	
Project Focus	New Construction, Family	HIF Investment	\$430,000
# Units	10	Project Cost	\$1,435,268

Redeveloped the former New Rockford City Hospital, which closed in 1990 and had sat vacant for 25 years, was severely dilapidated and condemned due to asbestos. The New Rockford Area Betterment Corporation secured a grant from the EPA to clean up the site for redevelopment. Housing that is affordable was created to assist the school in filling vacant positions and allow older homeowners to downsize and be able to stay in New Rockford.

Prairie Heights I & II — Watford City, ND		Completed: 2013 and 2014	
Project Focus	New Construction, Family	HIF Investment	\$2,000,000
# Units	124	Project Cost	\$17,156,143

Mixed income housing for low- to moderate-income households including individuals and families employed by the private sector. Community-based living with green space and the ability to expand into a walkable community providing access to local amenities, such as childcare. Public financing was leveraged to create rents varying from \$400 to \$1,800. In 2017, 48.3% of households in Watford City earned less than \$75,000 per year and could qualify to live in income-restricted housing. The project showcases the value of public/private partnerships. MBI Energy contributed \$2 million to HIF in support of this project, recognizing the need for affordable workforce housing.

Senior Housing Projects

Most seniors ages 74 to 85-years-old and beyond are able to afford rents ranging from \$403 to \$898 based on 30% of their annual median income. Housing costs in excess of 30% can make them housing cost-burdened and force them to make choices between basic necessities, medications, food and transportation.

Cherrywood Village — Grand Forks, ND		Completed: 2014	
Project Focus	New Construction, Senior	HIF Investment	\$454,545
# Units	30	Project Cost	\$5,235,244

Independent-living apartments for seniors who are healthy enough to live on their own, but do not want the responsibility of maintaining a house and yard. 62.8% of North Dakotans 85 years and older still own their own home. As they explore other housing options, accessibility such as no stairs or elevator access and affordability are contributing factors for them to be able to move out of their home. Project funding included HUD's Section 202 Supportive Housing Program and a project based rental assistance contract to support very low-income seniors.

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Senior Housing Projects

Legacy Living At Central Place — Williston, ND Completed: 2014

Project Focus	Adaptive Reuse, Senior	HIF Investment	\$949,898
# Units	44	Project Cost	\$12,482,215

The historic junior high school was rehabilitated into affordable senior living units as an option for seniors facing escalating rental prices. The median income for North Dakotans ages 75 to 84 is \$35,900 and drops to \$19,700 for residents 85 and older. At the time the project was completed the average price for a one-bedroom apartment in Williston was just under \$2,400. The architect preserved historic features of the building which was constructed in 1931 and is on the National Register of Historic Places.

Permanent Supportive Housing Projects

HIF is a source of gap financing leveraged when an income restricted rental housing project will not cash flow with traditional financing. Minimal debt after construction or rehabilitation results in lower monthly rents and reduces the need for housing vouchers.

Jeremiah Program Apartments — Fargo, ND Completed: 2018

Project Focus	New Construction, At Risk Family	HIF Investment	\$2,200,000
# Units	20	Project Cost	\$5,866,485

Supportive housing for single mothers with children under the age of five. Currently, more than 2,300 single mothers are living in poverty in the Fargo-Moorhead area, a number that has increased 16% over the last six years. The majority of these mothers have children under the age of four. An on-site early childhood education center and individualized support are offered to the families. College enrollment or career advancement track required to live in the units.

Grace Gardens — West Fargo, ND Estimated Completion: 2019

Project Focus	New Construction, At Risk Family	HIF Investment	\$500,000
# Units	30	Project Cost	\$6,993,549

Domestic violence survivor housing for women with children. In 2017, 314 women and children were eligible for Cass County YWCA's supportive housing units, but only 60 were able to gain homes through the organization. Unfortunately, women escaping domestic violence typically do not score high enough on assessments to be rapidly housed. Families will improve their economic stability and health, breaking the cycles of abuse and poverty for the next gener-

Edwinton Place — Bismarck, ND Estimated Completion: 2019

Project Focus	New Construction, At Risk Individuals	HIF Investment	\$500,000
# Units	40	Project Cost	\$10,355,768

Rapid housing for chronically homeless individuals that are working with a case manager. Chronically homeless individuals are frequent users of emergency services which can cost a community \$30,000 to \$50,000 per year per individual. Providing these individuals with immediate access to housing is estimated to save a community up to 40% of the total cost of experiencing chronic homelessness. Support services are offered to address the underlying causes of homelessness, such as mental health or substance abuse issues, chronic health conditions, or a history of physical or sexual abuse. This infill project maximized a vacant city lot and is located within a designated Opportunity Zone.

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From Poverty to Prosperity



Kristie Garcia's desire for a better life for herself and her 14-month-old son, Rey, was so strong that the prospect of driving eight hours roundtrip each week for 12 weeks did not deter her from her goal. In order to create the future she envisioned, the 22-year old knew she needed support and guidance.

When Kristie Garcia, 22, discovered she and her son could have a better life, she didn't give an eight-hour weekly round trip to Fargo, N.D., a second thought. She enrolled in Jeremiah Program's 12-week Empowerment class, undertaking the first step the program requires of single mothers who are motivated to lift themselves from poverty.

Garcia learned about the Jeremiah Program, a comprehensive program that helps single mothers progress from poverty to prosperity, from a program participant. In order to be accepted into the Fargo-Moorhead program, she was required to complete an Empowerment course focused on effective conflict management, assertive communication and personal accountability. At the time, she was living in Richfield, Minn., more than 240 miles away.

"When I started Empowerment, I was still going through a lot of emotions and anger about my son's dad, who has not made an effort to be in Rey's life," Garcia said. "The class helped me have the right mentality and gain support from other women who were dealing with similar challenges. The drive was not as important to me as beginning a new journey that would be better for

my son and me." Jeremiah Program prepares determined single mothers like Garcia to excel in the workforce, readies their children to succeed in school, and reduces generational dependence on public assistance. Its Fargo-Moorhead campus has 20 furnished apartments designed to support the mothers who are required to work part time or volunteer, attend college full time working toward a career-track education, and participate in weekly coaching and life skills classes. A licensed early child development center, that serves children age six weeks until starting kindergarten, is part of the site.

The Fargo-Moorhead campus, which opened in January 2018, is one of the first supportive housing projects in the

country developed with assistance from the National Housing Trust Fund (HTF), a federal program that provides revenue to build, preserve, and rehabilitate housing for people with extremely low incomes. North Dakota Housing Finance Agency (NDHFA) administers the program on behalf of the state.

In early 2016, Diane Solinger, Jeremiah Program's Fargo-Moorhead executive director, had secured about half of the funds needed to develop the campus, including \$2.2 million in assistance from the North Dakota Housing Incentive Fund when she learned about the HTF. Jeremiah relies heavily on donations and at the time Solinger was optimistically pursuing a large contribution, but knew she would need at least \$1 million more to move the project forward.

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Jeremiah's Fargo-Moorhead campus has 20 apartments that provide the families who participate in the program with an affordable home while the mothers pursue a college education.

costs associated with crime and special education.

The assistance provided through HTF allowed the Jeremiah Program to break ground on the Fargo-Moorhead campus the following year. The first families moved into the

course, Garcia moved into one of the new apartments on the Fargo-Moorhead campus and found part-time work at a college bookstore. After she finishes some general coursework, Garcia will start classes at North Dakota State University. Rey attends the campus' on-site child development center while Garcia works and is in school.

Ultimately, Garcia plans to earn a bachelor's degree in radiological sciences and pursue a career as a diagnostic sonographer. She would like to specialize in obstetrics.

"I honestly don't know where I would be without this program and the donors and agencies who supported it," Garcia said. "I feel like I have grown so much as a person already and I am so happy to be in a program that has put my son and me on a better path. I feel like I finally have a fresh start and a place to call home."

(Published August 2018 by North Dakota Housing Finance Agency.)

"When I learned about the National Housing Trust Fund from NDHFA, how it was dedicated to providing housing for families like ours, I knew we'd be competitive," said Solinger. While she continued working on her private donor, Solinger and the staff at Jeremiah's national office completed the HTF application.

"On Nov. 8, 2016, I had what I now refer to as my \$2 million day. In the morning, the private donor I'd been working with called to share that the million dollar gift had been secured. I was elated," said Solinger. "And, that same day, at 3:30 p.m., I received a call from NDHFA telling me that our project was one of three selected for a HTF award. We received exactly what we applied for, \$1,052,655."

A Wilder Research study estimates that every \$1 invested in a Jeremiah family returns up to \$4 to society through first-generation benefits of decreased dependence upon public assistance and increased taxable earnings, plus second-generation benefits of increased lifetime earnings/taxes paid, and savings from

property in Jan. 2018.

"Affordable housing provides a stable platform for individuals and families that allows them to better their lives," said NDHFA Executive Director Jolene Kline. "If we can move a family out of poverty, it's a win for the household and a win for the community."

After completing the Empowerment

National Housing Trust Fund

The National Housing Trust Fund (HTF) is a federal program established as part of the Housing and Economic Recovery Act of 2008. Its primary purpose is to increase and preserve the supply of affordable rental housing for extremely low-income households, those earning less than 30 percent of area median income, including homeless families.

As the administrator of HTF, North Dakota Housing Finance Agency (NDHFA) is responsible for the development of an Annual Allocation Plan, which defines the process by which funds are distributed. The plan promotes the selection of properties addressing the state's most crucial needs within the priorities outlined in North Dakota's Consolidated Plan and the relevant strategies identified in North Dakota's Ten-Year Plan to End Long-Term Homelessness.

HTF dollars can be used for the production, preservation, rehabilitation and operation of a project. The financial awards are structured as forgivable zero-interest loans with a minimum term of 30 years.

NDHFA made the first financial awards in 2016. Since then, six properties have shared \$5.58 million supporting the development of 85 housing units for individuals and families who have experienced homelessness or who are at risk of homelessness. NDHFA is currently accepting applications for the 2018 program with the project awards slated to be made in early November.

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Able to Stay in My Community

Alerene Hoffman's home in New Rockford, N.D., was getting to be just a little too much for her to handle. This retired widow loved spending time in her garden tending to her flowers but health issues slowed her down and she wished for something smaller with less maintenance and no steps. She also wanted to stay in the town she had called home for years.



Hoffman moved into one of Eddy County Housing Authority's new twin homes on June 1 fulfilling all those wishes.

Hoffman and her husband Robert raised five children on a farm north of town. She spent 30 years working at the Lutheran Home of the Good Shepherd, an 80-bed nursing home in the rural North Dakota town. When her husband was injured in a construction accident, she was the main bread winner and they moved from the farm to a large home in town. After her husband passed away, she moved into a smaller house on First Avenue. Now, she says, it's time for something with fewer steps.

When the twin homes were completed this spring, Hoffman was one of the lucky ones chosen to live in the rental units which went fast and now have a waiting list.

"This will be a wonderful experience for me," Hoffman said. "I don't have to mow the grass or shovel snow or any of that. This will just be great. These are such nice homes."

Eddy County Housing Authority took on the twin home project in 2010 to help alleviate a rental housing shortage in the community of about 1,400 people. There are two sets of twin homes with two-bedroom units on Seventh Street and three-bedroom units on Third Avenue.

"The response to this project was just

tremendous and really showed us the housing situation in the community," said Tracy Henningsgard,

executive director of the Eddy County Housing Authority. "We've had a lot of interest with over 25 families expressing interest in renting."

Hoffman agrees. "I think it is just wonderful that I can step out of my garage straight into my apartment and not have to worry about steps," she said. "There are a lot of us in town that are at that point where we have to take a step back and these apartments are just such a help."

This is the housing authority's first venture as property owners and came in response to low rental vacancy rates and aging housing stock in the town.

New Rockford Mayor Jim Belquist said there are a number of houses in such disrepair in the community that the city would soon be condemning them. He hoped that the Eddy County Housing project might spur other developments like it. "That will open up some lots so hopefully we can get some other new homes going in town," he said.

Henningsgard said they looked at three

things to make this project viable: controlling the costs, low-cost financing and low rents. "We looked at tax credits and other programs but those didn't work well with a small project like this," said Henningsgard.

Instead they used an Essential Function Bond through local lender Bank Forward, a U.S. Department of Housing and Urban Development HOME program loan from Eastern Dakota Housing Alliance, and cash contributions from Eddy County Housing and the New Rockford Area Betterment Corp. in addition to a \$50,000 Rural Housing Investment Incentive Program (RHIP) allocation from the North Dakota Housing Finance Agency (NDHFA).

"Without any of these, this would have

been a dead project," Henningsgard said.

The RHIP program was established as a pilot to help address the unique challenges to housing development in rural communities. NDHFA utilized \$400,000 of reserve

Rural Housing Investment Incentive

In 2009, the Industrial Commission approved a pilot program that it hoped would assist in overcoming these obstacles. The program supported the development of single- or multi-family housing, or the substantial rehab of existing structures in difficult to develop areas of the state by offering a dollar for dollar match for private sector investment.

funds for the program which has been a resounding success leveraging more than \$6.6 million in housing activity in rural North Dakota.

In the New Rockford project, the RHIP award was matched with \$60,000 in equity investments. That had the effect of helping ease the \$225,000 projected appraisal gap on the project and lowering required rents by \$126 on average enabling affordable rents for low-income families.

NDHFA Director of Planning and Housing Development Jolene Kline said RHIP did just what it was supposed to. "New Rockford epitomizes the pilot," she said. "It addresses the valuation gap and affordability."

(Original article published June 2011.)

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Promise of Affordability

A pink rocking chair sways in the breeze on Miriam Shaw's front porch at ParkRidge Townhomes in Williston's new Harvest Hills subdivision as she stands at her stove tending to boiling pots. The spacious kitchen is the Jamaican native's favorite place in her new home and the comfort of knowing it will be affordable for years to come makes everything taste a little sweeter.

Shaw moved into her townhome with her two children shortly after the complex opened in October 2015. "It reminds us of our home back in Georgia," she said. "It is really nice. We really like it."

A nurse at Mercy Medical Center's occupational health clinic in Williston, Shaw moved to town in 2014 following her daughter who had come, like many others, in search of opportunity. She appreciates what the community and state have to offer. "I like Williston. It is small, but I like the open spaces, places to walk and the scenery," she said. "And I love living here. It is really comfy and just cozy like our [previous] home was."

Shaw struggled to find a place to live when she first arrived in Williston and lived in several other apartment units which had space and cost challenges before moving into the townhouse community. ParkRidge Townhomes, developed by Mountain Plains Equity Group, includes 36 units with half of them targeted to Essential Service Workers like Shaw. Rent for the ESWs are restricted and tenants must be below income limits.



The units must remain at affordable levels for at least 15 years.

Shaw's townhome has an open-concept with all the amenities she was looking for including a heated attached garage. "That is so nice, to be able to pull in and throw the

In addition to medical staff, there are also law enforcement personnel, school employees and county workers who call ParkRidge home.

Shaw said while market rate rents in Williston have fluctuated due to changes in the oil industry, the assurance that her rent will remain affordable was a huge bonus.

"The promise that the price would remain affordable for 15 years is very nice," she said. "It just gives you comfort in your mind that it will remain. That really is a nice promise because we don't know what lies around the corner."

The stability of the rent in Shaw's unit at ParkRidge comes from its funding through the Housing Incentive Fund. The \$7.2 million project received just over \$2 million from HIF, administered by the North Dakota Housing Finance Agency.

grocery bags out," she said. "The layout is nice. We have so much storage; they utilized every inch."

Housing Incentive Fund (HIF)
Administered by North Dakota Housing Finance Agency (NDHFA), HIF supports the development of affordable units for low- and moderate-income households.

The program was created during the 2011 Legislative Session. It was reauthorized during the 2013 and 2015 sessions.

Since HIF's inception, NDHFA has allocated over \$80 million to projects, leveraging nearly \$380 million in construction financing.

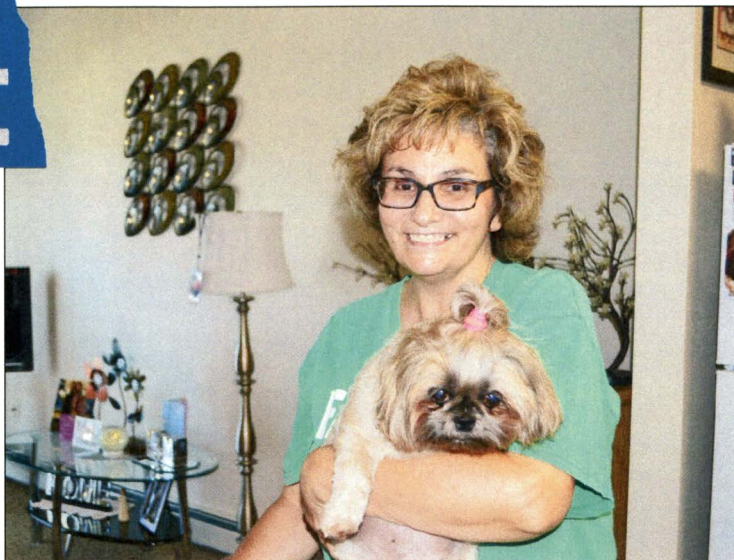
She also appreciates its convenient location just blocks from the new Williston High School, where her son will attend. "I'm excited to be closer to the school... probably more than he is," she said. "I'm going to be so happy to have a shorter drive to his school events."

Shaw who lived and worked as a nurse in New York and Georgia before coming to North Dakota sees herself enjoying more evenings rocking in her pink chair which she hopes to make even more colorful or in her kitchen cooking unique Jamaican fare like jerked chicken and pork, rice and beans in coconut milk, curried goat and spicy fried fish dishes. "It is such a nice place," she said. "I feel like we are going to be here a while."

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'Grateful for My Home'



When Jeri Fick first learned she would be able to move into the new North Sky Apartments in Fargo's Urban Plains neighborhood in the southwest part of town, she cried.

"I just get very emotional thinking about it because I am so appreciative," she said. "I don't know how people would be able to do it without assistance like this."

The first phase of North Sky Apartments opened in Fall 2014 and Jeri moved with her assistance dog, Molly, into her one-bedroom unit in January 2015 after living at another market-rate apartment complex in the community.

"It just got to be too expensive," she said. "I couldn't afford it anymore. It got to the point where I didn't know if I was going to be homeless."

That's what made her North Sky apartment so special to her. "I can actually have a life," she said. "I can afford my rent and still go to a movie if I want to now. Before, all of my money was going to pay rent."

She also appreciates the sense of community in the 55+ apartment complex. "I am meeting new friends and we're like a family; we watch out for each other," Fick said. "I enjoy baking brownies and things and taking them to my new neighbors. Everyone has just been so great."

And Fick says she is looking forward to the "family" extending. The second phase of

that population increases," said Beyond Shelter Inc. CEO Dan Madler. "Without multiple layers of support, our organization would not be able to keep a project's rents at such reasonable levels."

It is the reasonable rents that help Fick and other seniors like her. "I don't know how people would do it without

North Sky opened in September 2015 with a third phase breaking ground at the same time. In total, the project will have 84 units all targeted to seniors.

The \$11.65 million project was funded by a number of state and federal programs including the Neighborhood Stabilization Program, HOME Investment Partnerships Program, Low Income Housing Tax Credits and the North Dakota Housing Incentive Fund. In all, those programs brought \$10.1 million in funding. The Fargo Housing and Redevelopment Authority, which manages the project, also placed project-based rental assistance vouchers on some of the units in North Sky I and plans to do the same in the other phases.

"It is a challenge for Fargo seniors to find housing that is affordable and every year

help like this," she said. "It makes me kind of sad that these buildings are all full because I know there are a lot of other people who need affordable apartments.

Housing Incentive Fund (HIF)
Administered by North Dakota Housing Finance Agency (NDHFA), HIF supports the development of affordable units for low- and moderate-income households.

The program was created during the 2011 Legislative Session. It was reauthorized during the 2013 and 2015 sessions.

Since HIF's inception, NDHFA has allocated over \$84 million to projects, leveraging more than \$429.2 million in construction financing.

Where would they go if this wasn't here?"

Fick, while working part time at Sam's Club, relies almost entirely on her Social Security disability check. "When you have a disability, there is no way you could live anywhere on just Social Security," she said. "I am just so grateful

for my home. I can't express how grateful I am.

"I wake up in the mornings and just look around in amazement. It is gorgeous. Everything is new and I'm just so proud," she said. "It is a blessing from God – it truly is a blessing."

(Original article published Sept. 2015)

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'Godsend To Our Police Department'

A year and a half ago, Hunter Easterling completed law enforcement training and moved from California to Dickinson, ND, to pursue a career as a police officer.

While settling in, Easterling found that finding a home in a growing oil boom town wasn't easy. He lived in an RV park, a hotel and an apartment that

was not quite ideal before Patterson Heights Apartments, a new affordable housing development, became available.

Patterson Heights is one of the first developments in North Dakota to set-aside rental units specifically for law enforcement personnel.

"The place is outstanding; everything is new," said Easterling. "It was such a relief to find a place to live, truly a weight off my shoulders."

In recent years, Dickinson has experienced an influx of energy industry workers and, while new housing units are being added, finding affordable housing is a challenge.

Recruiting and retaining the personnel that provide essential public services is difficult due to increased housing costs and shortages.

Dave Wilkie, administrative captain at the Dickinson Police Department, has noticed significant growth in his home town. "Our department has grown over the last few years and we are adding more and more officers as needed," said Wilkie. "Many out-of-



Heights and the development has truly been a Godsend to our police department."

Patterson Heights is supported by North Dakota Housing Finance Agency's Housing Incentive Fund (HIF) and a Law Enforcement Pilot Program (LEPP). The programs are a means to create affordable rental units for essential services

state workers are hired because they are good candidates looking for a job and their own local police departments are slowing down."

The Dickinson Police Department is constantly in touch with real estate

agents and apartment managers about potential listings, rental openings or even basements for rent to aid their staff in finding places to live.

The city of Dickinson also has FEMA trailers

available for officers just until they can find something more permanent.

"Having affordable housing is really important to our community. There are many people who don't work in the oil fields and they can't afford the high rents," said Wilkie. "We currently have three officers living in Patterson

workers and households of limited means.

Created during North Dakota's 2011 legislative session, HIF provides developers of affordable rental units with low-cost financing. It is

The Law Enforcement Pilot Program was created to address the challenge of providing affordable rental housing for law enforcement personnel in energy-impacted areas of North Dakota. The program was funded by the approximately \$3 million that the State received through the Mortgage Servicer Settlement Fund which originated from a landmark settlement reached with the nation's five major mortgage servicers.

capitalized by contributions from state taxpayers. Contributors to the fund received a dollar-for-dollar state income tax credit for their support.

The North Dakota Industrial Commission asked NDHFA to develop LEPP. The program is targeted to creating housing for

law enforcement personnel in communities in energy-impacted areas.

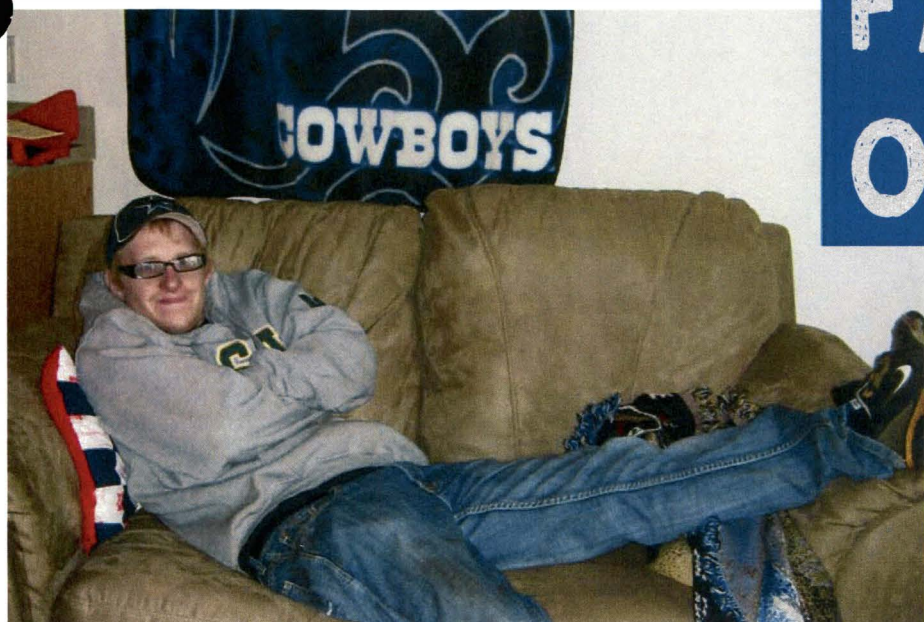
"I like Dickinson," said Easterling. "The city is growing, I like my new development and I really appreciate the housing I'm living in."

(Original article published in Oct. 2013.)

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Enjoying Life's Little Luxuries

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Bowman in 1985, the year ABLE opened the group home. Prior to that, Vogel, who is in his 70's, lived in Grafton, ND, at a state-run facility where most of North Dakota's developmentally disabled population was institutionalized before a landmark lawsuit in 1983 declared the practice to be a violation of their civil rights.

Carolynne Jones, director of satellite services for ABLE's Bowman and Hettinger properties, says that Vogel named himself 'Hoppy' after Hopalong Cassidy, a fictional cowboy hero. She believes that action saved his life. "He made a world for himself in order to live in the world he was put into," says Jones. Vogel enjoyed the little bit of freedom that living in the group home setting gave him. When asked if he wanted his own apartment, Jones says he was reluctant to make the change.

Many of us take for granted the little luxuries that come from having a place of our own. Having our own kitchen where we can cook what we want to eat, having a spacious bed to sleep in at night, and having the freedom to entertain guests whenever we please.

supportive services from ABLE. Having the units in close proximity allows the organization to efficiently provide services. And, thanks to the support of North Dakota Housing Finance Agency's Housing Incentive Fund (HIF), the rent is affordable.

Two North Dakota men who are supported by ABLE Inc., a private, nonprofit organization that provides residential and day support to people with intellectual and development disabilities, are enjoying these little luxuries for the first time.

"For the people who needed a change in environment, moving from group settings to apartments, the HIF program has been a huge plus," says Anderson. "We could not have improved their quality of housing without the development assistance."

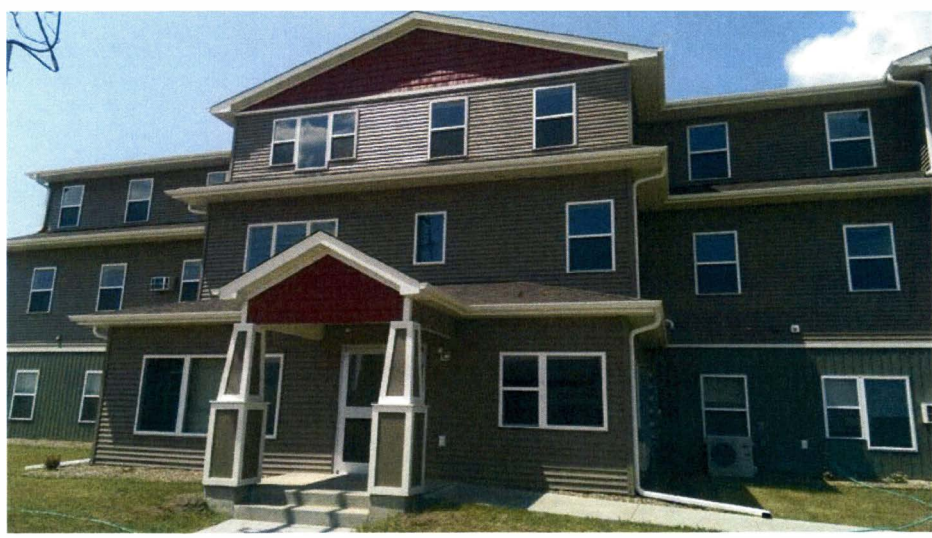
George "Hoppy" Vogel and David Hippe moved into their own apartments at The Landing in Bowman, ND, in July. Prior to the move, they lived in the same community in a Transitional Community Living Facility, a place commonly known as a "group home."

George "Hoppy" Vogel, moved to

"I told Hoppy I'd have to sleep on a cot outside his door the first night because I was so worried," said Jones. "He told me to go, and the next morning he put his arm around me and said he was okay. Whew! When I asked if his new

"Such a situation can be ideal for people that need intense physical or emotional support," says Mary Anderson, ABLE Inc. executive director. "For Hoppy and David, independent living is a much better fit."

Nine of the 26 housing units at The Landing, which was developed by Lutheran Social Services Housing, are reserved for people that receive



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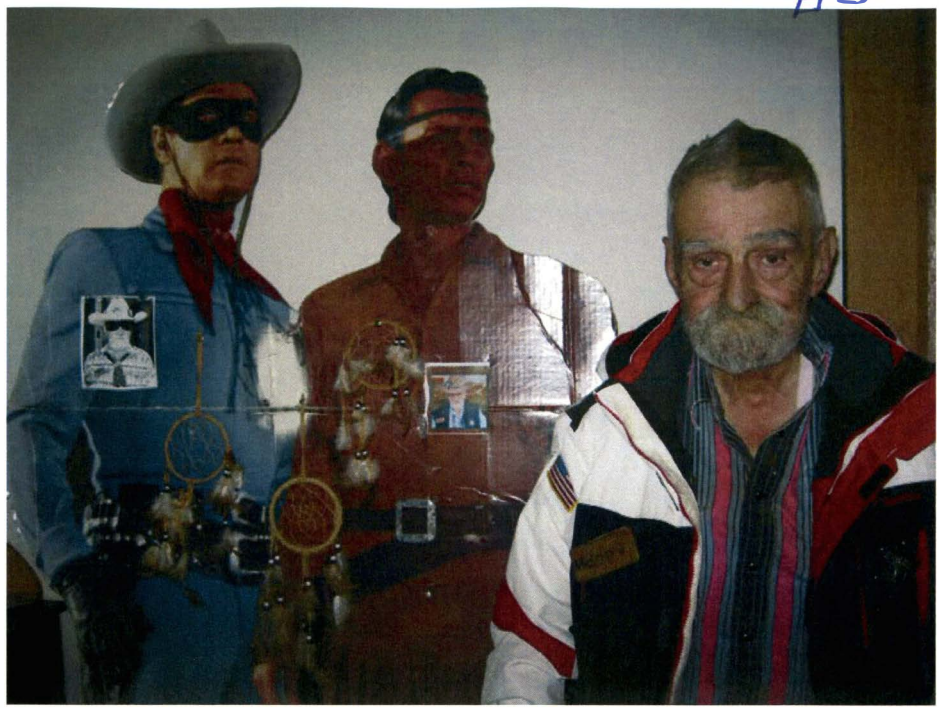
full-size bed was comfortable, he said sure and told me to quit worrying. Can you imagine your whole adult life in a twin-size bed?"

In his new independent living situation, Vogel is able to stock his own fridge and decide for himself what he wants to eat rather than participating in communal meals. Prior to the move, his medical team wanted him to gain some weight. Since moving into The Landing, Vogel has gained 7 pounds and everyone is pleased with how well he is doing living on his own.

Unlike Vogel, David Hippe longed for independence. He is in his mid-twenties and, like most young adults, he coveted a place of his own without roommates or restrictions on his decorating choices. He also wanted to be able to entertain friends at his home.

"David was rather lost and going down a destructive path in life when he moved to Bowman," said Jones. "He was embarrassed to live in the group home because he so wanted to be on his own yet knew he needed the structure and safety net ABLÉ provides."

Hippe adapted quickly to independent living. His new apartment is festooned with sports memorabilia from his favorite football team, the Dallas Cowboys. He enjoys inviting company over to watch a movie in the evening or come for coffee in the



morning. His Erickson's Meat Market co-workers are frequent guests.

Housing Incentive Fund

The Housing Incentive Fund (HIF) supports the development of affordable multifamily housing units for essential service workers, main street employees and fixed-income households. Approximately one-third of the 31 developments supported by HIF during the 2013-2015 biennium created housing for special needs households including disabled, homeless and elderly individuals and families.

"This move has made a huge difference in people's lives," says Jones. "At first, not having joint gathering spaces – a centralized kitchen or recreation space - was a concern, people pretty much stayed to themselves in their own apartments. After about a month we started to see

people, if they wanted company, inviting guests to come into their home. It's on their terms, the way it should

be."

Including HIF, a program that supports the development of affordable multifamily housing, The Landing received more than \$2.4 million from the state of North Dakota to ensure the units occupied by people supported by ABLÉ are affordable. The remaining 17 units in the complex rent at market rate.

ABLE is dedicated to enhancing relationships, providing opportunities for growth and encouraging people to reach their personal dreams. The organization supports people in their homes, work and communities.

ABLE is currently working with Sullivan Properties in Dickinson, ND, to develop an apartment complex that will offer living arrangements similar to the set-up at The Landing.

(Original article published in Dec. 2014.)

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Meeting a Need in the Community

Kris Fehr of AK Investments doesn't shy away from helping her community of Dickinson, North Dakota. She serves as an assisting minister and sings in the choir at St. John's Lutheran church; she is director of the Best Friends Mentoring Program; she's involved with Boy Scouts, is an active Rotarian, and serves as President of the school board. So when an opportunity came to further help residents of Dickinson, Fehr jumped right in.

Dickinson has become a hub for the oil and gas industry and many people have moved into the area for the economic opportunities. The current housing stock that is affordable for low- to moderate-income households has become limited with the high growth rates.

In 2011, Fehr read about the Housing Incentive Fund (HIF), administered by the North Dakota Housing Finance Agency. It was created during the legislative session that year to provide developers of affordable rental units with low cost financing.

"I was hearing heartbreaking stories," said Fehr. "Rents were increasing and some residents couldn't afford to stay here. I felt like we could make a difference and help address our community's affordable housing shortage."

Fehr put an application together and it was accepted in an early 2012 funding round. HIF was the perfect tool for Kris



Through the process, Fehr developed a new admiration for developers.

"There is really so much involved and so much can go wrong, you really have to work as a team and depend on others to complete the project," said Fehr. "It was my goal to be open, honest and straightforward with what I'm doing

and her husband, Alan, to convert 161 S Main, a 100-year-old property, into 10 units of affordable housing.

While the couple had acquired and owned rental property for many years, this would be the first project that they would be developing. Despite the challenges of finding a contractor, working through a myriad of details, coordinating city inspections, utilities, water, additional financing and dealing with a couple minor setbacks, the apartments were completed in September 2013.

"We didn't set out to be developers; we enjoyed meeting a need in the community," said Fehr. "HIF did what it was intended to do. Our units were nearly all rented in two months and our tenants are new residents of Dickinson – all ages and all ethnicities."

and to communicate. In the end it was really satisfying to know we could help others."

Since 2011, developers like Fehr have made more than 1,500 units in 57 developments in communities across the state possible by utilizing HIF.

Housing Incentive Fund (HIF)
Administered by North Dakota Housing Finance Agency (NDHFA), HIF supports the development of affordable units for low- and moderate-income households.

The program was created during the 2011 Legislative Session. It was reauthorized and expanded during the 2013 session.

Since HIF's inception, NDHFA has allocated over \$49 million to projects, leveraging more than \$240 million in construction financing.

Those projects provide much-needed housing for families, essential service workers and disabled and elderly households.

"These units are for people who are not making the big money, yet they are working as ambulance drivers, firefighters, grocery store clerks, mechanics, office

managers, dental hygienists. They are part of what makes our town great, progressive and productive. If we don't find ways to support them, they will leave," said Fehr. "Everyone deserves quality housing."

(Original article published April 2014.)

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Table 2.44 North Dakota Household Projections for Renter-Occupied Housing Units with Householder Ages 65 and Older, 2019 to 2029
Sources: U.S. Census Bureau and the Center for Social Research at NDSU

Area	Renter-Occupied Housing Units with Householder Ages 65 and Older						
	Estimates		% change: 2010	Projections			% change: 2014 to
	2010	2014	to 2014	2019	2024	2029	2029
North Dakota	16,449	18,496	12.4%	21,657	25,719	29,166	57.7%
Adams County	118	82	-30.2%	87	90	89	8.1%
Barnes County	482	521	8.1%	579	636	675	29.6%
Benson County	147	133	-9.8%	144	165	176	32.8%
Billings County	19	11	-39.6%	12	14	15	30.7%
Bottineau County	232	193	-16.6%	211	229	243	25.6%
Bowman County	67	92	37.2%	93	111	115	25.1%
Burke County	52	48	-8.6%	45	44	45	-5.3%
Burleigh County	2,015	2,164	7.4%	2,713	3,348	3,906	80.5%
Cass County	3,585	4,300	20.0%	5,738	7,128	8,262	92.1%
Cavalier County	98	108	9.7%	105	106	101	-6.1%
Dickey County	206	153	-25.6%	152	166	172	12.3%
Divide County	53	46	-13.7%	41	45	46	0.6%
Dunn County	37	26	-29.2%	30	37	42	60.4%
Eddy County	78	63	-18.9%	66	71	72	13.8%
Emmons County	75	116	54.7%	118	123	130	12.0%
Foster County	142	95	-32.8%	95	104	111	16.3%
Golden Valley County	27	52	91.5%	49	46	47	-9.1%
Grand Forks County	1,060	1,474	39.1%	1,767	2,049	2,258	53.1%
Grant County	66	90	36.6%	96	101	104	15.4%
Griggs County	102	100	-1.6%	102	103	99	-1.4%
Hettinger County	76	58	-23.4%	57	54	53	-9.0%
Kidder County	95	62	-34.8%	71	78	79	27.6%
LaMoure County	112	120	7.2%	135	147	145	20.7%
Logan County	44	36	-18.0%	33	28	26	-27.9%
McHenry County	193	146	-24.6%	152	160	164	12.7%
McIntosh County	65	89	37.4%	81	84	87	-2.6%
McKenzie County	94	231	145.7%	323	433	589	155.0%
Mclean County	205	264	28.9%	289	329	346	31.0%
Mercer County	141	151	6.9%	174	209	226	49.9%
Morton County	611	702	14.9%	814	965	1,084	54.4%
Mountrail County	60	151	151.5%	184	238	291	92.8%
Nelson County	111	63	-42.9%	61	65	64	1.1%
Oliver County	32	54	68.9%	63	71	74	36.9%
Pembina County	178	242	35.7%	271	302	313	29.6%
Pierce County	204	222	9.0%	225	244	269	21.0%
Ramsey County	500	568	13.6%	617	705	810	42.6%
Ransom County	182	205	12.5%	206	213	214	4.5%
Renville County	51	66	29.5%	67	70	73	10.6%
Richland County	324	321	-0.9%	367	422	451	40.5%
Rolette County	170	195	14.7%	235	276	315	61.6%
Sargent County	120	92	-23.6%	108	121	128	39.5%
Sheridan County	27	41	53.3%	40	40	38	-8.2%
Sioux County	65	96	47.6%	101	107	118	23.0%
Slope County	8	7	-13.7%	8	8	8	15.9%
Stark County	698	696	-0.2%	764	975	1,195	71.6%
Steele County	37	86	131.2%	100	122	148	73.0%
Stutsman County	722	781	8.1%	861	955	1,045	33.9%
Towner County	82	102	24.9%	113	126	122	19.1%
Traill County	368	295	-19.7%	326	378	422	42.9%
Walsh County	404	374	-7.4%	371	374	369	-1.4%
Ward County	1,131	1,285	13.6%	1,343	1,569	1,776	38.2%
Wells County	187	164	-12.5%	158	163	170	3.9%
Williams County	491	662	34.9%	696	972	1,246	88.1%
Bismarck city	1,912	2,132	11.5%	2,724	3,357	3,937	84.6%
Devils Lake city	488	518	6.2%	544	619	714	37.7%
Dickinson city	651	645	-1.0%	617	763	924	43.3%
Fargo city	2,957	3,336	12.8%	4,673	5,824	6,839	105.0%
Grand Forks city	1,004	1,330	32.5%	1,629	1,892	2,091	57.2%
Jamestown city	666	721	8.2%	809	900	986	36.8%
Mandan city	491	631	28.4%	723	856	960	52.2%
Minot city	996	1,122	12.6%	1,064	1,233	1,400	24.8%
Valley City city	448	487	8.6%	543	594	633	30.1%
Wahpeton city	226	149	-34.1%	171	190	203	36.3%
West Fargo city	398	731	83.7%	1,025	1,273	1,422	94.5%
Williston city	392	558	42.5%	455	632	798	42.9%
Fort Berthold Reservation	63	111	76.2%	120	128	137	23.4%
Spirit Lake Reservation	65	49	-24.6%	49	49	49	0.0%
Standing Rock Reservation	65	96	47.6%	101	107	118	23.0%
Turtle Mountain Reservation	78	63	-19.2%	65	67	69	9.5%
Region 1	638	939	47.2%	1,060	1,450	1,881	100.3%
Region 2	1,923	2,111	9.8%	2,227	2,554	2,861	35.5%
Region 3	1,075	1,169	8.7%	1,280	1,449	1,596	36.5%
Region 4	1,753	2,154	22.9%	2,470	2,790	3,004	39.5%
Region 5	4,616	5,299	14.8%	6,845	8,384	9,625	81.6%
Region 6	2,062	2,060	-0.1%	2,196	2,386	2,530	22.8%
Region 7	3,332	3,740	12.2%	4,479	5,371	6,105	63.2%
Region 8	1,050	1,025	-2.4%	1,100	1,335	1,564	52.6%

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Area	Change in Renter-Occupied Housing Units by Age of Householder									
	Total		Less than 25		Ages 25 to 44		Ages 45 to 64		Ages 65 and older	
	Numeric	Percent	Numeric	Percent	Numeric	Percent	Numeric	Percent	Numeric	Percent
North Dakota	25,664	22.9%	1,001	4.0%	13,466	31.4%	526	2.0%	10,670	57.7%
Adams County	62	20.1%	23	28.6%	44	45.7%	-11	-22.8%	7	8.1%
Barnes County	45	3.0%	-13	-4.5%	-41	-9.6%	-55	-21.5%	154	29.6%
Benson County	-73	-8.9%	6	12.9%	-37	-11.0%	-85	-28.1%	43	32.8%
Billings County	-3	-3.1%	1	6.5%	-6	-20.1%	-1	-2.0%	4	30.7%
Bottineau County	75	10.2%	98	86.0%	-20	-10.8%	-51	-21.0%	50	25.6%
Bowman County	35	9.8%	17	37.0%	7	5.6%	-13	-14.9%	23	25.1%
Burke County	23	6.5%	49	51.5%	-12	-8.1%	-11	-15.6%	-3	-5.3%
Burleigh County	3,648	31.7%	643	27.4%	1,060	27.2%	202	6.6%	1,742	80.5%
Cass County	9,822	28.2%	680	7.5%	4,343	29.9%	838	12.1%	3,962	92.1%
Cavalier County	-28	-12.2%	-2	-8.5%	8	17.2%	-27	-51.2%	-7	-6.1%
Dickey County	-16	-2.5%	52	31.4%	-54	-32.0%	-32	-23.4%	19	12.3%
Divide County	59	31.1%	1	14.8%	63	77.2%	-5	-8.6%	0	0.6%
Dunn County	96	30.8%	26	50.2%	61	41.3%	-6	-7.2%	16	60.4%
Eddy County	-30	-10.5%	3	9.0%	-11	-10.0%	-31	-42.0%	9	13.8%
Emmons County	-4	-1.4%	-9	-11.7%	17	32.3%	-26	-43.4%	14	12.0%
Foster County	-11	-2.7%	-7	-8.0%	0	0.2%	-19	-26.4%	16	16.3%
Golden Valley County	30	13.5%	-1	-10.2%	20	24.5%	16	21.9%	-5	-9.1%
Grand Forks County	1,191	8.2%	-1,054	-21.5%	1,871	34.1%	-410	-15.4%	784	53.1%
Grant County	-22	-8.7%	4	10.6%	-16	-22.1%	-24	-42.2%	14	15.4%
Griggs County	-40	-15.0%	3	18.5%	-9	-12.3%	-33	-39.3%	-1	-1.4%
Hettinger County	59	27.7%	26	69.3%	39	52.1%	-2	-4.6%	-5	-9.0%
Kidder County	4	1.8%	1	2.5%	-1	-1.5%	-12	-37.3%	17	27.6%
LaMoure County	-7	-1.8%	10	12.1%	2	1.9%	-44	-41.2%	25	20.7%
Logan County	8	5.3%	3	6.1%	21	54.8%	-6	-20.9%	-10	-27.9%
McHenry County	-2	-0.3%	12	21.1%	-28	-14.6%	-4	-3.2%	18	12.7%
McIntosh County	-21	-8.9%	-3	-15.3%	1	0.8%	-16	-42.3%	-2	-2.6%
McKenzie County	1,563	100.0%	36	53.1%	742	99.3%	427	82.7%	358	155.0%
McLean County	128	13.3%	61	37.5%	30	11.1%	-44	-16.4%	82	31.0%
Mercer County	118	17.9%	28	26.5%	73	32.7%	-58	-32.7%	75	49.9%
Morton County	536	18.1%	30	5.5%	127	13.4%	-3	-0.4%	382	54.4%
Mountrail County	430	38.6%	14	22.4%	201	39.0%	76	19.5%	140	92.8%
Nelson County	-5	-1.9%	3	9.8%	27	22.3%	-36	-47.6%	1	1.1%
Oliver County	25	19.7%	-4	-20.9%	21	61.6%	-12	-51.3%	20	36.9%
Pembina County	-34	-4.5%	-4	-5.9%	-20	-7.8%	-81	-43.1%	71	29.6%
Pierce County	26	5.1%	-2	-3.6%	16	13.5%	-35	-33.2%	47	21.0%
Ramsey County	195	10.4%	-2	-1.6%	78	11.9%	-123	-24.7%	242	42.6%
Ransom County	-10	-1.5%	-6	-8.8%	52	30.9%	-66	-26.8%	9	4.5%
Renville County	-24	-9.1%	3	9.5%	-16	-15.2%	-18	-27.0%	7	10.6%
Richland County	208	11.8%	6	1.3%	185	33.1%	-113	-29.0%	130	40.5%
Rolette County	220	15.2%	63	36.9%	65	9.5%	-29	-7.3%	120	61.6%
Sargent County	18	4.6%	-5	-8.4%	20	16.7%	-33	-28.8%	36	39.5%
Sheridan County	-13	-14.5%	0	-	4	39.6%	-13	-33.9%	-3	-8.2%
Sioux County	147	23.1%	8	23.8%	71	28.5%	46	17.9%	22	23.0%
Slope County	6	11.5%	0	1.4%	5	15.9%	-1	-15.5%	1	15.9%
Stark County	1,510	39.2%	386	49.7%	401	27.8%	224	24.0%	499	71.6%
Steele County	2	0.9%	-6	-15.3%	-26	-39.3%	-28	-50.1%	62	73.0%
Stutsman County	-32	-1.0%	20	4.4%	-62	-6.6%	-254	-26.2%	264	33.9%
Towner County	-5	-2.3%	6	39.5%	3	5.6%	-34	-51.2%	20	19.1%
Traill County	0	0.0%	-12	-9.6%	-61	-20.4%	-53	-30.6%	127	42.9%
Walsh County	-72	-5.9%	-3	-1.6%	63	21.7%	-127	-35.7%	-5	-1.4%
Ward County	2,622	24.1%	-368	-13.0%	2,229	48.9%	269	12.2%	491	38.2%
Wells County	-3	-0.8%	6	10.0%	31	35.4%	-47	-37.1%	6	3.9%
Williams County	3,213	61.9%	181	31.2%	1,884	77.3%	564	37.4%	584	88.1%
Bismarck city	3,416	30.7%	551	23.3%	1,003	27.2%	58	2.0%	1,805	84.6%
Devils Lake city	125	7.6%	-4	-2.7%	56	10.3%	-122	-27.5%	196	37.7%
Dickinson city	1,215	35.6%	328	46.3%	497	38.5%	111	14.4%	279	43.3%
Fargo city	8,342	28.1%	689	8.3%	3,574	29.2%	576	10.1%	3,503	105.0%
Grand Forks city	900	6.8%	-1,022	-21.6%	1,661	35.1%	-500	-20.4%	761	57.2%
Jamestown city	-6	-0.2%	32	7.8%	-51	-6.6%	-252	-28.4%	265	36.8%
Mandan city	401	16.0%	6	1.2%	103	12.6%	-38	-6.7%	329	52.2%
Minot city	1,808	21.8%	-330	-15.6%	1,787	55.7%	72	3.9%	278	24.8%
Valley City city	49	3.8%	8	3.0%	-53	-16.1%	-52	-24.7%	146	30.1%
Wahpeton city	126	9.8%	25	5.8%	149	36.3%	-102	-34.3%	54	36.3%
West Fargo city	1,159	27.7%	-3	-0.5%	426	23.7%	44	4.4%	691	94.5%
Williston city	2,151	48.9%	148	29.6%	1,455	71.5%	309	23.7%	240	42.9%
Fort Berthold Reservation	254	23.1%	16	22.5%	111	23.0%	101	23.3%	26	23.4%
Spirit Lake Reservation	2	0.3%	0	0.0%	1	0.4%	1	0.4%	0	0.0%
Standing Rock Reservation	147	23.1%	8	23.8%	71	28.5%	46	17.9%	22	23.0%
Turtle Mountain Reservation	75	8.9%	7	9.6%	38	8.8%	24	8.8%	6	9.5%
Region 1	4,835	69.7%	218	33.3%	2,689	82.3%	986	47.4%	942	100.3%
Region 2	3,151	21.9%	-196	-6.0%	2,371	40.7%	226	7.0%	750	35.5%
Region 3	278	5.7%	74	16.6%	106	5.6%	-329	-23.7%	427	36.5%
Region 4	1,079	6.4%	-1,059	-20.3%	1,942	31.6%	-655	-20.0%	850	39.5%
Region 5	10,040	25.9%	656	6.6%	4,513	28.7%	544	6.9%	4,326	81.6%
Region 6	-78	-1.1%	69	5.6%	-110	-5.4%	-507	-27.9%	470	22.8%
Region 7	4,566	25.8%	762	22.8%	1,384	23.6%	55	1.2%	2,365	63.2%
Region 8	1,793	33.2%	477	46.9%	571	28.0%	205	15.5%	539	52.6%

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Table 2.46 North Dakota Household Projections for Extremely Low Income Households, 2019 to 2029
 Sources: U.S. Census Bureau and the Center for Social Research at NDSU

Area	Extremely Low Income Households - Earning 0% to 30% of the Median Family Income (MFI)					% change: 2014 to 2029
	2014	Projections			2029	
		2019	2024	2029		
North Dakota	50,607	54,703	58,249	62,538	23.6%	
Adams County	149	153	160	162	9.0%	
Barnes County	760	789	799	809	6.5%	
Benson County	626	623	620	611	-2.3%	
Billings County	64	61	65	71	11.6%	
Bottineau County	587	589	614	643	9.6%	
Bowman County	203	204	228	235	15.6%	
Burke County	217	207	207	218	0.4%	
Burleigh County	4,710	5,292	5,965	6,665	41.5%	
Cass County	11,307	12,623	13,659	14,900	31.8%	
Cavalier County	229	216	207	193	-15.8%	
Dickey County	374	365	385	392	4.7%	
Divide County	182	174	179	187	2.8%	
Dunn County	236	266	296	319	35.4%	
Eddy County	226	233	229	217	-4.1%	
Emmons County	380	375	378	381	0.4%	
Foster County	288	278	288	296	2.6%	
Golden Valley County	196	200	200	211	7.4%	
Grand Forks County	6,332	6,508	6,370	6,745	6.5%	
Grant County	270	275	273	265	-2.0%	
Griggs County	149	146	144	139	-6.4%	
Hettinger County	141	143	139	141	0.0%	
Kidder County	196	208	219	213	8.7%	
LaMoure County	354	379	387	377	6.4%	
Logan County	159	152	137	129	-18.7%	
McHenry County	461	468	479	487	5.6%	
McIntosh County	313	293	284	276	-11.9%	
McKenzie County	606	897	1,075	1,265	108.6%	
McLean County	709	756	796	814	14.9%	
Mercer County	635	684	755	794	25.1%	
Morton County	1,662	1,826	2,034	2,207	32.8%	
Mountrail County	541	647	730	813	50.2%	
Nelson County	311	292	290	279	-10.2%	
Oliver County	123	138	151	153	24.5%	
Pembina County	498	502	510	503	1.0%	
Pierce County	428	428	444	473	10.6%	
Ramsey County	1,056	1,106	1,183	1,264	19.8%	
Ransom County	363	358	353	348	-4.2%	
Renville County	167	166	165	164	-1.6%	
Richland County	1,107	1,184	1,209	1,251	13.0%	
Rolette County	1,796	1,955	2,070	2,186	21.7%	
Sargent County	252	274	283	284	12.8%	
Sheridan County	111	107	103	97	-12.4%	
Sioux County	307	348	364	380	23.8%	
Slope County	57	65	69	65	13.6%	
Stark County	1,744	2,004	2,304	2,635	51.0%	
Steele County	120	127	143	166	38.4%	
Stutsman County	1,561	1,613	1,655	1,726	10.6%	
Towner County	180	189	191	182	1.0%	
Traill County	565	592	615	640	13.3%	
Walsh County	950	922	909	901	-5.1%	
Ward County	3,495	3,842	4,078	4,368	25.0%	
Wells County	398	385	389	394	-1.0%	
Williams County	1,759	2,076	2,470	2,904	65.1%	
Bismarck city	4,458	4,976	5,599	6,284	41.0%	
Devils Lake city	928	951	1,005	1,076	15.9%	
Dickinson city	1,403	1,533	1,707	1,903	35.7%	
Fargo city	9,598	10,757	11,513	12,583	31.1%	
Grand Forks city	5,898	6,017	5,847	6,191	5.0%	
Jamestown city	1,226	1,274	1,302	1,363	11.2%	
Mandan city	1,246	1,345	1,504	1,628	30.7%	
Minot city	2,846	2,989	3,127	3,337	17.2%	
Valley City city	571	605	600	610	6.8%	
Wahpeton city	657	711	680	696	6.0%	
West Fargo city	1,258	1,459	1,662	1,799	43.0%	
Williston city	1,366	1,431	1,656	1,918	40.4%	
Fort Berthold Reservation	513	552	592	631	23.0%	
Spirit Lake Reservation	409	409	409	409	0.0%	
Standing Rock Reservation	307	348	364	380	23.8%	
Turtle Mountain Reservation	1,118	1,151	1,183	1,217	8.9%	
Region 1	2,547	3,147	3,724	4,356	71.0%	
Region 2	5,896	6,347	6,717	7,166	21.5%	
Region 3	4,112	4,322	4,500	4,653	13.1%	
Region 4	8,090	8,224	8,079	8,428	4.2%	
Region 5	13,714	15,158	16,262	17,589	28.3%	
Region 6	4,356	4,400	4,468	4,538	4.2%	
Region 7	9,101	10,009	11,038	11,969	31.5%	
Region 8	2,790	3,096	3,461	3,839	37.6%	

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Table 2.47 North Dakota Household Projections for Very Low Income Households, 2019 to 2029					
Sources: U.S. Census Bureau and the Center for Social Research at NDSU					
Area	Very Low Income Households - Earning 31% to 50% of the Median Family Income (MFI)				
	2014	2019	Projections		% change: 2014 to 2029
			2024	2029	
North Dakota	49,919	55,178	58,929	62,579	25.4%
Adams County	194	196	202	205	5.8%
Barnes County	795	832	837	855	7.5%
Benson County	445	442	437	428	-3.8%
Billings County	26	26	28	29	11.2%
Bottineau County	480	495	518	537	11.8%
Bowman County	161	164	178	185	14.6%
Burke County	141	141	140	136	-3.9%
Burleigh County	5,452	6,108	6,848	7,581	39.1%
Cass County	12,682	14,540	15,849	17,150	35.2%
Cavalier County	260	246	234	215	-17.4%
Dickey County	414	400	396	391	-5.7%
Divide County	154	153	150	158	2.3%
Dunn County	214	237	263	283	32.4%
Eddy County	144	147	148	144	0.0%
Emmons County	361	354	348	350	-3.1%
Foster County	182	179	184	188	3.4%
Golden Valley County	154	156	158	174	12.9%
Grand Forks County	5,098	5,554	5,743	5,898	15.7%
Grant County	173	173	164	160	-7.7%
Griggs County	225	216	208	198	-12.2%
Hettinger County	201	214	215	219	8.8%
Kidder County	165	168	163	158	-4.5%
LaMoure County	254	266	264	252	-0.9%
Logan County	159	153	141	136	-14.3%
McHenry County	435	442	445	448	3.1%
McIntosh County	301	293	278	266	-11.7%
McKenzie County	668	967	1,208	1,511	126.3%
McLean County	696	758	795	807	15.9%
Mercer County	362	391	431	451	24.7%
Morton County	1,874	2,043	2,245	2,407	28.4%
Mountrail County	399	487	550	609	52.5%
Nelson County	217	210	211	205	-5.6%
Oliver County	93	105	114	114	22.1%
Pembina County	570	562	562	550	-3.5%
Pierce County	365	365	372	387	6.2%
Ramsey County	886	895	913	929	4.9%
Ransom County	391	389	398	403	3.0%
Renville County	131	127	125	125	-4.6%
Richland County	908	965	1,001	1,032	13.6%
Rolette County	680	735	763	793	16.7%
Sargent County	227	257	262	259	13.9%
Sheridan County	89	88	87	86	-3.3%
Sioux County	194	215	228	237	22.2%
Slope County	55	62	63	59	6.8%
Stark County	1,867	2,173	2,421	2,683	43.7%
Steele County	147	143	148	158	7.8%
Stutsman County	1,522	1,538	1,559	1,567	2.9%
Towner County	157	169	166	151	-3.6%
Traill County	509	524	521	520	2.2%
Walsh County	761	727	697	675	-11.3%
Ward County	4,949	5,503	5,779	6,126	23.8%
Wells County	348	339	336	338	-3.0%
Williams County	1,583	2,146	2,435	2,653	67.6%
Bismarck city	4,872	5,435	6,094	6,764	38.8%
Devils Lake city	621	621	617	617	-0.6%
Dickinson city	1,450	1,652	1,816	1,978	36.4%
Fargo city	10,293	11,951	12,959	14,076	36.8%
Grand Forks city	4,318	4,674	4,814	4,921	14.0%
Jamestown city	1,306	1,319	1,335	1,343	2.8%
Mandan city	1,431	1,532	1,683	1,800	25.8%
Minot city	3,792	4,073	4,284	4,533	19.5%
Valley City city	567	610	597	612	7.9%
Wahpeton city	467	514	525	535	14.6%
West Fargo city	1,806	1,993	2,197	2,338	29.5%
Williston city	1,238	1,617	1,775	1,881	52.0%
Fort Berthold Reservation	238	257	275	292	22.7%
Spirit Lake Reservation	211	211	211	211	0.0%
Standing Rock Reservation	194	215	228	237	22.2%
Turtle Mountain Reservation	393	404	416	428	8.9%
Region 1	2,405	3,266	3,793	4,322	79.7%
Region 2	6,900	7,560	7,929	8,368	21.3%
Region 3	2,571	2,634	2,661	2,660	3.4%
Region 4	6,645	7,053	7,213	7,328	10.3%
Region 5	14,864	16,818	18,179	19,522	31.3%
Region 6	4,202	4,216	4,203	4,191	-0.3%
Region 7	9,460	10,403	11,423	12,351	30.6%
Region 8	2,872	3,228	3,528	3,837	33.6%

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Table 2.48 North Dakota Household Projections for Low Income Households, 2019 to 2029

Sources: U.S. Census Bureau and the Center for Social Research at NDSU

Area	Low Income Households - Earning 51% to 80% of the Median Family Income (MFI)					
	2014	Projections				% change: 2014 to 2029
		2019	2024	2029	2029	
North Dakota	68,690	75,587	79,668	83,184	21.1%	
Adams County	300	305	311	315	4.9%	
Barnes County	1,118	1,119	1,112	1,088	-2.7%	
Benson County	580	570	558	544	-6.3%	
Billings County	89	93	93	89	0.4%	
Bottineau County	596	600	619	635	6.6%	
Bowman County	264	270	271	275	4.3%	
Burke County	200	195	190	186	-6.9%	
Burleigh County	8,007	8,860	9,815	10,760	34.4%	
Cass County	16,494	18,850	20,284	21,712	31.6%	
Cavalier County	377	362	347	326	-13.5%	
Dickey County	519	505	493	481	-7.2%	
Divide County	210	228	236	243	15.6%	
Dunn County	285	309	346	374	31.4%	
Eddy County	274	256	235	218	-20.4%	
Emmons County	402	384	368	345	-14.2%	
Foster County	369	361	346	336	-8.9%	
Golden Valley County	124	125	120	129	4.0%	
Grand Forks County	6,611	7,225	7,535	7,582	14.7%	
Grant County	274	262	241	225	-18.0%	
Griggs County	265	240	222	203	-23.5%	
Hettinger County	306	337	337	341	11.3%	
Kidder County	236	239	231	221	-6.6%	
LaMoure County	461	475	449	424	-8.1%	
Logan County	215	216	202	204	-5.3%	
McHenry County	592	598	587	582	-1.8%	
McIntosh County	295	291	270	256	-13.3%	
McKenzie County	789	1,176	1,398	1,616	104.9%	
McLean County	946	1,008	1,020	1,019	7.7%	
Mercer County	712	743	779	801	12.5%	
Morton County	3,087	3,289	3,453	3,592	16.3%	
Mountrail County	625	758	803	845	35.2%	
Nelson County	361	352	353	346	-4.1%	
Oliver County	163	155	151	150	-8.1%	
Pembina County	836	813	787	756	-9.6%	
Pierce County	400	395	380	370	-7.5%	
Ramsey County	1,085	1,099	1,121	1,141	5.1%	
Ransom County	514	506	499	494	-3.8%	
Renville County	242	242	231	217	-10.5%	
Richland County	1,492	1,518	1,580	1,606	7.6%	
Rolette County	959	1,024	1,032	1,045	8.9%	
Sargent County	430	455	450	436	1.4%	
Sheridan County	188	183	171	163	-13.4%	
Sioux County	237	263	277	290	22.2%	
Slope County	34	34	31	33	-1.6%	
Stark County	2,306	2,688	2,931	3,239	40.4%	
Steele County	258	259	246	222	-13.8%	
Stutsman County	2,428	2,415	2,410	2,394	-1.4%	
Towner County	202	208	197	177	-12.3%	
Traill County	734	752	737	726	-1.1%	
Walsh County	1,217	1,196	1,170	1,150	-5.5%	
Ward County	6,133	7,177	7,679	7,980	30.1%	
Wells County	503	493	480	468	-7.0%	
Williams County	2,344	3,111	3,484	3,814	62.7%	
Bismarck city	6,917	7,594	8,400	9,227	33.4%	
Devils Lake city	776	780	788	803	3.5%	
Dickinson city	1,650	1,909	2,038	2,188	32.6%	
Fargo city	12,699	14,638	15,620	16,681	31.4%	
Grand Forks city	5,386	5,840	6,095	6,096	13.2%	
Jamestown city	1,914	1,882	1,870	1,855	-3.1%	
Mandan city	2,327	2,424	2,522	2,600	11.7%	
Minot city	4,445	5,249	5,641	5,798	30.4%	
Valley City city	667	676	664	657	-1.4%	
Wahpeton city	693	699	731	729	5.2%	
West Fargo city	2,496	2,729	2,991	3,203	28.3%	
Williston city	1,666	2,034	2,222	2,417	45.1%	
Fort Berthold Reservation	499	537	575	614	23.0%	
Spirit Lake Reservation	264	264	264	264	0.0%	
Standing Rock Reservation	237	263	277	290	22.2%	
Turtle Mountain Reservation	573	590	606	623	8.7%	
Region 1	3,343	4,515	5,118	5,673	69.7%	
Region 2	8,789	9,965	10,489	10,815	23.1%	
Region 3	3,477	3,519	3,490	3,451	-0.8%	
Region 4	9,025	9,586	9,845	9,834	9.0%	
Region 5	19,922	22,340	23,796	25,196	26.5%	
Region 6	6,173	6,115	5,984	5,854	-5.2%	
Region 7	14,254	15,386	16,506	17,566	23.2%	
Region 8	3,707	4,161	4,440	4,795	29.3%	

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Table 2.49 North Dakota Household Projections for Lower Moderate Income Households, 2019 to 2029						
Sources: U.S. Census Bureau and the Center for Social Research at NDSU						
Area	Lower Moderate Income Households - Earning 81% to 115% of the Median Family Income (MFI)					
	2014	2019	Projections		2029	% change: 2014 to 2029
			2024	2029		
North Dakota	35,211	39,247	41,168	42,632		21.1%
Adams County	128	133	138	140		9.8%
Barnes County	641	641	636	616		-4.0%
Benson County	203	200	198	195		-3.9%
Billings County	26	28	27	27		3.6%
Bottineau County	257	250	250	248		-3.6%
Bowman County	148	156	156	155		4.6%
Burke County	91	88	85	86		-5.2%
Burleigh County	4,530	4,970	5,456	5,944		31.2%
Cass County	8,427	9,699	10,381	10,996		30.5%
Cavalier County	164	151	137	122		-25.5%
Dickey County	264	257	233	217		-17.9%
Divide County	112	134	143	145		29.8%
Dunn County	127	136	147	158		24.9%
Eddy County	143	143	133	121		-15.6%
Emmons County	107	99	92	83		-22.3%
Foster County	188	186	180	176		-6.3%
Golden Valley County	67	65	68	77		14.6%
Grand Forks County	2,885	3,126	3,234	3,245		12.5%
Grant County	78	80	71	63		-19.4%
Griggs County	113	101	92	83		-26.4%
Hettinger County	120	138	143	146		22.2%
Kidder County	129	129	122	115		-10.8%
LaMoure County	228	233	213	197		-13.7%
Logan County	91	95	97	98		8.1%
McHenry County	335	333	337	336		0.3%
McIntosh County	99	94	84	76		-23.5%
McKenzie County	614	904	1,043	1,183		92.8%
McLean County	436	464	466	464		6.4%
Mercer County	391	405	411	413		5.6%
Morton County	1,403	1,497	1,539	1,578		12.4%
Mountrail County	408	511	537	554		35.6%
Nelson County	196	184	174	165		-15.8%
Oliver County	77	85	88	84		9.6%
Pembina County	381	364	340	320		-16.1%
Pierce County	254	246	232	219		-13.8%
Ramsey County	477	489	500	505		5.9%
Ransom County	313	309	307	308		-1.6%
Renville County	132	127	123	121		-8.4%
Richland County	752	759	784	793		5.5%
Rolette County	373	396	400	403		8.1%
Sargent County	239	268	262	250		4.8%
Sheridan County	69	67	59	55		-20.7%
Sioux County	104	120	125	129		24.0%
Slope County	48	55	54	49		1.4%
Stark County	1,546	1,852	1,975	2,107		36.3%
Steele County	99	96	90	80		-19.5%
Stutsman County	1,113	1,082	1,055	1,028		-7.6%
Towner County	135	142	129	112		-17.1%
Traill County	417	412	390	364		-12.6%
Walsh County	617	585	556	539		-12.6%
Ward County	3,135	3,732	4,024	4,152		32.4%
Wells County	189	187	186	185		-2.1%
Williams County	1,593	2,244	2,466	2,607		63.7%
Bismarck city	3,655	3,972	4,356	4,762		30.3%
Devils Lake city	288	302	310	318		10.4%
Dickinson city	1,287	1,538	1,630	1,717		33.4%
Fargo city	5,481	6,369	6,784	7,189		31.2%
Grand Forks city	2,283	2,482	2,599	2,587		13.3%
Jamestown city	784	754	732	724		-7.7%
Mandan city	912	965	998	1,018		11.7%
Minot city	2,163	2,550	2,747	2,824		30.5%
Valley City city	425	432	420	410		-3.6%
Wahpeton city	338	345	360	361		6.9%
West Fargo city	1,976	2,127	2,302	2,422		22.6%
Williston city	1,120	1,554	1,672	1,726		54.1%
Fort Berthold Reservation	207	223	238	256		23.7%
Spirit Lake Reservation	72	72	72	72		0.0%
Standing Rock Reservation	104	120	125	129		24.0%
Turtle Mountain Reservation	210	217	222	230		9.5%
Region 1	2,318	3,282	3,652	3,935		69.8%
Region 2	4,613	5,287	5,588	5,716		23.9%
Region 3	1,495	1,521	1,497	1,458		-2.5%
Region 4	4,079	4,259	4,304	4,269		4.7%
Region 5	10,246	11,543	12,214	12,791		24.8%
Region 6	2,926	2,876	2,776	2,676		-8.5%
Region 7	7,324	7,916	8,429	8,928		21.9%
Region 8	2,209	2,563	2,708	2,859		29.4%

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Table 2.52 North Dakota Household Projections for Tax Credit Households, 2019 to 2029						
Sources: U.S. Census Bureau and the Center for Social Research at NDSU						
Area	Tax Credit Income Households - Earning 0% to 60% of the Median Family Income (MFI)					
	2014	Projections				% change: 2014 to 2029
		2019	2024	2029		
North Dakota	115,438	126,203	134,390	143,168	24.0%	
Adams County	407	413	425	431	6.0%	
Barnes County	1,738	1,805	1,822	1,851	6.5%	
Benson County	1,201	1,193	1,184	1,163	-3.1%	
Billings County	104	101	108	117	12.2%	
Bottineau County	1,174	1,194	1,249	1,311	11.7%	
Bowman County	430	430	467	484	12.5%	
Burke County	415	404	401	402	-3.1%	
Burleigh County	11,752	13,156	14,751	16,368	39.3%	
Cass County	27,674	31,353	34,036	36,933	33.5%	
Cavalier County	574	544	520	484	-15.7%	
Dickey County	868	845	858	856	-1.4%	
Divide County	390	376	380	398	2.0%	
Dunn County	495	550	608	654	32.1%	
Eddy County	431	436	429	410	-4.8%	
Emmons County	817	803	796	799	-2.2%	
Foster County	559	542	552	562	0.6%	
Golden Valley County	410	417	414	443	7.9%	
Grand Forks County	12,924	13,722	13,863	14,394	11.4%	
Grant County	502	498	489	476	-5.2%	
Griggs County	449	427	411	388	-13.5%	
Hettinger County	396	414	411	415	4.7%	
Kidder County	416	433	439	426	2.4%	
LaMoure County	695	734	739	716	3.1%	
Logan County	366	352	320	311	-15.0%	
McHenry County	1,066	1,083	1,093	1,103	3.5%	
McIntosh County	698	667	642	620	-11.1%	
McKenzie County	1,382	2,021	2,471	2,997	116.8%	
McLean County	1,618	1,743	1,828	1,858	14.8%	
Mercer County	1,260	1,351	1,481	1,555	23.4%	
Morton County	4,173	4,546	4,984	5,348	28.2%	
Mountrail County	1,034	1,249	1,401	1,550	49.9%	
Nelson County	632	605	602	585	-7.5%	
Oliver County	246	269	287	290	18.0%	
Pembina County	1,235	1,230	1,232	1,206	-2.3%	
Pierce County	885	883	902	946	6.9%	
Ramsey County	2,231	2,301	2,410	2,520	13.0%	
Ransom County	860	854	857	857	-0.3%	
Renville County	334	330	325	322	-3.7%	
Richland County	2,300	2,452	2,534	2,620	13.9%	
Rolette County	2,690	2,919	3,062	3,208	19.2%	
Sargent County	546	602	612	607	11.1%	
Sheridan County	231	226	222	211	-8.5%	
Sioux County	552	624	652	681	23.3%	
Slope County	116	130	135	129	10.8%	
Stark County	4,156	4,810	5,430	6,101	46.8%	
Steele County	305	308	323	350	14.8%	
Stutsman County	3,642	3,717	3,778	3,864	6.1%	
Towner County	368	388	385	358	-2.6%	
Traill County	1,295	1,346	1,360	1,384	6.9%	
Walsh County	1,962	1,893	1,846	1,814	-7.5%	
Ward County	9,901	10,992	11,609	12,343	24.7%	
Wells County	869	841	836	840	-3.3%	
Williams County	3,666	4,681	5,419	6,109	66.6%	
Bismarck city	10,768	11,980	13,421	14,940	38.7%	
Devils Lake city	1,775	1,803	1,864	1,945	9.6%	
Dickinson city	3,309	3,715	4,104	4,510	36.3%	
Fargo city	22,850	26,094	28,096	30,563	33.8%	
Grand Forks city	11,421	12,029	12,073	12,508	9.5%	
Jamestown city	2,951	3,011	3,047	3,120	5.7%	
Mandan city	3,216	3,433	3,763	4,023	25.1%	
Minot city	7,677	8,214	8,650	9,170	19.4%	
Valley City city	1,230	1,312	1,295	1,322	7.5%	
Wahpeton city	1,230	1,339	1,334	1,360	10.6%	
West Fargo city	3,552	4,010	4,483	4,816	35.6%	
Williston city	2,750	3,252	3,653	4,028	46.5%	
Fort Berthold Reservation	849	914	980	1,046	23.2%	
Spirit Lake Reservation	695	697	697	697	0.3%	
Standing Rock Reservation	552	624	652	681	23.3%	
Turtle Mountain Reservation	1,643	1,692	1,738	1,789	8.9%	
Region 1	5,438	7,078	8,270	9,504	74.8%	
Region 2	14,809	16,135	16,980	17,977	21.4%	
Region 3	7,494	7,781	7,990	8,143	8.7%	
Region 4	16,754	17,450	17,543	17,999	7.4%	
Region 5	32,980	36,915	39,722	42,751	29.6%	
Region 6	9,882	9,930	9,958	10,008	1.3%	
Region 7	21,567	23,649	25,929	28,012	29.9%	
Region 8	6,515	7,265	7,998	8,774	34.7%	

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Testimony in Support of SB 2271
Senate Appropriations
Chairman: Senator Ray Holmberg
January 30, 2019

Submitted by: Dan Madler, Chief Executive Officer - Beyond Shelter Inc. (BSI),
701-730-2734, dmadler@beyondshelterinc.com, Lobbyist #8

Chairman Holmberg and members of the Committee, my name is Dan Madler, I live in ND District 27 and I am the CEO of Beyond Shelter, Inc. (BSI), a mission driven North Dakota nonprofit developer of affordable housing. I would like to express support of Senate Bill 2271 and the requested \$40,000,000 appropriation to fund the Housing Incentive Fund (HIF).

HIF has been be a great tool for Community and Economic Development and I have found its design to be very nimble as it relates to the financing of affordable housing. Because of this, BSI has been able to put awarded HIF funds to work quickly; leveraging approximately \$12M in HIF's to produce \$79.6M in long-term quality affordable housing assets. Essentially, for every \$1 of HIF investment, BSI has been able to produce \$6.63 in long-term affordable housing assets. These affordable housing assets benefit the North Dakota communities of Bismarck, Burlington, Dickinson, Fargo, Minot, and West Fargo and are providing 416 HIF homes to elderly and physically disabled households, victims of domestic violence, homeless individuals, law enforcement, and essential service workers.

In addition, I would say that the HIF is a great program that supports an increase in the availability of affordable housing options within North Dakota communities. We all thrive when there is housing available for all incomes within every North Dakota community. Homes are where "Jobs" sleep at night and we all thrive when workers can afford housing in the community that they work. We all thrive when families have a decent place to lay their heads at night. A stable home anchors the ladder for future success. We all thrive when we ensure our seniors are integrated into our local communities and can choose a place to live that meets their physical, cognitive and social needs.

In closing, I respectfully request your support for \$40M of HIF funding. This funding would be a continued long-term investment in ND communities, offering great financial leverage, while increasing the availability of quality affordable housing options that will enable local families, longtime residents, and those on fixed incomes to affordably live in the ND community that they call home.

Thank you for your time and consideration.

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WRITTEN TESTIMONY PROVIDED TO
ND SENATE
APPROPRIATIONS COMMITTEE
DURING THE 66th LEGISLATIVE ASSEMBLY
ON January 30th, 2019
IN SUPPORT OF
SB 2271
REGARDING THE
HOUSING INCENTIVE FUND

Chairman Holmberg
Vice Chairman Krebsbach
Vice Chairman Wanzek
Members of the Senate Appropriations Committee

I write today to ask for your support of SB 2271 as this bill is presented. Affordable housing for the low income households of North Dakota is a continuing problem. Nearly 40% of renter households in North Dakota are cost-burdened, paying 30% or more of household income towards housing. Even within the districts of this committee's members, the range of cost burdened households is from a low 14% in Mr. Lee's district to a high of 46% in Mr. Hogue's district. The average of committee member districts is 33% and the median is 34-36%. Affordable housing for low income families is an issue that is just not going away. And, with the aging of existing affordable housing inventory, without preservation activity, this situation will only worsen as this older housing leaves the market.

The HIF Program provides the financial resource that is greatly needed to aid in addressing the affordable housing problems in North Dakota. Whether to provide new construction or preservation financing, gap assistance, or targeted supported services needed to prevent homelessness, the HIF Program works. Jolene Kline and her staff at North Dakota Housing Finance Agency have the research that shows the great extent of the need.

For committee members looking for other reasons to support the HIF Program one needs only look at the leveraging of these important dollars. Since its inception, the HIF Program has brought in nearly \$4.00 for every \$1.00 of the state's funding. As the graph and table below reflect, for this committee member's districts, the HIF Program has leveraged state dollars even more, bringing in \$4.55 of private sector or federal dollars

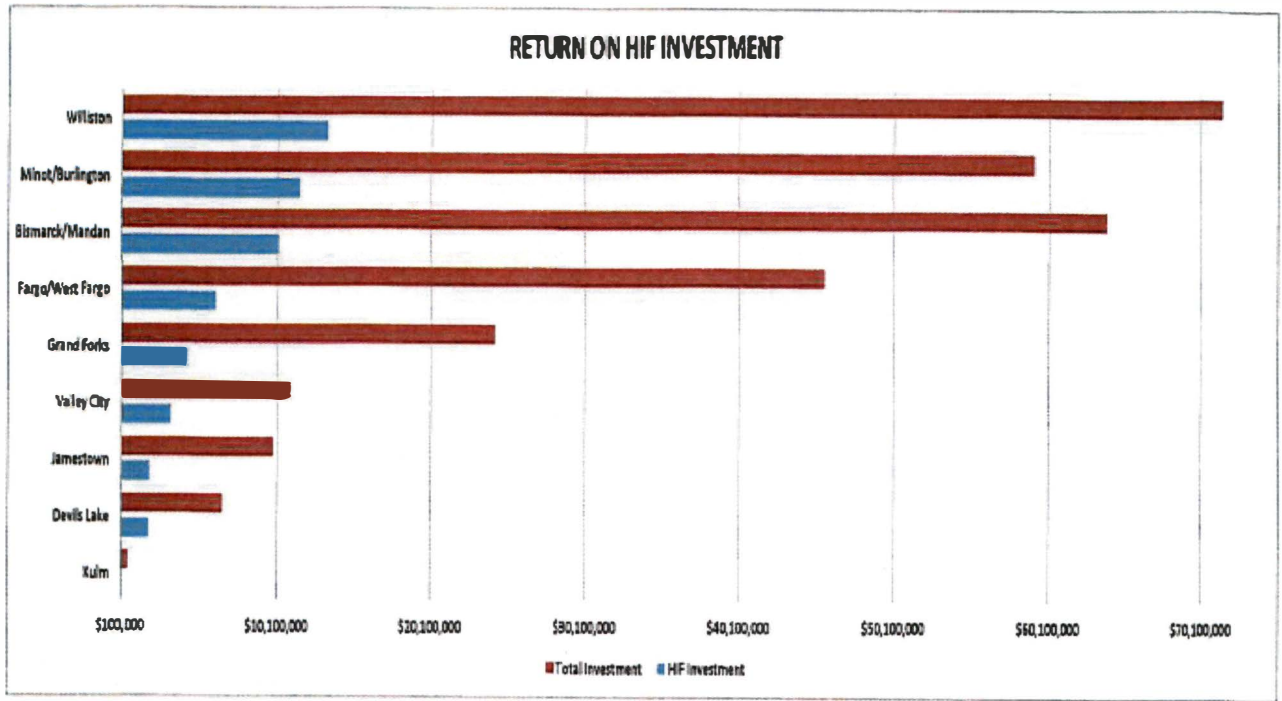


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for every \$1.00 of HIF Program dollars expended. The HIF Program has contributed towards the development of nearly \$300 million of housing in the member's communities.



	<u>HIF Investment</u>	<u>Total Investment</u>
Kulm	\$ 120,198	\$ 527,473
Devils Lake	\$ 1,843,622	\$ 6,581,026
Jamestown	\$ 1,897,625	\$ 9,827,755
Valley City	\$ 3,291,600	\$ 10,972,000
Grand Forks	\$ 4,354,545	\$ 24,241,672
Fargo/West Fargo	\$ 6,119,684	\$ 45,613,175
Bismarck/Mandan	\$ 10,180,275	\$ 63,793,644
Minot/Burlington	\$ 11,547,928	\$ 59,154,820
Williston	\$ 13,313,122	\$ 71,526,935
Total Member Communities	\$ 52,668,599	\$ 292,238,500
North Dakota	\$ 89,610,077	\$ 441,936,727

HIF Program funding has provided not only much needed affordable housing but also significant economic activity within the HIF participating communities throughout the state.

Thank you in advance for you favorable consideration of SB 2271 and the requested appropriation amount of \$40 million and Thank You for all you do.

Respectfully submitted,

Terry Hanson
Executive Director

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Written Testimony in Support of SB 2271
Appropriations
Chairman: Senator Ray Holmberg
January 30, 2019

Submitted By: M. Blake Strehlow, Executive Director = Housing Authority of Cass County
(701) 282-3443, forent@ideaone.net

Chairman Holmberg and Members of the Committee, my name is Blake Strehlow and I am the Executive Director of the Housing Authority of Cass County. The Housing Authority of Cass County is the first Housing Authority established in the State of North Dakota. That being said, we have the oldest public housing units in the State. Just recently, we were awarded funding through the Low Income Housing Tax Credit Program for 84 units of senior housing. What really makes this project exciting is that we will be demolishing a physically obsolete 60 unit public housing project in West Fargo to make this happen!

As you can image, this is not an easy task to complete. In fact, in order to make this project a reality, we were required to tap many resources to fill the "gap" in our financing to make this project affordable. One key component was the Housing Incentive Fund. Without the leverage that this program offered, this affordable housing project would not have been possible. In addition, it will be necessary for us to use this valuable resource again next year when it is our plan to raze the oldest public housing project in North Dakota located in West Fargo. Our intent is to demolish 24 public housing units and replace them with a 45 unit Low Income Housing Tax Credit project designed for families. As you can see, the HIF is a great tool for the affordable housing industry to ensure that low income residents have a nice place to call home.

So many times as administrators for housing, we speak in terms of "units." This can't be further from the truth. In actuality, it's about the seniors that will have been given an affordable home where they can live out their lives without having to worry about having enough money to purchase their prescriptions, food, or rent.

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City of West Fargo Testimony

Submitted by Larry Weil, Community Development Director

SB 2271 provides for funding for the housing incentive fund in the amount of \$40 million for the biennium beginning July 1, 2019. The City of West Fargo would like to go on record in **support** of the bill for the following reasons:

- The City of West Fargo continues to be a rapidly growing community with a significant number of seniors and young families which have low to moderate incomes.
- The City recognizes the importance for State and Federal assistance to meet housing needs for seniors and families with low to moderate incomes.
- Many residents in our community have benefited in the past from programs funded through the housing incentive program, which has resulted in a stronger community.
- The housing incentive program has helped leverage Low Income Housing Tax Credits through efforts of local non-profits resulting in more housing choices for residents and strengthened the City's neighborhoods.
- Increases in housing costs in the area has resulted in many families not being able to afford a home, thereby increasing the need for affordable multiple family units.
- The City has reviewed market studies regularly, which demonstrate that there is a need for more affordable senior housing. The City has recognized the increased need for subsidized housing for the elderly and has supported applications, as well as provided tax incentives to stimulate project development.
- The 2016 North Dakota Statewide Housing Needs Assessment showed that in 2014 there were 1,473 cost-burdened owner-occupied housing units in West Fargo, or 16.1% of all owner-occupied housing units. There were also 1,397 cost-burdened renter-occupied housing units in the City.
- A recent market study for a housing project in the City found that there were 5,987 households in West Fargo below the median household income.

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North Dakota Senate Bill No. 2271
Senate Standing Committee
Appropriations

Chairman Holmberg and respected committee members,

My name is Dwight Barden. I am the Executive Director at Burleigh County Housing Authority here in Bismarck. I am here to provide support for Senate Bill No 2271.

I will try to express to you the need for this funding of the Housing Incentive Fund (HIF) that is administered by the North Dakota Housing Finance Agency. I am sure that Senators Kreun, Osland, Vedaa and Representatives Blum, Mock and Vetter could give you examples of how this program has impacted their Districts.

Burleigh County Housing Authority has been fortunate enough to utilize these funds on two projects. At the rise of the oil impact activity we utilized the HIF program to build a 4-plex for special needs populations. During that time when land and building cost went sky high we were able to use HIF funds to bridge the finance gap. Without these funds this project would not have been built. We are the landlord and 24 hr. Services are provided by local non-profits such as HIT, Inc., Pride, Inc. and Enable.

We are in the process of building in Bismarck a 40 unit permanent supportive housing project for the homeless with developer Beyond Shelter. Most of these tenants deal with mental illness and drug or alcohol addiction. This project is similar to Cooper House in Fargo and LaGrave on 1st in Grand Forks. We are fortunate to be able to use the HIF program also on this project. As you are aware the program was not funded in the 2017 session. We received these funds only because there was another project that could not secure enough funding. This project, Edwinton Place, has six different funding sources. They are Low Income Housing Tax Credits, Federal Housing Trust Fund, Two different allocations of Neighborhood Stabilization Program, Federal Home Loan Bank and HIF. With the rent restrictions on these programs it makes it virtually impossible for us to support debt service.

With guidelines established by North Dakota Housing Finance Agency, funding from the HIF program is meant to provide affordable and assessable housing for low to moderate income, special needs populations and the elderly.

The state currently receives enough Tax Credit funding to do about four or five projects a year. The problem is that there are between 8 to 15 projects that submit applications for this funding. The equity generated by a \$40,000,000 HIF program would go a long way in establishing these assets for affordable housing in our State. And they would be assets for populations in our state that are in need of this type of housing with an investment into the future.

Again I ask for your support of SB 2271 with the Housing Incentive Fund program and will answer any questions that you may have.

Dwight Barden
Executive Director
Burleigh County Housing Authority
410 S. 2nd Street
Bismarck, ND 58504 701-255-2540 Dwight@bchabis.com

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Testimony from Erin Prochnow, CEO, YWCA Cass Clay
North Dakota Senate Appropriations Committee
January 30, 2019
SB 2271

Introduction:

Good morning Chairman Holmberg and members of the committee, my name is Erin Prochnow, CEO at YWCA Cass Clay. Our agency offers the largest Emergency Shelter serving women and children in the state of North Dakota and northwestern Minnesota. We have been providing services in our community for over 110 years, spending the past 40 years providing emergency shelter and housing services to women and their children escaping domestic violence and abusive situations.

If SB 2271 is approved, the North Dakota Housing Incentive Fund (HIF) will help women and families served by YWCA escape abuse, move out of homelessness, and live independent lives.

Private - Public Partnership Project:

In early 2016 Pastor Joel Baranko from Lutheran Church of the Cross in West Fargo reached out to YWCA inquiring about areas of community need where vacant land owned by the church may be most useful. The most significant unmet need for women and children served at YWCA, as documented in the YWCA Cass Clay Strategic Plan is supportive affordable housing.

Together with our private, public and non-profit partners YWCA is developing a housing initiative, Grace Garden, that includes 30 apartments ranging in size from one to four bedrooms; two office spaces for our support services staff, a community room, playground, and patio are included in the construction that is in progress thanks in part to HIF investment appropriated through previous legislative sessions. Equity from HIF helped propel Grace Garden from a planning and development phase to a reality that is under construction, scheduled to open later this year and become home to an estimated 75 people.

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The demand for the YWCA Housing Program is significant. Last year alone, 162 women and children were eligible for the program, but only 22 women and children were able to be accepted (14% were able to be accepted). We simply don't have enough affordable homes to meet the growing need. Permanent supportive housing is a strategy that has proven successful and documented to be the most cost-effective prevention to chronic homelessness.

YWCA provides a full continuum of housing services including prevention, emergency shelter, transitional and permanent supportive housing. We have been doing so for 30 years. At YWCA, we calculated the cost of emergency shelter at \$44 per night while providing supportive housing at YWCA equates to \$26 a night. It costs 41% less to provide supportive housing than emergency shelter. Not only is investing in permanent housing effective and the right thing to do, it is economical.

Changing the Course of Her Life: From Crisis to Independence:

When a woman arrives at the YWCA, she often lacks the building blocks to independence: a living wage, adequate credit, childcare and transportation. At the YWCA we provide comprehensive programs and services to help each woman to overcome these barriers.

In 2018, the average length of stay at our Emergency Shelter was 39 days. While women can make significant progress in just over a month, this is typically not enough time to gain lasting financial security and independence. Often a woman's road to independence is longer because she is recovering physically or mentally from abuse, has a disability, is going back to school, or working hard to regain her financial footing.

To help a woman move from crisis to independence and extend the amount of time she has to rebuild, the YWCA's Supportive Housing Program provides ongoing support and advocacy for women and their

families. The reality is the women we serve are just like all of us – to live independently and provide for their families.

On average, a woman stays in our Supportive Housing Program just 24 months. The YWCA Supportive Housing Program is a proven solution for helping families break the cycles of poverty and violence. A woman who participates in the program earns more money, is healthier, and is better equipped to live independently and create an environment for her children to thrive.

- 72% of women increase their education or income while in the program
- 88% of women improve their physical and/or mental health while in the program
- 96% of women that moved out of YWCA housing in 2016 remain stably housed today

Wherever a woman may be on her journey, together we must walk alongside her to ensure she has access to the tools and resources necessary to heal, reach her goals and ultimately, build a future free from violence for her family.

Thank you.

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SENATE APPROPRIATIONS COMMITTEE

TESTIMONY IN SUPPORT OF SB2271

“Housing Incentive Fund”

January 30, 2019

Chairman Holmberg and Committee Members. My name is Dan Hannaher, and I am the Director of Community Engagement for Lutheran Social Services of North Dakota. I am here on behalf of Lutheran Social Services Housing to support SB2271.

Housing is about more than a place to live. We at Lutheran Social Services know that first hand, and perhaps with a somewhat unique perspective. We are a provider of both housing and supportive services to families, seniors, in communities all across the state. In almost every hearing we have provided testimony for, we have been able to authentically reference housing and the role it played or can play in that person's road to achieving wellbeing.

In past years we have put Housing Incentive Fund dollars to work in Watford City, Belfield, Bowman, Hettinger, Beulah and Williston. The availability of this flexible yet targeted state housing development resource was the difference between these projects being built and not. We were able to create mixed income rental housing properties that served community needs, blending lower rent apartments with more moderate rent apartments to serve people across the income spectrum.

In addition to the HIF-funded projects noted above, Lutheran Social Services also manages projects that make federal rent assistance available to tenants via USDA Rural Development of the U.S. Department of Housing and Urban Development, as well as non-subsidized properties. Our experience as a landlord to over 900 households across rural North Dakota, is that having access to a safe, decent affordable place to live is absolutely essential to

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their wellbeing. The housing is what provides a base level of stability from which each of those individuals can build a stable and successful life.

While our individual Housing Incentive Fund projects are not built specifically to serve any specific “special needs population”, they do serve people with special needs – every single day. We – today – are providing housing for veterans who had previously been homeless, seniors who are living alone on fixed incomes, young working families who struggle to make ends meet, people in recovery from addiction and/or mental illness, men and women exiting the justice system and returning to community. People who are new to our communities and people who have been our neighbors for decades. Regular North Dakotans. Who have one thing in common – they need a safe, decent affordable place to live.

The investment of resources contemplated in SB2271 for the Housing Incentive Fund can be part of making sure North Dakota has strong affordable housing infrastructure that meets the needs of people living in communities all across the state. And the proposed modification to the targeting of the fund will help ensure that this tool can continue to be used in ways that can best benefit the people and communities of our state, depending on their unique needs.

Thank you for the opportunity to speak to you today. I would be happy to answer any questions you have for me.

Dan Hannaher
Director, Community Engagement
Lutheran Social Services of North Dakota
ND Lobbyist #230
Email: danh@lssnd.org
Phone: 701-271-1604

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**Testimony of Brent Ekstrom, Executive Director, Lewis & Clark Development Group
In Support of \$40 Million in HIF Funding – January 30, 2019**

Chairman Holmberg and Members of the Committee:

Thank you for the opportunity to speak in support of the \$40 million funding of the Housing Incentive Fund.

I'm Brent Ekstrom of Bismarck. I have the pleasure of serving as the Executive Director of the Lewis & Clark Development Group, which is a collaboration of three separate non-profit organizations: the Lewis & Clark Regional Development Council (RDC), the Lewis & Clark Certified Development Company (CDC), and CommunityWorks North Dakota.

Together, we provide programs and loans to support businesses, local governments, and individuals in expanding affordable housing opportunities and advancing economic and community development across North Dakota. This year marks our organization's 50th anniversary. In our 50 years of operation, Lewis & Clark Development Group has made a significant and lasting impact throughout North Dakota. In fact, just within the last 25 years, we've...

- Helped leverage public, private, and philanthropic investment totaling almost **\$600 million dollars**;
- Helped to create or maintain **3,692 jobs**, and
- Helped to create more than **2,800 single- and multi-family housing units** across North Dakota.

As you know, affordable housing is one of North Dakota's persistent challenges. Expanding affordable housing is central to our work. As you can see from the handout I've provided, HIF is essential to our work and, because of HIF, Lewis & Clark Development Group been able to participate in 16 projects creating 539 units of affordable housing across North Dakota.

The average cost of construction of the units produced in projects we have participated in is \$155,424 per unit. HIF funding represents 17% of the funding need to produce those units. That results in the average reduction in rent to the ultimate renter of \$150 per unit per month. Bottom line is that without HIF there projects would likely have not happened and certainly would have resulted in higher rental rates.

We all know how to judge investments based on their rate of return. And, in my professional experience, HIF is one of the most innovative and effective tools available to address North Dakota's housing challenges. It's innovation and effectiveness rests in the return on investment it yields in building homes that would otherwise have not be built and in housing low-income residents and families who would otherwise have been forced to look for other housing alternatives.

Chairman Holmberg and Members of the Committee, Investing \$40 million into HIF is one of the wisest and most sensible investments you can make.

I respectfully ask you to vote yes and thank you for the opportunity to share my thoughts with you this morning and I stand for any questions.

WHY HIF MATTERS

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Since its inception in 2011, the Housing Incentive Fund (HIF) has provided critical funding to address North Dakota's housing needs. HIF funds have developed affordable and multi-family housing for essential workers, small business employees, senior citizens and families on fixed incomes. HIF is a sterling example of an innovative policy solution to a major persistent challenge.

- ✓ **Support for \$40 million in HIF is a vote for continued innovation and collaboration that successfully addresses local and regional housing needs.**

BY THE NUMBERS

539

The number of housing units created through HIF

\$155,424

The total cost per unit

\$26,948

The average HIF investment per unit

\$150 PER UNIT PER MONTH

On average, HIF kept the ultimate rental cost down by \$150 per unit over a 15-year compliance period

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LCD Group has participated in or funded 22 housing projects. Of these, we utilized HIF in the following 14 projects throughout central and western North Dakota, which created 539 housing units. **Without HIF and us, the following projects would likely not have happened....**

BISMARCK

- Century Cottages - 35 units
- Pride Independence Pt. - 22 units
- Ruth Meiers Hospitality House - 85 Units
- Sierra Court - 40 units
- 100 West Main - 30 units

BOWMAN

- The Landing - 26 units

CROSBY

- Loretta Bay - 24 Units

DICKINSON

- Dacotah Ridge - 24 units

HAZEN

- Pioneer Homes - 22 units

MINOT

- Minot Place Rowhomes - 30 units

WATFORD CITY

- Prairie Heights I - 58 units
- Prairie Heights II - 66 units

WILLISTON

- Williston School - 45 units
- ParkRidge Townhomes - 36 units



Lewis & Clark Development Group

200 1st Avenue NW Suite 100
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701.667.7600

Brent Ekstrom, Executive Director
brent@lcdgroup.org



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Testimony of Mason Sisk
Economic Development Association of North Dakota
In Support of SB 2271
January 30, 2019

Chairman Holmberg and members of the Senate Appropriations committee:

The Economic Development Association of North Dakota represents more than 80 large and small and rural and urban economic development organizations on the front line of growing businesses and communities in North Dakota. The primary purpose of the organization is to promote the creation of new wealth throughout North Dakota to develop more vibrant communities and improve quality of life. It is for these reasons our organization and its members want to express support for SB 2271.

Workforce and affordable housing continues to be a priority for expansion of North Dakota's businesses and communities in all areas of North Dakota. The Housing Incentive Fund capitalizes contributions from state taxpayers developing affordable multi-family housing for essential service workers, main street employees and fixed-income households. A major stumbling block to attracting businesses that would diversify the economy or to attracting workers to fill the thousands of basic service jobs open in the state is a lack of affordable housing.

A recent high impact example of the housing incentive program's benefit is in the Beulah/Hazen area, where a housing study of the region identified a need for additional apartments. The community came together and utilized the fund to create new housing for a variety of its citizens. An abandoned piece of land where mobile homes stood in the 1980s is now home to New Energy Apartments. These one to three bedroom units are open to a range of families, including low-income and essential workers. The Hazen community also identified a need for Hazen seniors to have housing to age in place. Through a Housing Incentive Fund grant, the community was able to tear down an old, abandoned hospital and build a new, 18-unit senior facility. This is one of the many examples where these funds return investment into the rural and urban communities throughout North Dakota.

In order to diversify our economy, we need to partner with our communities to create livable spaces. A part of this formula is affordable housing, and this fund creates an economic 'win-win' for both the employees and the communities.

Thank you for the opportunity to express our support for SB 2271 and for your continued commitment to keeping North Dakota globally competitive to recruit and retain the state's workforce.



Real Possibilities in

North Dakota

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SB 2271

January 30, 2019

Senate Appropriations Committee

Mike Chaussee- AARP-ND

mchaussee@aarp.org or (701) 390-0161

Chairman Holmberg, members of the Senate Appropriations Committee, I am Mike Chaussee, representing AARP North Dakota.

There are some ideas that hit home with us at AARP more than others. The Housing Incentive Fund is one of them. Dr. Ethel Percy Andrus founded what would become AARP. The moment of awakening for Dr. Andrus happened when she found a retired former colleague living alone, in a chicken coop, because she had run out of options. From that moment on, she set out to help older Americans live safe, secure and dignified lives.

AARP has grown to a membership of 38 million people nationwide - 88,000 live in North Dakota. They all want to live fulfilling lives.

Programs like the Housing Incentive Fund help older North Dakotans, especially those with low or fixed incomes, live in safe, comfortable housing at an affordable price.

There is a document attached to this testimony that provides information about the number of North Dakotans who live on fixed incomes. Almost a quarter of North Dakotans who collect Social Security rely on it for nearly every penny they make. And 45 percent rely on it for more than half of their income. That's a good chunk of North Dakotans who rely heavily (or fully) on Social Security. Data you also heard earlier from the Housing Finance Agency shows the average Social Security check in North Dakota averages just more than \$1,300.

Providing incentives to developers to include low income set-aside units in their developments is a creative and effective way to promote affordable housing. AARP policy supports the tenants of the Housing Incentive Fund. Specifically, there are two AARP policy principles that call for a program like HIF:

“Promote affordable housing options. Ensure that land use and other policies support the private and public sectors in providing a variety of housing sizes and

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types. Promote funding and policy for programs that lead to an adequate supply of affordable rental and ownership options integrated with the community to meet the needs of people of all ages, family compositions, and incomes.”

“Increase capacity for public-private partnerships. *Reauthorize or create programs and policies at the federal, state, and local levels to ensure that the private sector has the capacity and tools to effectively partner with governmental agencies to increase the range of housing choices available to older people.”*

At AARP North Dakota, we believe people should be given every opportunity to choose where they live as they age. Making affordable housing options available can help keep people in the communities where they live and out of institutional care longer, saving the state money in the long run. Again, we believe this is about choice.

Additionally, we at AARP believe the priority of HIF should be on low-income North Dakotans who desperately need affordable housing – Senate Bill 2271 restores the original intention of HIF by making that a priority.

The Housing Incentive Fund is an excellent private and public partnership designed to build homes – and help keep North Dakotans safe and secure in the communities where they choose to live.

Again, we support the North Dakota Housing Finance Agency’s commitment to the Housing Incentive Fund. We urge you to support Senate Bill 2271.

Thank you

Mike Chaussee, AARP North Dakota

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AARP STATE FACT SHEET NORTH DAKOTA

AARP has offices in all 50 states, Washington, DC, Puerto Rico and the US Virgin Islands.

Contact Information

North Dakota State Office
 Josh Askvig
 State Director
 jaskvig@aarp.org
 701-355-3642

National Office
 Beverly Gilyard
 Director of Federal Strategy
 bgilyard@aarp.org
 202-434-3747

AARP is working to help Americans 50+ in North Dakota live life to the fullest. We advocate for our members on critical priorities, such as strengthening Social Security, protecting seniors' access to their doctors, and ensuring all Americans have independence and choice as they age.

AARP serves as a one-stop resource for information on the age 50+ population in North Dakota and public opinion research. In addition to serving as a clearinghouse for information about older Americans, we also offer programs and tools that help Americans age 50+ make the best decisions about their health and financial security. We hope the data below and the programs on the reverse side will be helpful to you and your constituents.

AARP MEMBERS

Total number of AARP members in North Dakota: **85,624**

SOCIAL SECURITY

Social Security Beneficiaries: **125,786**
 Retirees: **87,569**
 Widow(er)s: **10,965**
 Disabled Workers: **13,917**

Social Security recipients who rely on Social Security for 50% or more of their income: **45.3%**
 Social Security recipients who rely on Social Security for 90% or more of their income: **23.1%**

MEDICARE

Total Medicare Beneficiaries: ~ **115,636**

HELPING PEOPLE LIVE INDEPENDENTLY

(Medicaid data for older adults and people with physical disabilities)

Percent of Medicaid long-term care spending for home and community-based services: **14.7%**
 Percent of Medicaid long-term care spending for institutional care: **85.3%**

Estimated number of family caregivers during the year: **62,100**
 Unpaid contributions of family caregivers annually are valued at: **\$860 million**

NORTH DAKOTA AT A GLANCE

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AARP: Helping Americans 50+ Live Their Best Lives

AARP is working to ensure Americans 50+ have choice, control and independence through every stage of their lives. Take advantage of these offerings that can enhance the lives of you, your family members and friends.

Getting Ready for Retirement

It's never too late to plan for retirement, and it doesn't have to be complicated. AARP offers award-winning, unbiased online tools and information that can help you make effective financial and health-related retirement decisions, such as determining how much money you will need, when to claim Social Security to maximize benefits, and how to navigate through and select Medicare choices. www.aarp.org/readyforretirement

Finding a Job or Starting a Business

Whether you're looking for a new job or thinking about starting your own business, AARP can help turn your goals and dreams into real possibilities. Check out www.aarp.org/work for tips, tools and other information on topics such as using social media to job hunt, finding a company that values your years of experience, and polishing your résumé. AARP is working with the Small Business Administration to provide mentoring and resources for people who want to start or grow a business; visit www.aarp.org/startabusiness. In addition, employers can find a variety of resources on recruiting and retaining experienced workers at www.aarp.org/employers.

Making Communities More Livable and Age-Friendly

AARP research shows that nearly 90 percent of people age 45 and older want to stay in their homes and communities for as long as possible. That's why AARP is helping cities, towns, counties and states become great places for people of all ages to live, work and play. Learn more about how communities are creating age-friendly housing and transportation options; safe, walkable streets; access to needed services; and opportunities for residents of all ages to participate in community activities. www.aarp.org/livable

Staying Ahead of the Curve with AARP Driver Safety

All drivers can sharpen their driving skills and refresh their knowledge of the rules of the road by taking the AARP Smart Driver Course, available in a classroom or online, in English or Spanish. In some states, participants may receive a multi-year auto insurance discount for completing the AARP Smart Driver Course (participants should consult their insurance agent for details). To learn more, visit www.aarp.org/drive or call 1-877-846-3299.

In addition, CarFit (www.aarp.org/carfit) can help you learn how your vehicle's design and operating features can better-fit your needs, and the We Need to Talk seminar (www.aarp.org/weneedtotalk) provide tips on how to recognize when it's time for family members to limit or stop driving, and how to discuss this topic with loved ones. Find state-specific driving information and enjoy personalized tools, games and programs at the AARP Driving Resource Center. www.aarp.org/drc

Staying Connected with Friends and Loved Ones by Sharpening Digital Skills

AARP TEK Academy can help you connect with friends, family and your passions through free, online courses on the topics of Intro to Smartphones and Tablets, Beyond the Basics with Smartphones and Tablets, Intro to Facebook and Other Social Networks, and Fraud Protection and Online Safety. In addition, AARPTEK and Kaplan University have partnered to offer LearningAdvisor, an online program offering over 33,000 courses from 20 different providers for free or at low-cost. Learn more at www.aarptek.org.

Caring for a Loved One

Caring for a family member or close friend is one of the most important —and complicated — roles you'll play. Find resources, tools, and support to help you manage the care of a loved one at www.aarp.org/caregiving or 877-333-5885.

Connect to Fun, Interactive Learning from AARP Community Programs In-Person or Online

Whether you're sharpening your skills to find a job, trying to connect with other family caregivers or want to learn how to use your mobile device, AARP Community Programs connects you to fun, interactive local events and e-learning — at no charge! Our in-person classes are offered in cities and towns nationwide, including in [insert city or state name]. You'll also find us at fairs, festivals and local events. And, you can learn online anytime through webinars, interactive videos, games, tools and online fairs. Find us in your community and access e-Learning at: www.aarp.org/academy.

19.1093.01001
Title.

Prepared by the Legislative Council staff for
the Senate Appropriations Committee
February 15, 2019

SB 2271
2-15-19
#1
P1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2271

Page 3, line 10, replace "\$40,000,000" with "\$10,000,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment reduces the transfer from the general fund to the housing incentive fund by \$30 million, from \$40 million to \$10 million.



Jolene Kline Executive Director

INDUSTRIAL COMMISSION

Doug Burgum Governor

Wayne Stenehjem Attorney General

Doug Goehring Agriculture Commissioner

Attachment 1

SB 2271

March 11, 2019

**North Dakota Housing Finance Agency
Division of the State Industrial Commission
Testimony of Jolene Kline, Executive Director
House Industry, Business and Labor**

Chairman Keiser and members of the House Industry, Business and Labor Committee:

My name is Jolene Kline, executive director of the North Dakota Housing Finance Agency.

I am here in support of Engrossed Senate Bill 2271, which provides funding for the Housing Incentive Fund (HIF). SB 2271 was reduced from \$40 million to \$10 million and passed out of the Senate. Today I am requesting the House reinstate to the \$40 million level, ensuring gap financing for approximately 755 housing units for a range of extremely-low to moderate income households. Last week I asked the Senate Appropriations Committee to reinstate the Governor's recommendation of \$20 million for HIF in HB 1014. I understand the dollar amounts requested are sizeable, however, I urge the committee to weigh the upfront benefits of creating affordable housing across the state in order to protect vulnerable populations and support the state's dynamic workforce.

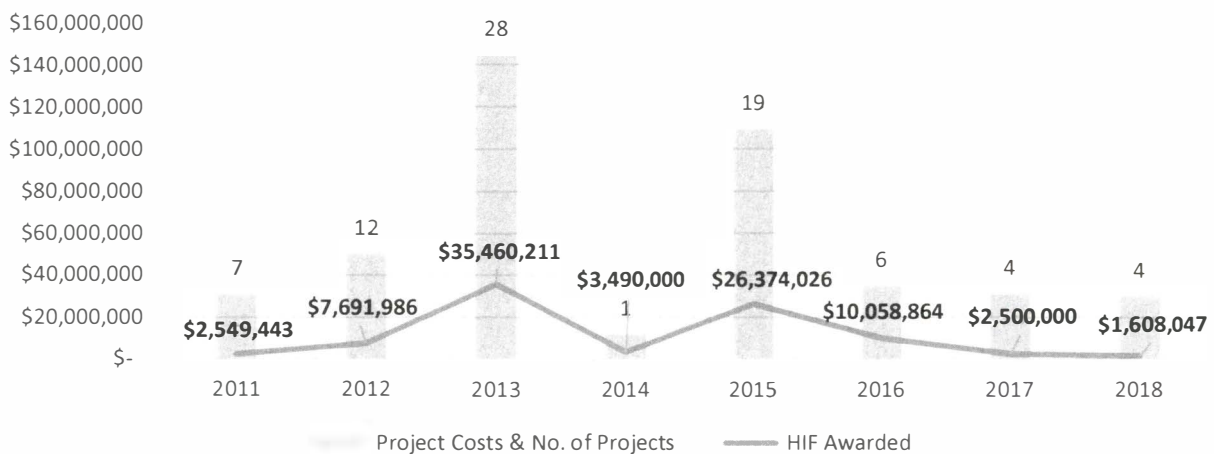
HIF is an effective, locally-driven rental housing financing tool, created and authorized during the 2011 legislative session. Community leaders, private developers and nonprofit organizations have leveraged the fund to construct new or rehabilitate existing rental housing. If North Dakotans cannot afford housing or too much of their income is allocated to this one expense, it impacts their ability to maintain stability in their lives, advance economically, pursue educational opportunities and be able to afford basic necessities such as food, utilities, transportation, childcare and medical coverage.

1

During the 2017-19 legislative session, HIF was permanently added to the Century Code, however, no new funding was authorized. Deobligated funds totaling \$3.7 million were carried over from the 2015-17 biennium into the 2017-19 biennium. All HIF funding has been obligated as of September 2018.

To date, \$89.7 million of HIF funding has been leveraged in 80 projects creating or rehabilitating 2,501 units in 26 urban and rural communities across the state. Total construction costs exceeded \$442 million. Every dollar in HIF funding has resulted in more than four dollars in private and federal equity.

Housing Incentive Fund Project Development 2011-2018

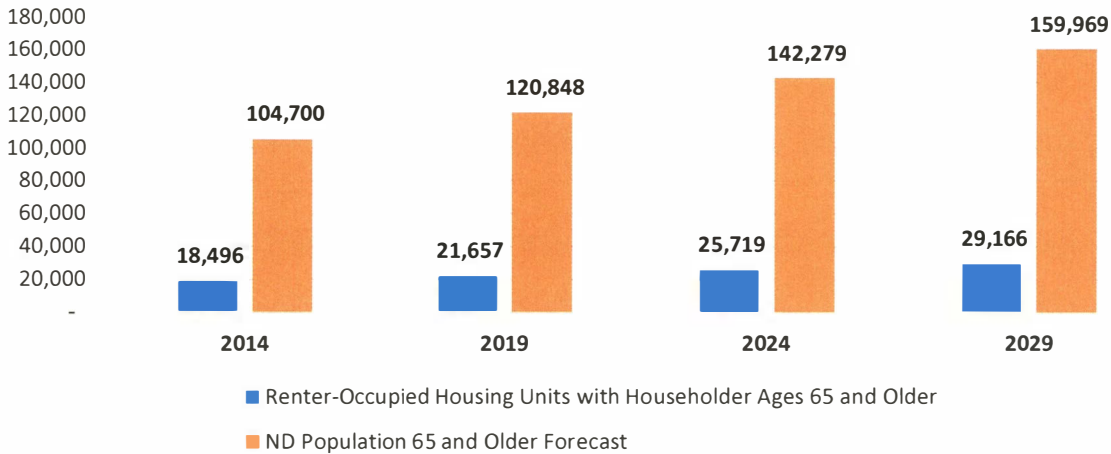


HIF Targeted Populations

1. Seniors and Frail Elderly

The number of individuals ages 65 and older will increase 52.8 percent as this segment is forecasted to grow from 104,700 in 2014 to 159,969 in 2029. As the state’s population gets older, there will be more pressure to create affordable and accessible housing options for seniors and the frail elderly to remain independent. Projections for renter-occupied housing units with householders ages 65 and older is anticipated to grow 57.7 percent by 2029.

Household Projections for Renter-Occupied Housing Units with Householder Ages 65 and Older: 2019 to 2029



In fiscal year 2017, the state paid \$258 million for a monthly average of 2,950 individuals living in a nursing home, which is a cost of nearly \$90,000 per person per year. That same year, the state paid \$43 million for about 2,500 individuals, or an average of \$17,000 per person per year between four in-home care programs (Home and Community-Based Services Waiver (HCBS), SPED, ExSPED and Basic Care). Of those programs, HCBS is the most costly on a per person basis, serving about 300 people per month for \$23,000 per person per year. These numbers come from the North Dakota Department of Human Services (ND DHS).

According to AARP, 29,057 North Dakotans currently rely on social security for 90 percent or more of their income, and the median annual social security income for the state is \$16,133. Housing that is affordable to someone living on \$16,133 is shelter costs of less than \$404 per month. The state ranks seventh in the nation with the highest proportion of individuals ages 85 and older. As most of us age past 80, maintaining our financial resources is essential to affording basic care such as housing, healthcare, medications, healthy food and transportation. As seniors explore independent housing options, financial restrictions may prevent them from leaving their home, increasing the potential for accidents and injuries and further isolation. Another hindrance is the availability of affordable housing options due to limited income.

The goal at our Agency is to create housing options in urban and rural communities that allow older adults and persons with disabilities the ability to age in place with as much independence as possible for as long as possible. HIF helps fund housing for low income elderly households. The average one-time up-front investment of HIF per rental unit is less than \$36,000 which creates a rent restricted affordable housing unit for a minimum of 15 years. Contrast this to the average \$90,000 paid by the state per year for a Medicaid-eligible nursing home placement. Arguably, the savings to Medicaid for providing appropriate in-home services to these households as opposed to much more costly nursing home placements is a smart investment in the state's financial future

2. Workforce

Labor Market Information identified 1,668 of the 12,178 vacant positions posted on the Job Service of North Dakota (JSND) website as paying less than \$15 per hour. Even if HIF was funded at \$40 million, the number of affordable units created would not be enough to meet the state's current low-wage income housing needs. According to the U.S. Department of Housing and Urban Development (HUD) you need to earn \$16.40 per hour to afford the average two bedroom rent of \$855 in North Dakota.

We know that the price of a two-bedroom apartment varies for each legislative district. Your handouts include an overview of affordable housing and vulnerable populations specific to your district. If you are interested in knowing more information about other districts, please visit our website: ndhfa.org/Publications/PublicAffairs.html

HIF-funded projects create affordable rents. As workers consider a move for employment, they consider the economics and quality of life in a community. Affordable housing is a key component in those considerations. Safe communities, exceptional schools, access to medical facilities and availability of affordable housing will help the state attract and retain a dynamic workforce.

3. Chronically Homeless, Homeless and At-Risk of Homelessness

In addition to the housing needs of the elderly and the lower income workforce, another priority is the need for housing for individuals and families that are at risk of becoming homeless or those experiencing homelessness. According to HUD data, over the past

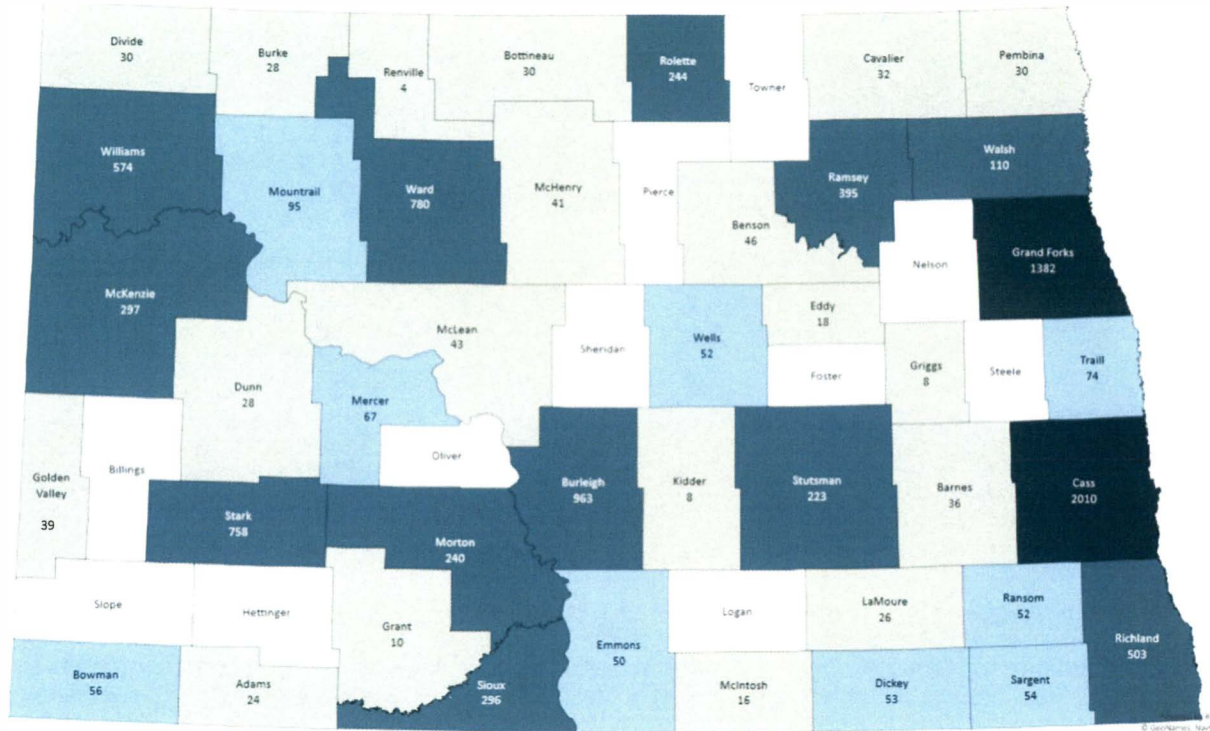
decade North Dakota has averaged 1,012 men, women and children living on the streets or in homeless shelters. The 2016 North Dakota Housing Needs Assessment projects that the number of extremely low-income households in North Dakota will increase 23.6 percent and reach 62,538 households by 2029. I've included attachments showing the projected growth for the extremely low-income to moderate low-income households for the state and by county for you to review.

Just because a household is deemed extremely low income or homeless does not mean that they are unemployed. What we do know is that they cannot afford a place to live without combining the financial resources of numerous adults and youth to be able to pay their monthly bills. HIF has provided gap financing for projects targeting at-risk homeless households in Fargo, West Fargo, Grand Forks, Mandan and Bismarck to take the most extreme cases and create housing stability for these individuals and their families to address the on-going cause of homelessness. The Agency administers the financing to build the housing, and agencies like ND DHS, JSND, Department of Corrections and the Department of Public Instruction provide the one-on-one case management services.

4. Rehab of Existing Affordable Housing Stock

The Agency monitors 9,825 state and federally funded affordable housing units across the state. These units received state and federal program funding to provide assistance to meet the needs for affordable housing for low-income households, elderly and individuals with disabilities. A substantial portion of these units are located in rural communities and approaching the end of the program mandatory affordability period or the building's lifecycle, therefore, requiring additional funding for replacement or renovation. These older HUD or USDA financed projects generally have project based rental assistance attached to the unit.

Affordable Housing Units Monitored by NDHFA 2018



HIF as a source of gap financing combined with tax exempt bonds and federal low-income housing tax credits can be a very reasonable way of ensuring continued viability of these smaller rural projects. The loss of even a small number of subsidized housing units can have a substantial impact on low-income households' access to safe, adequate, and secure housing. It is estimated that almost 3,000 units will reach maturity by 2029.

In addition to funding HIF, I am requesting this committee approve the removal of Essential Service Workers as a priority in the century code as outlined in SB 2271. When the Housing Incentive Fund was first created in 2011, many western North Dakota communities were struggling to recruit and retain workers to fill essential service jobs due to rapidly escalating rental rates. North Dakota Century Code 54-17-40.2.b. requires priority be given to housing for essential service workers.

"The annual allocation plan must give first priority through its scoring and ranking process to housing for essential service workers. For purposes of this subsection, "essential service workers" means individuals employed by a city, county, school district, medical or long-term care facility, the state of North Dakota, or others as determined by the housing finance agency who fulfill an essential public service."

Each community in North Dakota has unique population and housing demographics. HIF is one of the most flexible and accessible programs that communities have to address their housing needs. Some communities may want to invest more in housing for workers filling entry-level positions. Other communities may need affordable housing for seniors to keep them as part of their community. Urban communities may need more permanent supportive housing options with accessibility to medical facilities for individuals to address their personal issues causing homelessness. Rural communities may prioritize rehabilitation of existing affordable housing stock.

Supplemental HIF Information

Financing Structure

HIF awards are available to local housing authorities, tribal entities, and nonprofit or for-profit housing developers. The maximum award size varies depending on whether a project also receives federal funding. The award amount typically equals less than 30 percent of the total development cost, and no more than \$3 million. Awards are competitive and projects must meet strict scoring criteria.

HIF funding has been a catalyst in filling the financial gap to create affordable housing when conventional financing has fallen short. Conventional debt financing requires market-rate rents to cover mortgage payments and operating expenses. HIF reduces required debt service thus allowing for a variable priced, reduced rent structure. The following is a financing scenario detailing the difference in rent structure to cash flow a conventional financed project and one supplemented with HIF. As you can see, for a newly constructed, 24-unit apartment building, construction and operations costs are the same, however, individuals and families can be offered affordable rents based on their income when gap financing eliminates the need for a 20-year loan.

New Construction Financing Scenarios

24 Unit Apartment Building

Cost of Construction is \$175,000 (per unit) x 24 units = \$4.2 million

Conventional Financing Market Rate Rent		Non-Conventional Financing Income Restricted Rent	
Equity Investment	\$1.26 million (30%)	Equity Investment	\$1.26 million (30%)
Loan	\$2.94 million (70%)	Gap Financing	\$2.94 million (70%) <i>(i.e. HIF, federal funds, private investments/donations)</i>
<i>Annual Expenses:</i>		<i>Annual Expenses:</i>	
\$252,757	Loan Payment (6%, 20 years)	\$0	Loan Payment
\$120,000	Operating Expense	\$120,000	Operating Expense
\$100,800	Return on Equity (8%)	\$100,800	Return on Equity (8%)
\$473,557	Annual revenue needed from rents to cover expenses	\$220,800	Annual rent revenue needed from rents to cover expenses
Average Monthly Rent Per Unit to Cover Expenses:		Income Restricted Rent Structure to Cover Expenses:	
\$1,644		5 units at \$403	5 units at \$898
		5 units at \$493	9 units at \$1,050

A conventionally financed, market-rate rental unit requires the occupant to have an annual salary of \$65,760 to not be considered housing cost-burdened. Those living in the non-conventionally financed/income-restricted units could earn an annual income of \$16,120 to \$42,000 and not be considered housing cost-burdened. Individuals and families living in HIF units primarily fall into four categories: low-wage earners, persons with a disability, seniors with low income or disabilities, and individuals and families at risk of or who are experiencing homelessness.

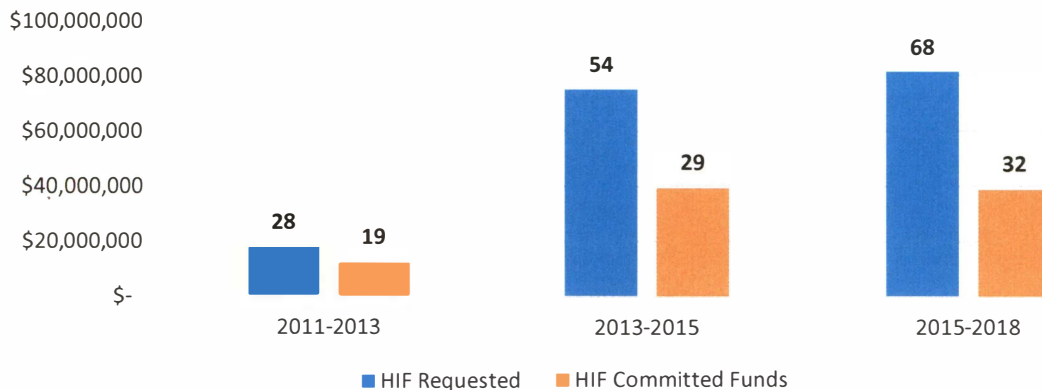
In addition to HIF, the Agency has the authority to issue tax-exempt multifamily bonds. We also administer both the nine percent competitive federal low-income housing tax credits (LIHTCs) which bring in equity for about 70 percent of construction and rehabilitation costs as well as non-competitive four percent LIHTCs which bring in equity for about 25 percent of the project cost. We receive \$3.1 million annually in competitive nine percent LIHTCs. There is no cap on the amount of four percent non-competitive LIHTCs that we can allocate as long as the project is otherwise financed with tax exempt bonds. This is a resource to the state that is largely going unused due to the

lack of state funds to fill financing gaps. I believe HIF, while leveraging the federal four percent LIHTCs, could be the critical financing piece to rehabilitate some of the state's oldest affordable housing stock.

On-Going Demand

The demand for HIF has exceeded the amount available since inception.

HIF Requested Compared to HIF Committed Funds



HIF provides gap financing and is often layered with federal, private and local funding that is needed to support the lowest rents. The numbers of future housing units constructed or rehabilitated with HIF will be dependent upon the program's allocation plan, and whether HIF dollars can be leveraged with other federal funds. Historically, our average cost of construction per unit has been \$176,704 and HIF is normally restricted to no more than 30 percent of the construction or rehabilitation cost. In the absence of federal funds, more HIF financing will be required as the competitive nine percent LIHTC program only funds four to five projects or 175 to 200 units annually.

NDHFA's mission is to ensure that every North Dakotan has a safe and affordable place to call home. Our most vulnerable households are the ones that need our help the most. Federal funds are insufficient to address the needs of these vulnerable households. We respectfully ask this committee and this legislative body to recognize that an investment in housing is an investment in the infrastructure of our state. Affordable Housing Empowers People, Improves Lives, and Inspires Success.

Thank you and I would be glad to answer any questions.

District 1 Affordable Housing Facts

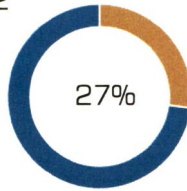
Mar 11, 2019

POPULATION
21,473

HOUSEHOLDS
8,433

MEDIAN HOUSEHOLD INCOME
\$92,844

RENTER HOUSEHOLDS
3,202



are cost burdened



SENIOR HOUSEHOLDS
1,333

SENIOR HOUSEHOLDS WITH FOOD STAMPS
107

SENIORS WITH A DISABILITY
786

HOUSEHOLDS WITH AN INDIVIDUAL WITH A DISABILITY
1,574

WITH FOOD STAMPS
216



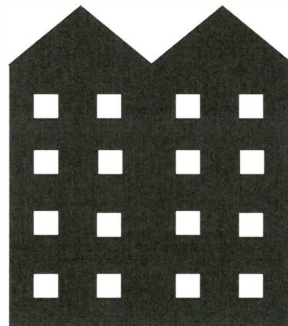
HOUSEHOLDS WITH FOOD STAMPS
657

MEDIAN INCOME OF A HOUSEHOLD WITH FOOD STAMPS
\$18,533



HOUSEHOLDS WITH A SOCIAL SECURITY INCOME
1,587

AVERAGE SOCIAL SECURITY INCOME PER YEAR
\$19,962

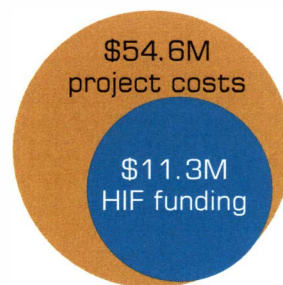


EXTREMELY LOW- AND VERY LOW-INCOME HOUSEHOLDS PROJECTIONS (2014-2029)
Williams +2,216

HIF MAKES A DIFFERENCE

6 HIF projects for a total of 293 units

- 714 Place
- Mercy Heights
- Renaissance on Main
- WSC Foundation Housing I and II
- Legacy at Central Place



\$4.83 leveraged for each HIF dollar invested

District 5 Affordable Housing Facts

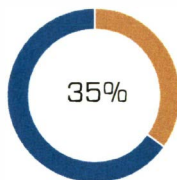
Mar 11, 2019

POPULATION
17,031

HOUSEHOLDS
7,479

MEDIAN HOUSEHOLD INCOME
\$60,675

RENTER HOUSEHOLDS



are cost burdened



SENIOR HOUSEHOLDS
2,111

SENIOR HOUSEHOLDS WITH FOOD STAMPS
142

SENIORS WITH A DISABILITY
1,093

HOUSEHOLDS WITH AN INDIVIDUAL WITH A DISABILITY
1,735

WITH FOOD STAMPS
147



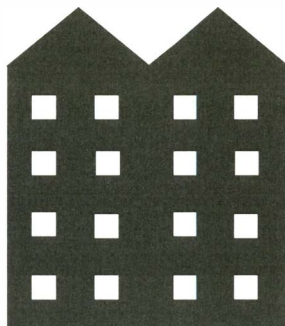
HOUSEHOLDS WITH FOOD STAMPS
377

MEDIAN INCOME OF A HOUSEHOLD WITH FOOD STAMPS
\$26,477



HOUSEHOLDS WITH A SOCIAL SECURITY INCOME
2,255

AVERAGE SOCIAL SECURITY INCOME PER YEAR
\$19,884

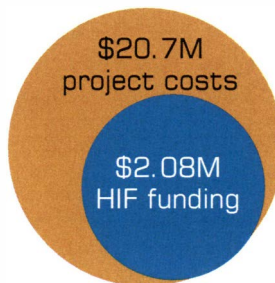


EXTREMELY LOW- AND VERY LOW-INCOME HOUSEHOLDS PROJECTIONS (2014-2029)
Ward +2,050

HIF MAKES A DIFFERENCE

3 HIF projects for a total of 105 units

- Cook's Court
- Kenwood on Fifth
- Park South



\$7.35
leveraged for each HIF dollar invested

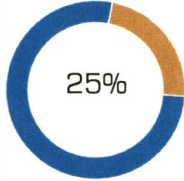
Mar. 11, 2019

POPULATION
15,145

HOUSEHOLDS
6,770

MEDIAN HOUSEHOLD INCOME
\$61,516

RENTER HOUSEHOLDS
1,392

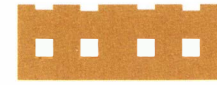


are cost burdened

Mediah Rent for a
2 bedroom apartment



Bottineau \$716
McHenry \$700
Renville \$716



hourly wage
needed

SENIOR HOUSEHOLDS
1,975

SENIOR HOUSEHOLDS WITH
FOOD STAMPS
155

SENIORS WITH A DISABILITY
892

HOUSEHOLDS WITH AN
INDIVIDUAL WITH A DISABILITY
1,725

WITH FOOD STAMPS
290



HOUSEHOLDS WITH FOOD
STAMPS
474

MEDIAN INCOME OF A
HOUSEHOLD WITH FOOD
STAMPS
\$18,190



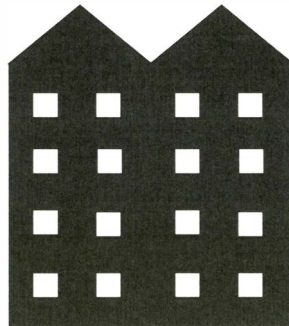
affordable rent

HOUSEHOLDS WITH A SOCIAL
SECURITY INCOME
2,201

AVERAGE SOCIAL SECURITY
INCOME PER YEAR
\$16,491



affordable rent



EXTREMELY LOW- AND VERY
LOW-INCOME HOUSEHOLDS
PROJECTIONS (2014-2029)

Bottineau +113
McHenry +39
Renville -9

District 8 Affordable Housing Facts

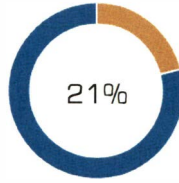
Mar 11, 2019

POPULATION
14,742

HOUSEHOLDS
6,079

MEDIAN HOUSEHOLD INCOME
\$80,640

RENTER HOUSEHOLDS
786



are cost burdened

Median Rent for a 2 bedroom apartment
Burleigh* \$863
McLean \$700

\$16.60
\$13.46

hourly wage needed

*Bismarck Metropolitan Fair Market Rent Area

SENIOR HOUSEHOLDS
1,627

SENIOR HOUSEHOLDS WITH FOOD STAMPS
74

SENIORS WITH A DISABILITY
660

HOUSEHOLDS WITH AN INDIVIDUAL WITH A DISABILITY
1,038

WITH FOOD STAMPS
52



HOUSEHOLDS WITH FOOD STAMPS
210

MEDIAN INCOME OF A HOUSEHOLD WITH FOOD STAMPS
\$25,000

\$625

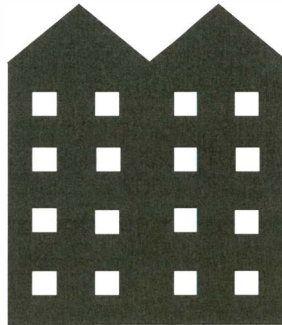
affordable rent

HOUSEHOLDS WITH A SOCIAL SECURITY INCOME
1,883

AVERAGE SOCIAL SECURITY INCOME PER YEAR
\$19,253

\$481

affordable rent



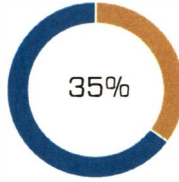
EXTREMELY LOW- AND VERY LOW-INCOME HOUSEHOLDS PROJECTIONS (2014-2029)
Burleigh +4,085
McLean +216

POPULATION
14,657

HOUSEHOLDS
4,740

MEDIAN HOUSEHOLD INCOME
36,170

RENTER HOUSEHOLDS



are cost burdened

Median Rent for a 2 bedroom apartment
Rolette \$700

\$13.46
hourly wage needed

SENIOR HOUSEHOLDS
1,050

SENIOR HOUSEHOLDS WITH
FOOD STAMPS
287

SENIORS WITH A DISABILITY
588

HOUSEHOLDS WITH AN
INDIVIDUAL WITH A DISABILITY
1,423

WITH FOOD STAMPS
512



HOUSEHOLDS WITH FOOD
STAMPS
1,379

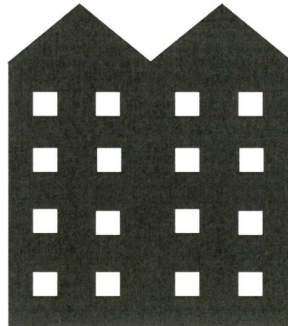
MEDIAN INCOME OF A
HOUSEHOLD WITH FOOD
STAMPS
\$11,196

\$280
affordable rent

HOUSEHOLDS WITH A SOCIAL
SECURITY INCOME
1,293

AVERAGE SOCIAL SECURITY
INCOME PER YEAR
\$14,983

\$375
affordable rent



EXTREMELY LOW- AND VERY
LOW-INCOME HOUSEHOLDS
PROJECTIONS (2014-2029)
Rolette +504

District 13 Affordable Housing Facts

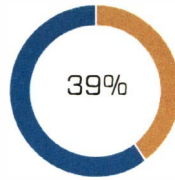
Mar 11, 2019

POPULATION
15,615

HOUSEHOLDS
6,439

MEDIAN HOUSEHOLD INCOME
\$72,270

RENTER HOUSEHOLDS



are cost burdened



*Fargo, ND-MN Metropolitan Statistical Area

SENIOR HOUSEHOLDS
1,329

SENIOR HOUSEHOLDS WITH FOOD STAMPS
153

SENIORS WITH A DISABILITY
791

HOUSEHOLDS WITH AN INDIVIDUAL WITH A DISABILITY
1,620

WITH FOOD STAMPS
217



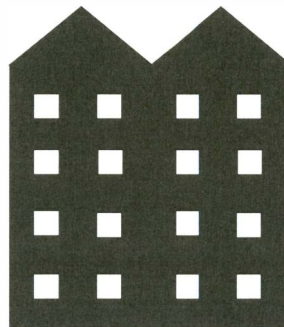
HOUSEHOLDS WITH FOOD STAMPS
467

MEDIAN INCOME OF A HOUSEHOLD WITH FOOD STAMPS
\$20,650



HOUSEHOLDS WITH A SOCIAL SECURITY INCOME
1,756

AVERAGE SOCIAL SECURITY INCOME PER YEAR
\$20,692

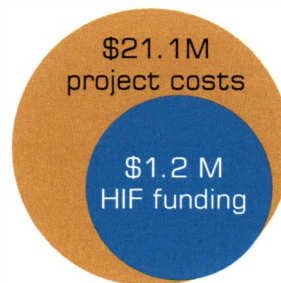


EXTREMELY LOW- AND VERY LOW-INCOME HOUSEHOLDS PROJECTIONS (2014-2029)
Cass +8,061

HIF MAKES A DIFFERENCE

2 HIF projects for a total of 84 units

- Monterey Apartments
- The Bridges



\$17.58 leveraged for each HIF dollar invested

District 30 Affordable Housing Facts

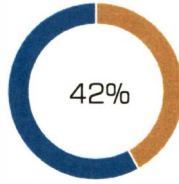
Mar 11, 2019

POPULATION
16,227

HOUSEHOLDS
6,069

MEDIAN HOUSEHOLD INCOME
\$62,900

RENTER HOUSEHOLDS
2080



are cost burdened



Median Rent for a
2 bedroom apartment
Burleigh* \$863

hourly wage
needed

*Bismarck Metropolitan Fair Market Rent Area

SENIOR HOUSEHOLDS
1,196

SENIOR HOUSEHOLDS WITH
FOOD STAMPS
45

SENIORS WITH A DISABILITY
562

HOUSEHOLDS WITH AN
INDIVIDUAL WITH A DISABILITY
960

WITH FOOD STAMPS
72



HOUSEHOLDS WITH FOOD
STAMPS
190

MEDIAN INCOME OF A
HOUSEHOLD WITH FOOD
STAMPS
\$24,621



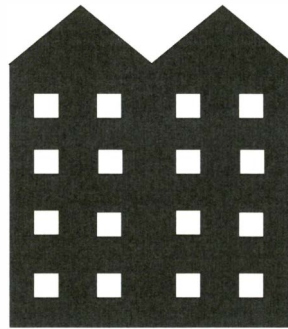
affordable rent

HOUSEHOLDS WITH A SOCIAL
SECURITY INCOME
1,461

AVERAGE SOCIAL SECURITY
INCOME PER YEAR
\$20,584



affordable rent



EXTREMELY LOW- AND VERY
LOW-INCOME HOUSEHOLDS
PROJECTIONS (2014-2029)
Burleigh +4,085

District 37 Affordable Housing Facts

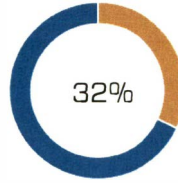
Mar 11, 2019

POPULATION
17,350

HOUSEHOLDS
7,082

MEDIAN HOUSEHOLD INCOME
\$73,613

RENTER HOUSEHOLDS
2,841



are cost burdened



SENIOR HOUSEHOLDS
1,408

SENIOR HOUSEHOLDS WITH
FOOD STAMPS
118

SENIORS WITH A DISABILITY
728

HOUSEHOLDS WITH AN
INDIVIDUAL WITH A DISABILITY
1,216

WITH FOOD STAMPS
216



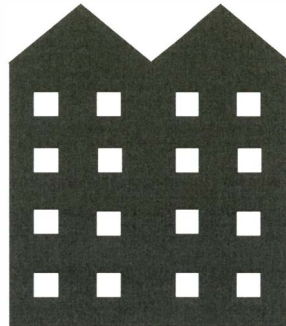
HOUSEHOLDS WITH FOOD
STAMPS
409

MEDIAN INCOME OF A
HOUSEHOLD WITH FOOD
STAMPS
\$14,125



HOUSEHOLDS WITH A SOCIAL
SECURITY INCOME
1,544

AVERAGE SOCIAL SECURITY
INCOME PER YEAR
\$16,200

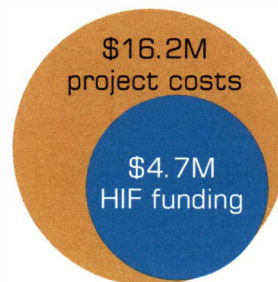


EXTREMELY LOW- AND VERY
LOW-INCOME HOUSEHOLDS
PROJECTIONS (2014-2029)
Stark + 1.707

HIF MAKES A DIFFERENCE

3 HIF projects for a total of 86 units

- Dacotah Ridge Apartments
- Lincoln Park Townhomes II
- Sullivan Apartments



\$3.44 leveraged for each HIF dollar invested

District 38 Affordable Housing Facts

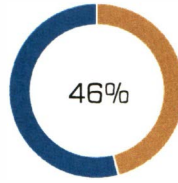
Mar. 11, 2019

POPULATION
17,997

HOUSEHOLDS
6,437

MEDIAN HOUSEHOLD INCOME
\$72,233

RENTER HOUSEHOLDS



are cost burdened



SENIOR HOUSEHOLDS
1,077

SENIOR HOUSEHOLDS WITH FOOD STAMPS
58

SENIORS WITH A DISABILITY
457

HOUSEHOLDS WITH AN INDIVIDUAL WITH A DISABILITY
1,182

WITH FOOD STAMPS
109



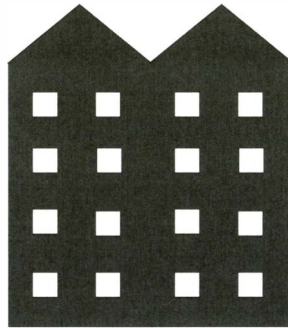
HOUSEHOLDS WITH FOOD STAMPS
218

MEDIAN INCOME OF A HOUSEHOLD WITH FOOD STAMPS
\$18,015



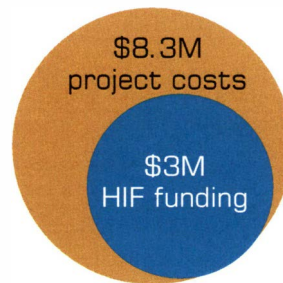
HOUSEHOLDS WITH A SOCIAL SECURITY INCOME
1,338

AVERAGE SOCIAL SECURITY INCOME PER YEAR
\$19,364



EXTREMELY LOW- AND VERY LOW-INCOME HOUSEHOLDS PROJECTIONS (2014-2029)
Ward +2,050

HIF MAKES A DIFFERENCE
1 HIF projects for a total of 40 units
• The Willows, Burlington



\$2.75 leveraged for each HIF dollar invested

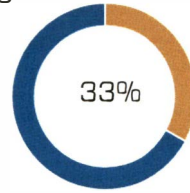
District 41 Affordable Housing Facts

POPULATION
15,366

HOUSEHOLDS
6,645

MEDIAN HOUSEHOLD INCOME
\$60,737

RENTER HOUSEHOLDS
3,016



are cost burdened

Median Rent for a 2 bedroom apartment
Cass* \$859

\$16.52
hourly wage needed

*Fargo, ND-MN Metropolitan Statistical Area

SENIOR HOUSEHOLDS
1,199

SENIOR HOUSEHOLDS WITH FOOD STAMPS
14

SENIORS WITH A DISABILITY
543

HOUSEHOLDS WITH AN INDIVIDUAL WITH A DISABILITY
1,094

WITH FOOD STAMPS
154



HOUSEHOLDS WITH FOOD STAMPS
476

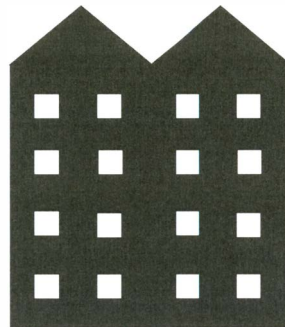
MEDIAN INCOME OF A HOUSEHOLD WITH FOOD STAMPS
\$25,750

\$644
affordable rent

HOUSEHOLDS WITH A SOCIAL SECURITY INCOME
1,555

AVERAGE SOCIAL SECURITY INCOME PER YEAR
\$18,598

\$465
affordable rent



EXTREMELY LOW- AND VERY LOW-INCOME HOUSEHOLDS PROJECTIONS (2014-2029)
Cass +8,061

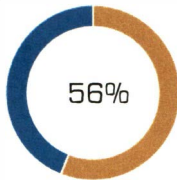
District 42 Affordable Housing Facts

POPULATION
13,988

HOUSEHOLDS
5,108

MEDIAN HOUSEHOLD INCOME
\$36,299

RENTER HOUSEHOLDS
3,580



are cost burdened



hourly wage needed

*Grand Forks, ND-MN Metropolitan Statistical Area

SENIOR HOUSEHOLDS
562

SENIOR HOUSEHOLDS WITH FOOD STAMPS
60

SENIORS WITH A DISABILITY
211

HOUSEHOLDS WITH AN INDIVIDUAL WITH A DISABILITY
796

WITH FOOD STAMPS
237



HOUSEHOLDS WITH FOOD STAMPS
577

MEDIAN INCOME OF A HOUSEHOLD WITH FOOD STAMPS
\$14,256



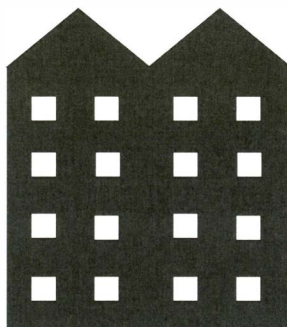
affordable rent

HOUSEHOLDS WITH A SOCIAL SECURITY INCOME
665

AVERAGE SOCIAL SECURITY INCOME PER YEAR
\$16,802



affordable rent



EXTREMELY LOW- AND VERY LOW-INCOME HOUSEHOLDS PROJECTIONS (2014-2029)
Grand Forks +1.213

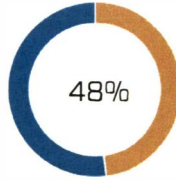
District 43 Affordable Housing Facts

POPULATION
15,494

HOUSEHOLDS
7,476

MEDIAN HOUSEHOLD INCOME
\$41,361

RENTER HOUSEHOLDS
5,169



are cost burdened



SENIOR HOUSEHOLDS
1,487

SENIOR HOUSEHOLDS WITH FOOD STAMPS
142

SENIORS WITH A DISABILITY
827

HOUSEHOLDS WITH AN INDIVIDUAL WITH A DISABILITY
1,609

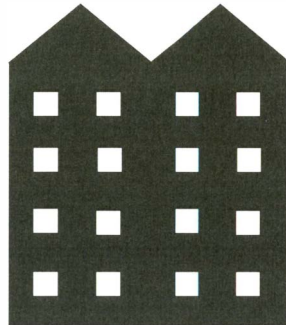
WITH FOOD STAMPS
362



HOUSEHOLDS WITH FOOD STAMPS
873

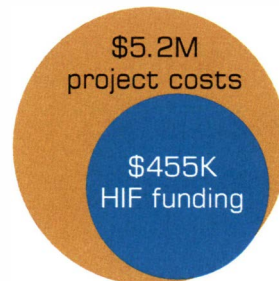


HOUSEHOLDS WITH A SOCIAL SECURITY INCOME
1,705



EXTREMELY LOW- AND VERY LOW-INCOME HOUSEHOLDS PROJECTIONS (2014-2029)
Grand Forks +1,213

HIF MAKES A DIFFERENCE
1 HIF projects for a total of 30 units
• Cherrywood Village



\$11.52
leveraged for each HIF dollar invested

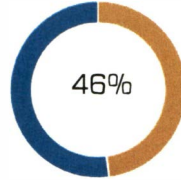
District 46 Affordable Housing Facts

POPULATION
17,375

HOUSEHOLDS
7,504

MEDIAN HOUSEHOLD INCOME
\$63,660

RENTER HOUSEHOLDS
3,652



are cost burdened



* Fargo, ND-MN Metropolitan Statistical Area

SENIOR HOUSEHOLDS
1,566

SENIOR HOUSEHOLDS WITH FOOD STAMPS
120

SENIORS WITH A DISABILITY
926

HOUSEHOLDS WITH AN INDIVIDUAL WITH A DISABILITY
1,744

WITH FOOD STAMPS
236



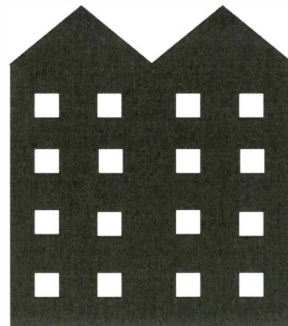
HOUSEHOLDS WITH FOOD STAMPS
513

MEDIAN INCOME OF A HOUSEHOLD WITH FOOD STAMPS
\$19,004



HOUSEHOLDS WITH A SOCIAL SECURITY INCOME
2,028

AVERAGE SOCIAL SECURITY INCOME PER YEAR
\$18,246



EXTREMELY LOW- AND VERY LOW-INCOME HOUSEHOLDS PROJECTIONS (2014-2029)
Cass +8,061

SB 2271

Attachment 1
Mar. 11, 2019

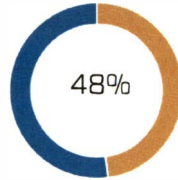
District 47 Affordable Housing Facts

POPULATION
17,499

HOUSEHOLDS
7,582

MEDIAN HOUSEHOLD INCOME
\$64,688

RENTER HOUSEHOLDS
2,623



are cost burdened



SENIOR HOUSEHOLDS
2,000

SENIOR HOUSEHOLDS WITH FOOD STAMPS
61

SENIORS WITH A DISABILITY
1,151

HOUSEHOLDS WITH AN INDIVIDUAL WITH A DISABILITY
1,543

WITH FOOD STAMPS
145

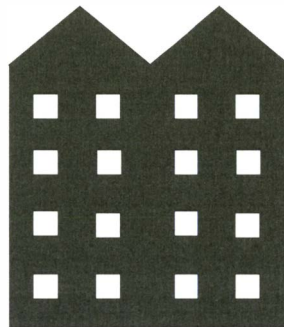


HOUSEHOLDS WITH FOOD STAMPS
450



HOUSEHOLDS WITH A SOCIAL SECURITY INCOME
2,227

AVERAGE SOCIAL SECURITY INCOME PER YEAR
\$21,014

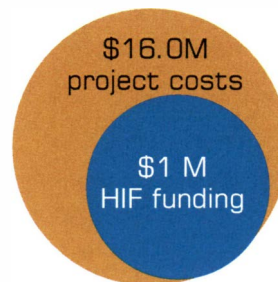


EXTREMELY LOW- AND VERY LOW-INCOME HOUSEHOLDS PROJECTIONS (2014-2029)
Burleigh + 4,085

HIF MAKES A DIFFERENCE

2 HIF projects for a total of 75 units

- Sierra Court
- Century Cottages



\$16.00 leveraged for each HIF dollar invested

HOUSING INCENTIVE FUND IMPACT IN NORTH DAKOTA

The North Dakota Housing Incentive Fund (HIF) is an effective, locally-driven, rental housing financing tool created and authorized during the 2011 North Dakota legislative session. Community leaders, private developers, and nonprofit organizations have leveraged HIF to construct new or improve existing rental housing. Because of HIF, low- to moderate-wage workers, the state's aging population, individuals with disabilities, and persons experiencing homelessness have increased access to safe, decent and affordable housing.

Why HIF Works

Successful Track Record. Residents, businesses and the state invested \$89.8 million in gap financing to build and rehabilitate more than 2,500 rental units. Total development costs over the past seven years exceeded \$443 million.

Unmatched Flexibility. As a state-funded program, HIF is able to address changing housing market demands in both urban and rural communities. Federal programs are more restrictive.

Local Support. HIF applications must demonstrate community support for the project and document unmet housing needs. Ensuring community input and support prior to construction results in strong community buy-in for HIF projects.

Cost-Effective. Every \$1 of HIF resulted in \$4 of public and private investments totaling more than \$353 million in additional funding.

Gap Financing. HIF is a source of gap financing leveraged when an income restricted rental housing project will not cash flow with traditional financing. Minimal debt after construction or rehabilitation results in lower monthly rents and reduces the need for housing vouchers.

Targeted to Greatest Needs. By statute, HIF targets low- to moderate-income households, including seniors, people with disabilities, families with children, veterans, and people experiencing homelessness. HIF has helped thousands of residents that would have been priced out of the state's housing market. Of the 2,501 HIF units, 1,913 are rent restricted, requiring the households who live in these units to be income qualified.

Available in all Communities. To date, HIF funding has been used in 26 communities, rural and urban, across the state.

*North Dakota
Housing Incentive Fund
(2011-2018)*

*\$89.8 million
dollars invested*

*\$443 million
total development
investment*

*80
projects across
the state*

*150
funding applications
reviewed*

*2,501
units built
or rehabilitated*

*1,913
income-restricted
units*

Ongoing Need for HIF

Affordable housing is the foundation for robust communities supporting job creation and retention, health and wellness, educational development, and the ability to age in place. However, 39.9 percent of renter households in North Dakota are cost-burdened, paying 30 percent or more of their income towards this expense.¹

Building housing for low- or extremely low-income individuals and families is challenging. Traditional financing is based on anticipated property income, however, when rents are set to affordable levels, there is a gap between the money needed for construction and the money lenders and investors provide. Most affordable housing financing developments involve a mortgage, federal low-income housing tax credits and two or three other sources of money, yet it is not uncommon for developers to rely on upwards of 10 financing sources as they try to fill the gap. Federal funding is extremely scarce and difficult to qualify for, therefore, only 50 percent of qualified projects are funded.

If North Dakotans cannot afford housing or too much of their income is allocated to this one expense, it impacts their ability to maintain stability in their lives, advance economically, pursue educational opportunities, and be able to afford basic necessities such as food, utilities, transportation, childcare and medical coverage. Housing vouchers are another option, but only one in four persons who need a voucher receives one, and it can take years to obtain a voucher.

The upfront investment in HIF off-sets the socioeconomic costs communities and the state incur when people become desperate for a place to call home.

Financing Structure

HIF awards are structured as forgivable loans and are available to local housing authorities, tribal entities, and nonprofit or for-profit housing developers. The maximum award size varies depending on whether a project also receives federal funding. The award amount typically equals less than 30 percent of the total development cost, and no more than \$3 million. Awards are competitive and projects must meet strict scoring criteria.

Timeline

2011

- Created during the 2011 Legislative Session
- \$15 million in tax credit authority
- 21 out of 30 projects awarded
- 579 units constructed or improved
- 90 percent of funding set aside for energy and flood impacted communities

2013

- Reauthorized during 2013 Legislative Session
- \$20 million in tax credit authority and \$15.4 million general fund appropriation
- 29 out of 54 projects awarded
- 921 units constructed or improved
- Program priority for essential service workers in energy-impacted counties

2015

- Reauthorized during 2015 Legislative Session
- \$30 million in tax credit authority, \$5 million from Bank of North Dakota
- Additional \$5 million from Bank of North Dakota in 2016 for communities under 12,500
- 24 out of 50 projects awarded
- 862 units created or improved

2017

- Legislature removed a two-year sunset making HIF permanent in the ND Century Code
- No new funding was authorized
- NDHFA reallocated \$3.7 million from the 2015-17 biennium.
- 6 out of 16 projects awarded
- 239 units created or improved

2019

- Governor's proposed 2019-2021 budget includes \$20 million from the Strategic Investment and Improvement Fund (SIIF).

¹ U.S. Census Bureau. 2017 Decennial Census and American Community Survey.

HOUSING INCENTIVE FUND IMPACT ON AGING POPULATIONS

The North Dakota Housing Incentive Fund (HIF) is an effective, locally-driven, rental housing financing tool created and authorized during the 2011 North Dakota legislative session. Community leaders, private developers, and nonprofit organizations have leveraged HIF to construct new or improve existing rental housing for low- to moderate-income seniors. Because of HIF, seniors have increased access to safe, decent and affordable housing across the state.

Independent Senior Housing – Making Lives Better and More Meaningful

Community vitality, social connections, affordable housing and quality healthcare are important for North Dakota's aging population. The state ranks 7th in the nation with the highest proportion of individuals ages 85 and older.¹ As seniors age past 80, maintaining financial resources is essential to affording basic needs such as housing, health care, medications, healthy food and transportation.

Currently, 76.1 percent of residents ages 75 to 84 own their own home. For those 85 and older, the number drops to 62.8 percent.² According to national trends, 80-years-old is the approximate age that seniors move out of their homes, due to physical restrictions and isolation, and move into more community-based housing.

As seniors explore independent housing options, financial restrictions may prevent them from leaving their home, increasing the potential for accidents and injuries and further isolation. Another hindrance is the availability of affordable housing options due to limited income. The median income for North Dakotans ages 75 to 84 is \$35,900. Individuals 85 and older have a median income of \$19,700.³ Those living solely off of social security average \$16,133 annually and more than 29,000 rely on social security for 90 percent or more of their income.^{4,5}

In order for a senior to not be considered housing burdened, they can allocate up to 30 percent of their income towards housing costs and utilities. Based on median income, North Dakotan ages 75 to 84 can afford to pay \$898 per month for all housing costs, 85 years and older can pay \$492, and individuals living on social security can afford \$403.

It is estimated that one out of two North Dakotan's will need long-term care sometime during their lives. As people age, the need for personal assistance with everyday activities increases. Creating affordable housing options allows seniors to age in place longer and be able to utilize in-home care, which promotes independence. Living at home also alleviates pressure on licensed assisted living facilities, which are at 95 percent capacity and licensed long-term care nursing facilities, which are at 93.6 percent capacity.⁶

North Dakota's Aging Population

75-84	ages 85+
\$35,900	\$19,700
76.1%	62.8%
15.3%	50.1%
\$898	\$492
Social Security Income	
\$16,133	
\$403	
29,057	

annual median income

homeownership rate

two or more disabilities

affordable monthly rent

Social Security Income

annual median income

affordable monthly rent

*rely on social security
for 90% or more of
their income*

Ongoing Need for HIF

Seniors ages 74 to 85-years-old and beyond are able to afford rents ranging from \$403 to \$898 based on their annual median income. The goal is to limit their housing costs to be at or below 30 percent so they are not housing cost-burdened and can afford basic necessities, medications, food and transportation.

Traditional financing mechanisms used for construction and operational expenses require market rate rents to cover expenses. HIF provides critical gap financing to lower debt service, therefore, an affordable rent structure can be implemented to cover operational expenses. Many of North Dakota’s seniors have an income restricted threshold that they need to consider when moving out of their home.

In addition to cost, this segment of the population must take into consideration accessibility and physical limitations when evaluating rental housing. If they are not able to find affordable rental housing they must stay in their current home, which may pose additional risk to their health and well being or move into an assisted living , basic care or nursing home facility. The monthly average cost for these facilities are: assisted living \$2,341, basic care \$3,668, and nursing facility \$7,871.⁷ During the 2017-2019 biennium budget, the state of North Dakota, allocated more than \$393 million to North Dakota Department of Human Services for long-term care services and expenses.⁸

Below is a financing scenario detailing the difference in rent structure to cash flow a traditional financed project and one leveraging gap financing. Construction and operations costs are the same, however, seniors can be offered affordable rents based on their income when gap financing eliminates the need to take out a 20-year loan.

New Construction Scenario

24 Unit Apartment Building

Cost of Construction is \$175,000 (per unit) x 24 units = \$4.2 million

Traditional Financing Market Rate Rent		Non-Traditional Financing Income Restricted Rent	
Equity Investment	\$1.26 million (30%)	Equity Investment	\$1.26 million (30%)
Loan	\$2.94 million (70%)	Gap Financing	\$2.94 million (70%) <i>(ie HIF, federal funds, private investments/donations)</i>
Annual Expenses:		Annual Expenses:	
\$252,757	Loan Payment (6%, 20 years)	\$0	Loan Payment
\$120,000	Operating Expense	\$120,000	Operating Expense
<u>\$100,800</u>	Return on Equity (8%)	<u>\$100,800</u>	Return on Equity (8%)
\$473,557	Annual revenue needed from rents to cover expenses	\$220,800	Annual rent revenue needed from rents to cover expenses
Average Monthly Rent Per Unit to Cover Expenses:		Income Restricted Rent Structure to Cover Expenses:	
\$1,644		5 units at \$403	5 units at \$898
		5 units at \$493	9 units at \$1,050

Financing Structure

HIF awards are structured as forgivable loans and are available to local housing authorities, tribal entities, and nonprofit or for-profit housing developers. The maximum award size varies depending on whether a project also receives federal funding. The award amount typically equals less than 30 percent of the total development cost, and no more than \$3 million. Awards are competitive and projects must meet strict scoring criteria.

^{1,6,7} 2017 North Dakota Long Term Care Facts & Figures.

^{2,3} U.S. Census Bureau. 2017 Decennial Census and American Community Survey.

⁴ 2017 North Dakota OASDI Beneficiaries.

⁵ 2017 North Dakota AARP Fact Sheet.

⁸ Department of Human Services Human Services Committee presentation July 27, 2018.

HOUSING INCENTIVE FUND PERMANENT SUPPORTIVE HOUSING

The North Dakota Housing Incentive Fund (HIF) is an effective, locally-driven, rental housing financing tool, created and authorized during the 2011 North Dakota legislative session. Community leaders, private developers, and nonprofit organizations have leveraged HIF to construct new or improve existing rental housing creating and rehabilitating rental housing across the state. Because of HIF, low- to moderate-wage workers, the state's aging population, and individuals with disabilities and persons experiencing homelessness have increased access to safe, decent and affordable housing.

Permanent Supportive Housing - Why it Works

Chronic homelessness costs the state \$30,000 to \$50,000 per person per year.¹ Permanent Supportive Housing (PSH) reduces this cost by 40 percent on average. PSH combines affordable housing assistance with voluntary support services to address the needs of chronically homeless people and individuals and families at risk of becoming homeless. Services are designed to build independent living and tenancy skills, and connect people with community-based health care, treatment, employment services, childcare, and life skills coaching. A cost-effective solution, PSH has been proven to lower public costs associated with the use of crisis services such as shelters, hospitals, jails, and reduce generational dependence on public assistance.

Having A Home. HIF is leveraged as gap financing to construct or rehabilitate rental housing where all or a portion of the units are allocated for persons and families either at risk of becoming homeless or currently experiencing homelessness.

Providing Supportive Services. HIF does not cover the cost of supportive services. Applicants seeking HIF funding must identify either a state, nonprofit or private entity that will provide services to the residents.

Defining Chronically Homeless. Over the past decade, the state's annual homeless population average has been 1,012, of which 75.5 are chronically homeless.² Chronically homeless is defined as an individual or family that resides in a place not meant for human habitation, in an emergency shelter for a year or has experienced homelessness for at least four separate occasions in the past three years.

At-Risk Causes. More than 75,000 or 10 percent of North Dakotans are below the poverty level and almost 27,000 live in extreme poverty.³ Vulnerable individuals and families lack adequate housing, income and support systems. Personal circumstances elevate the chance of homelessness such as family violence and abuse, foster care, teenage pregnancy, addiction, mental health issues, and discharge from hospital or correctional facilities.

Statewide Homeless and At-Risk

\$30,000 - \$50,000
annual cost per
chronically
homeless person

75.5
average chronically
homeless population

1,012
average homeless
population

26,964
living in extreme poverty

Homeless and At-Risk Housing Projects

Jeremiah Program,
Fargo

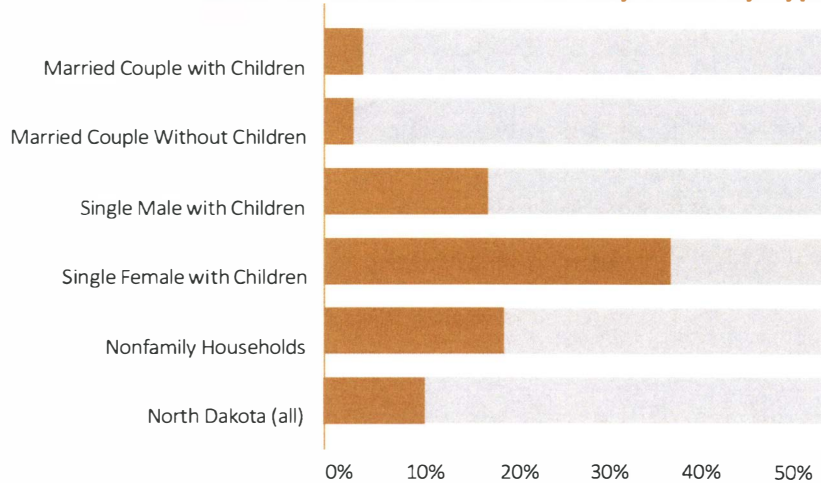
Grace Gardens,
West Fargo

Edwinton Place,
Bismarck

North Dakota's Cost-Burdened Households

Across North Dakota, there is a shortage of rental homes affordable and available to extremely low income households. Many of these households are severely cost burdened, spending more than half of their income on housing. Individuals facing economic limitations, physical disabilities, mental health issues, substance abuse, and justice involvement must sacrifice other necessities like healthy food and healthcare to pay rent. These difficult trade-offs increase the risk of unstable housing situations like evictions and homelessness.

Households Below the Poverty Level by Type, 2016



According to the National Low-Income Housing Coalition, 24 percent or 26,964 of North Dakota renters are extremely low income, which is a maximum income of \$24,300 annually for a four-person household. Persons wanting a two-bedroom apartment need to earn \$34,190 per year or \$16.44 per hour to afford \$855 in rent.⁴ In November 2018, 17.4 percent of the jobs listed through Job Service North Dakota offered \$14.99 per hour or less.⁵

Ongoing Need for HIF

HIF creates gap financing for rental housing projects that cannot supporting building debt in order to provide supportive services to the chronically homeless or the families with children that need services to become housing stable and independent. Without HIF these housing projects would not be feasible.

If North Dakotans cannot afford housing, it impacts their ability to maintain stability, advance economically, pursue educational opportunities, and be able to afford necessities such as food, utilities, transportation, childcare and healthcare. The upfront investment in HIF is critical to off-set the socioeconomic costs communities and the state incur when people become desperate for a place to call home.

Financing Structure

HIF awards are structured as forgivable loans and are available to local housing authorities, tribal entities, and non-profit or for-profit housing developers. The maximum award size varies depending on whether a project also receives federal funding. The award amount typically equals less than 30 percent of the total development cost, and no more than \$3 million. Awards are competitive and projects must meet strict scoring criteria.

^{1,2,3} 2018 North Dakota's 10-Year Plan to End Long-Term Homelessness.

⁴ National Low Income Housing Coalition 2018 North Dakota Housing Profile.

⁵ JSND North Dakota Workforce Intelligence.

SB 2271
 A Hansen 3-11-19

NORTH DAKOTA

STATE RANKING #32*

In **North Dakota**, the Fair Market Rent (FMR) for a two-bedroom apartment is **\$855**. In order to afford this level of rent and utilities — without paying more than 30% of income on housing — a household must earn **\$2,849** monthly or **\$34,190** annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of:

\$16.44
 PER HOUR
 STATE HOUSING
 WAGE

FACTS ABOUT NORTH DAKOTA:

STATE FACTS	
Minimum Wage	\$7.25
Average Renter Wage	\$15.75
2-Bedroom Housing Wage	\$16.44
Number of Renter Households	111,254
Percent Renters	36%

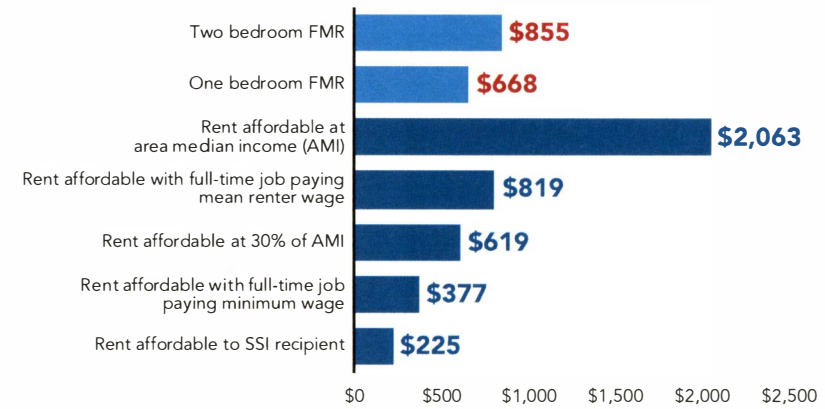
91
 Work Hours Per Week At
Minimum Wage To Afford a **2-Bedroom
 Rental Home** (at FMR)

71
 Work Hours Per Week At
Minimum Wage To Afford a **1-Bedroom
 Rental Home** (at FMR)

2.3
 Number of Full-Time Jobs At
Minimum Wage To Afford a
2-Bedroom Rental Home (at FMR)

1.8
 Number of Full-Time Jobs At
Minimum Wage To Afford a
1-Bedroom Rental Home (at FMR)

MOST EXPENSIVE AREAS	HOUSING WAGE
Dunn County	\$24.40
Ward County	\$20.54
Mountrail County	\$19.67
Williams County	\$19.40
Grand Forks MSA	\$18.58



MSA = Metropolitan Statistical Area; HMFA = HUD Metro FMR Area.
 * Ranked from Highest to Lowest 2-Bedroom Housing Wage. Includes District of Columbia and Puerto Rico.

30

North Dakota Affordable Housing Facts

POPULATION

760,077

HOUSEHOLDS

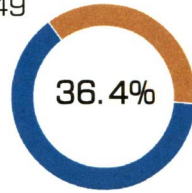
360,660

MEDIAN HOUSEHOLD INCOME

\$61,285

RENTER HOUSEHOLDS

97,249



are cost burdened



SENIOR HOUSEHOLDS

100,748

SENIOR HOUSEHOLDS WITH FOOD STAMPS

7,254

SENIORS WITH A DISABILITY

33,750

HOUSEHOLDS WITH AN INDIVIDUAL WITH A DISABILITY

75,801

WITH FOOD STAMPS

7,964



HOUSEHOLDS WITH FOOD STAMPS

19,847

MEDIAN INCOME OF A HOUSEHOLD WITH FOOD STAMPS

\$18,409

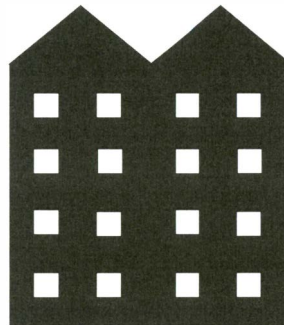


HOUSEHOLDS WITH SOCIAL SECURITY INCOME

81,289

AVERAGE SOCIAL SECURITY INCOME PER YEAR

\$18,062



EXTREMELY LOW- AND VERY LOW-INCOME HOUSEHOLD PROJECTIONS (2019-2029)

Entire state +15,236



HIF MAKES A DIFFERENCE

80 HIF projects for a total of 2,501 units

- 1,913 income restricted units
- Gap financing leveraging federal, private and local funding to move a project forward
- Community driven flexibility



\$4.93
leveraged for each HIF dollar invested

Edwinton Place Apartments—Bismarck, ND

Project Highlights:

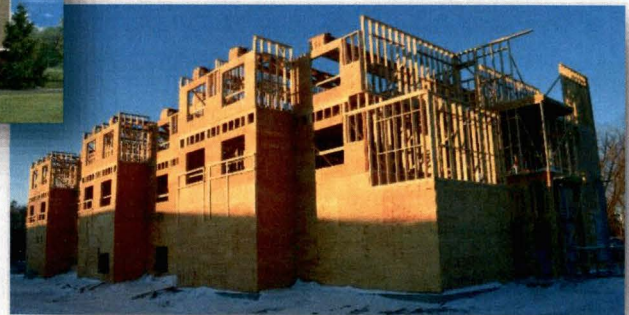
- Permanent Supportive Housing utilizing ‘Housing First’ model for Chronically Homeless Individuals
- 40 one bedroom/bathroom apartments
- 24/7 staffing with controlled building entrances
- Project Based Housing Choice Vouchers provided by Burleigh County Housing Authority



Infill Lot in an Opportunity Zone, Bismarck



Architectural Rendering



Construction Progress, January 2019

Project Financing:

Funding commitments provided by NDHFA will cover the majority of Edwinton Place’s development costs. The state agency awarded federal Low Income Housing Tax Credits that will provide the project with \$7.2 million in equity, and awarded \$1,026,147 from the National Housing Trust Fund, \$500,000 from the state’s Housing Incentive Fund and \$460,000 from the Neighborhood Stabilization III Program. The total project cost is \$10.3 million.

Edwinton Place also received support from the City of Bismarck, in agreement with Burleigh County and the Bismarck Public School District, a 20-year Payment in Lieu of Taxes for the property valued at more than \$2 million. The North Dakota Department of Commerce committed \$730,000 through the Neighborhood Stabilization I Program for land acquisition. Through Bank of North Dakota, the Federal Home Loan Bank awarded \$750,000 from the Affordable Housing Program, and the Otto Bremer Trust committed \$62,000 to help cover pre-development costs. The project’s construction financing will be provided by Gate City Bank.

3-11-19

A 'precarious' life: Without a proper living space, 'Homeless Dave' ekes out existence in Moorhead industrial park

By [Robin Huebner](#) on Jan 6, 2019 at 2:31 p.m.



"Homeless Dave" walks past his camper housed in an industrial park garage in Moorhead. David Samson / Forum News Service1 / 4

MOORHEAD, Minn. — He rents “shop space” in a cold-storage building in this city’s industrial park, but isn’t using it for woodworking or any other hobby. Instead, “Homeless Dave,” as he calls himself, has turned the spot not meant for human habitation into his home.

Boxes overflowing with household items cover the concrete floor. A bumper-pull camper parked inside is where he showers and sleeps. A makeshift office, where he uses his old computer, is shrouded in tarps and equipped with heat lamps to stave off the winter chill.

Dave, 50, has lived here nearly three years. Before that, he lived in a similar setting in Bismarck. “I’m trying. I’m trying to maintain as normal a life as I possibly can under the conditions that I’m in,” he said.

Forum News Service granted Dave's request not to use his full name or show his face, because he fears he'll be kicked out of the space.

Cody Schuler, executive director of the Fargo-Moorhead Coalition to End Homelessness, wouldn't estimate how many people in the area “sleep rough” in campers or cars because they're a hidden, hard-to-count population. “They'll do that because it feels safe to them,” Schuler said.

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Pastor Sue Koesterman, executive director of Churches United for the Homeless in Moorhead, said it wears on a person's health in a serious way to not be adequately sheltered. "It's a very, very precarious, kind of day-by-day existence," Koesterman said.

No credit

For Dave, finding work and keeping money coming in hasn't been a problem. After he left a painting job because the fumes made him sick, he was unemployed for a little more than a month before finding a full-time position as a machinist for a local trailer manufacturer.

He said he doesn't receive any government assistance. His driving record is good, and he has a minimal criminal record. The primary barrier to him finding a place to rent is that he's never had a credit card. "I don't have bad credit, I have no credit," he said.

In addition, landlords want to talk to previous landlords about whether potential renters pay on time, and whether they left any damage in their previous place. Because of his somewhat transient, under-the-radar lifestyle, Dave doesn't have any references like that.

"All I have is a bunch of receipts from a place I'm not supposed to be living in," he said. So, he continues to rent the shop space in the industrial park for a substantial \$1,000 a month, with additional expenses for heat and internet. "There's that saying, 'We need someone who thinks outside the box or looks outside the box.' Well, I live outside the box," Dave said.

Cold, cramped quarters

It's a challenge for Dave to stay warm in the shop. He uses space heaters and heat lamps to supplement a single wall-mounted heater. On a mild winter day when Forum News Service visited, the temperature inside was barely 60 degrees.

Dave has no access to a kitchen, so he prepares meals on a crowded shop table. A toaster oven, steamer and slow cooker fight for space in the clutter. "Forgive the big pile of dirty dishes," Dave said.

The place has a one-gallon water heater, so he can wash only a few dishes at a time in the bathroom sink before the hot water runs out. He has a small refrigerator, freezer and washer but no dryer, so he hangs his clothes to dry.

A string of lights is draped down the side of the camper — not because he has Christmas spirit, he said, but to provide a lighted path if he gets up at night to use the bathroom.

A dog and cat keep Dave company. He built a large, enclosed "litter box" filled with sand for the animals to use when he's away at work. He doesn't often take his dog outdoors, so as not to raise suspicion about his living arrangement. Both animals need veterinary care, but he said he doesn't have the time or money to take them in.

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Attachment 1
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Vehicular homelessness

There are people all over the country like Dave living in vehicles, campers or storage units. Often, they've shunned shelters because they've had a bad experience at one or feel anxious in crowded spaces. The phenomenon of "vehicular homelessness" is growing, especially in high-rent metropolitan areas on the West Coast.

While the U.S. Department of Housing and Urban Development (HUD) doesn't collect vehicle-specific data, unsheltered homelessness — which includes people sleeping in cars — is on the rise. According to a HUD-required, point-in-time count on a single night in January 2018, a third of the more than 550,000 homeless people nationwide were living unsheltered, such as on the street, in abandoned buildings or cars. That represents a nearly 3 percent increase from the previous year.

Point-in-time numbers for North Dakota have bounced around. In January 2017, the most recent count available, 331 of 1,089 homeless people statewide were unsheltered. Only five years earlier, 53 of 688 homeless people were reported as unsheltered. A major spike occurred in 2013, when 1,395 of 2,069 homeless people were unsheltered.

As numbers rise, more cities are imposing criminal or civil punishments on people living in their vehicles. The National Law Center on Homelessness & Poverty reports that in 2016, nearly 40 percent of cities surveyed prohibited living in vehicles, a 143 percent increase since 2006.

'Stuck in a rut'

Dave knew of a half dozen others living in storage units in Bismarck. He's not aware of people like him in the Fargo-Moorhead area, "but I can guarantee you there are," he said.

Schuler said there are nearly 300 beds in the area's seven shelters, and they're always full. When people call seeking a bed, it's hard to know if they have been staying in a vehicle because they rarely volunteer that information.

"They're afraid they might get pushed out of the space they have, because the space you have is better than no space at all," Koesterman said. Dave said his body is beat up from working manual labor jobs and being homeless. He's proud of his resiliency, but desperately wants to find something better.

Someday, he hopes to buy a small piece of land and put a single-wide mobile home on it, but that someday seems far away. "I'm stuck in a rut, between being able to get into a legitimate place to live and, you know, being under a bridge," he said.

<https://www.thedickinsonpress.com/news/4553004-precarious-life-without-proper-living-space-homeless-dave-ekes-out-existence-moorhead>



Beyond Shelter surpasses 1,000 units of affordable housing with new apartment building

FARGO-A new apartment building was 90 percent pre-leased weeks before prospective tenants could even see the building. HomeField Apartments, 4245 28th Ave. S., is now completely filled. The fact this happened in an area of town with a 12.5 percent...

Written By: Ryan Johnson Sep 1st 2017 - 3pm.



Dorothy Kaufman sits Tuesday, Aug. 29, 2017, in her HomeField apartment built by Beyond Shelter, Inc., at 4245 28th Ave. S., Fargo. Michael Vosburg / Forum Photo Editor

FARGO-A new apartment building was 90 percent pre-leased weeks before prospective tenants could even see the building.

HomeField Apartments, 4245 28th Ave. S., is now completely filled. The fact this happened in an area of town with a 12.5 percent apartment vacancy rate isn't going unnoticed.

"If you talk to someone in the market-rate world, their jaws just drop," said Jamie Hager, regional manager for MetroPlains Management that oversees the new complex.

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It's not just the in-unit washers and dryers or the building's fitness center and media room-it's all about the rent. Senior citizen tenants here pay \$388 to \$696 for the 39 one- or two-bedroom units, depending on household size and income, far below the \$850 to \$900 they'd pay for a comparable one-bedroom elsewhere.

It's the latest project from Beyond Shelter Inc., a nonprofit started by former Fargo Housing and Redevelopment Authority staff in 1999. Board Member Bev Rohde told a crowd gathered earlier this week to celebrate that the nonprofit has come a long way since launching with a \$5,000 loan and "some wide-eyed optimism."

'Our last place'

Rohde said federal restrictions for affordable housing at the time were "uncomfortable," including a mandate to hire contractors with the lowest bid. That meant complexes were built with the cheapest materials and appliances and lacked basics like garages, air conditioning and carpet.

"We were fairly sure we could do better," she said.

Their work benefits people like Donna Allard. The 75-year-old said she appreciates HomeField's open floor plan that gives her plenty of room for furniture. She also likes having a garage stall. It's the price that ultimately drew her here. Allard said she previously struggled keeping up with a two-bedroom apartment in south Fargo that cost about \$800 per month.

"This is so nice," she said. "I just felt real fortunate when I was able to move in."

Marlys Workin got into her unit in mid-July. She left her Fargo house where she had lived for 48 years to move here, but she said she enjoys her "roomy and bright" new home. "I don't miss it a bit," she said.

Gary Hasse, too, said he's glad to be here. "I haven't met all the people that live here yet, but the ones that I have, we've all decided that this is our last place before we go upstairs," he said. "We're tired of moving, and this is an excellent place to call home."

More needed

With the completion of HomeField, as well as a groundbreaking later this month on the LaGrave on First project for homeless people in Grand Forks, CEO Dan Madler said Beyond Shelter has

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Attachment 1

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developed more than 1,000 affordable housing units in eight communities across North Dakota, South Dakota and Minnesota.

Madler said their work is about more than providing shelter. An affordable home can make residents safer, happier and healthier while also improving employment prospects, he said.

But it's not easy, according to Jolene Kline, and the executive director of the North Dakota Housing Financing Agency said the need is far beyond supply.

The only way to make it happen, she said, is a complicated "layering" of funding and support from local, state and federal partners as well as the private sector. For example, the agency allocated about \$600,000 of federal low income housing tax credits purchased by Wells Fargo to fund the \$6.18 million HomeField project.

"The private sector cannot and will not produce units at \$400 a month rent," Kline said.

But she said there's only funding to do a handful of projects each year, and Fargo will need more than 100 additional units of affordable housing each year for the next 15 years. She encouraged North Dakota legislators to provide state funding to help.

Beyond Shelter plans to build two more 39-unit complexes at the HomeField site in the next two years.

MetroPlains now manages 485 affordable apartment units for seniors in the Fargo-Moorhead area. Those units have a vacancy rate of less than 1 percent, far below the metro's overall 8.35 percent vacancy as of June 1, according to a study released by Appraisal Services Inc.

"I've been doing this for 17 years, and I always think we're going to hit this saturated market," Hager said. "We just have not done that yet, not in affordable."

HOUSING INCENTIVE FUND PROJECTS

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The North Dakota Housing Incentive Fund (HIF) is an effective, locally-driven, rental housing financing tool created and authorized during the 2011 North Dakota legislative session. Community leaders, private developers, and nonprofit organizations have leveraged HIF to construct new or improve existing rental housing. Because of HIF, low- to moderate-wage workers, the state’s aging population, individuals with disabilities, and persons experiencing homelessness have increased access to safe, decent and affordable housing.

Workforce Housing Projects

Persons wanting a two-bedroom apartment need to earn more than \$34,000 or \$16.44 per hour to afford \$855 in rent according to HUD’s Fair Market Rent summary. In November 2018, 17.4% of the jobs listed through Job Service North Dakota offered \$14.99 per hour or less.

Meadow Lark Homes — New Rockford, ND		Completed: 2016	
Project Focus	New Construction, Family	HIF Investment	\$430,000
# Units	10	Project Cost	\$1,435,268

Redeveloped the former New Rockford City Hospital, which closed in 1990 and had sat vacant for 25 years, was severely dilapidated and condemned due to asbestos. The New Rockford Area Betterment Corporation secured a grant from the EPA to clean up the site for redevelopment. Housing that is affordable was created to assist the school in filling vacant positions and allow older homeowners to downsize and be able to stay in New Rockford.

Prairie Heights I & II — Watford City, ND		Completed: 2013 and 2014	
Project Focus	New Construction, Family	HIF Investment	\$2,000,000
# Units	124	Project Cost	\$17,156,143

Mixed income housing for low- to moderate-income households including individuals and families employed by the private sector. Community-based living with green space and the ability to expand into a walkable community providing access to local amenities, such as childcare. Public financing was leveraged to create rents varying from \$400 to \$1,800. In 2017, 48.3% of households in Watford City earned less than \$75,000 per year and could qualify to live in income-restricted housing. The project showcases the value of public/private partnerships. MBI Energy contributed \$2 million to HIF in support of this project, recognizing the need for affordable workforce housing.

Senior Housing Projects

Most seniors ages 74 to 85-years-old and beyond are able to afford rents ranging from \$403 to \$898 based on 30% of their annual median income. Housing costs in excess of 30% can make them housing cost-burdened and force them to make choices between basic necessities, medications, food and transportation.

Cherrywood Village — Grand Forks, ND		Completed: 2014	
Project Focus	New Construction, Senior	HIF Investment	\$454,545
# Units	30	Project Cost	\$5,235,244

Independent-living apartments for seniors who are healthy enough to live on their own, but do not want the responsibility of maintaining a house and yard. 62.8% of North Dakotans 85 years and older still own their own home. As they explore other housing options, accessibility such as no stairs or elevator access and affordability are contributing factors for them to be able to move out of their home. Project funding included HUD’s Section 202 Supportive Housing Program and a project based rental assistance contract to support very low-income seniors.

Senior Housing Projects

Legacy Living At Central Place — Williston, ND

Completed: 2014

Project Focus	Adaptive Reuse, Senior	HIF Investment	\$949,898
# Units	44	Project Cost	\$12,482,215

The historic junior high school was rehabilitated into affordable senior living units as an option for seniors facing escalating rental prices. The median income for North Dakotans ages 75 to 84 is \$35,900 and drops to \$19,700 for residents 85 and older. At the time the project was completed the average price for a one-bedroom apartment in Williston was just under \$2,400. The architect preserved historic features of the building which was constructed in 1931 and is on the National Register of Historic Places.

Permanent Supportive Housing Projects

HIF is a source of gap financing leveraged when an income restricted rental housing project will not cash flow with traditional financing. Minimal debt after construction or rehabilitation results in lower monthly rents and reduces the need for housing vouchers.

Jeremiah Program Apartments — Fargo, ND

Completed: 2018

Project Focus	New Construction, At Risk Family	HIF Investment	\$2,200,000
# Units	20	Project Cost	\$5,866,485

Supportive housing for single mothers with children under the age of five. Currently, more than 2,300 single mothers are living in poverty in the Fargo-Moorhead area, a number that has increased 16% over the last six years. The majority of these mothers have children under the age of four. An on-site early childhood education center and individualized support are offered to the families. College enrollment or career advancement track required to live in the units.

Grace Gardens — West Fargo, ND

Estimated Completion: 2019

Project Focus	New Construction, At Risk Family	HIF Investment	\$500,000
# Units	30	Project Cost	\$6,993,549

Domestic violence survivor housing for women with children. In 2017, 314 women and children were eligible for Cass County YWCA's supportive housing units, but only 60 were able to gain homes through the organization. Unfortunately, women escaping domestic violence typically do not score high enough on assessments to be rapidly housed. Families will improve their economic stability and health, breaking the cycles of abuse and poverty for the next generation.

Edwinton Place — Bismarck, ND

Estimated Completion: 2019

Project Focus	New Construction, At Risk Individuals	HIF Investment	\$500,000
# Units	40	Project Cost	\$10,355,768

Rapid housing for chronically homeless individuals that are working with a case manager. Chronically homeless individuals are frequent users of emergency services which can cost a community \$30,000 to \$50,000 per year per individual. Providing these individuals with immediate access to housing is estimated to save a community up to 40% of the total cost of experiencing chronic homelessness. Support services are offered to address the underlying causes of homelessness, such as mental health or substance abuse issues, chronic health conditions, or a history of physical or sexual abuse. This infill project maximized a vacant city lot and is located within a designated Opportunity Zone.

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A Hashment 1
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FACES OF HOME

From Poverty to Prosperity

Kristie Garcia's desire for a better life for herself and her 14-month-old son, Rey, was so strong that the prospect of driving eight hours roundtrip each week for 12 weeks did not deter her from her goal. In order to create the future she envisioned, the 22-year old knew she needed support and guidance.

Garcia learned about the Jeremiah Program, a comprehensive program that helps single mothers progress from poverty to prosperity, from a program participant. In order to be accepted into the Fargo-Moorhead program, she was required to complete an Empowerment course focused on effective conflict management, assertive communication and personal accountability. At the time, she was living in Richfield, Minn., more than 240 miles away.

"When I started Empowerment, I was still going through a lot of emotions and anger about my son's dad, who has not made an effort to be in Rey's life," Garcia said. "The class helped me have the right mentality and gain support from other women who were dealing with similar challenges. The drive was not as important to me as beginning a new journey that would be better for



When Kristie Garcia, 22, discovered she and her son could have a better life, she didn't give an eight-hour weekly round trip to Fargo, N.D., a second thought. She enrolled in Jeremiah Program's 12-week Empowerment class, undertaking the first step the program requires of single mothers who are motivated to lift themselves from poverty.

my son and me."

Jeremiah Program prepares determined single mothers like Garcia to excel in the workforce, readies their children to succeed in school, and reduces generational dependence on public assistance. Its Fargo-Moorhead campus has 20 furnished apartments designed to support the mothers who are required to work part time or volunteer, attend college full time working toward a career-track education, and participate in weekly coaching and life skills classes. A licensed early child development center, that serves children age six weeks until starting kindergarten, is part of the site.

The Fargo-Moorhead campus, which opened in January 2018, is one of the first supportive housing projects in the

country developed with assistance from the National Housing Trust Fund (HTF), a federal program that provides revenue to build, preserve, and rehabilitate housing for people with extremely low incomes. North Dakota Housing Finance Agency (NDHFA) administers the program on behalf of the state.

In early 2016, Diane Solinger, Jeremiah Program's Fargo-Moorhead executive director, had secured about half of the funds needed to develop the campus, including \$2.2 million in assistance from the North Dakota Housing Incentive Fund when she learned about the HTF. Jeremiah relies heavily on donations and at the time Solinger was optimistically pursuing a large contribution, but knew she would need at least \$1 million more to move the project forward.

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Jeremiah's Fargo-Moorhead campus has 20 apartments that provide the families who participate in the program with an affordable home while the mothers pursue a college education.

costs associated with crime and special education.

The assistance provided through HTF allowed the Jeremiah Program to break ground on the Fargo-Moorhead campus the following year.

The first families moved into the

course, Garcia moved into one of the new apartments on the Fargo-Moorhead campus and found part-time work at a college bookstore. After she finishes some general coursework, Garcia will start classes at North Dakota State University. Rey attends the campus' on-site child development center while Garcia works and is in school.

Ultimately, Garcia plans to earn a bachelor's degree in radiological sciences and pursue a career as a diagnostic sonographer. She would like to specialize in obstetrics.

"I honestly don't know where I would be without this program and the donors and agencies who supported it," Garcia said. "I feel like I have grown so much as a person already and I am so happy to be in a program that has put my son and me on a better path. I feel like I finally have a fresh start and a place to call home."

(Published August 2018 by North Dakota Housing Finance Agency.)

"When I learned about the National Housing Trust Fund from NDHFA, how it was dedicated to providing housing for families like ours, I knew we'd be competitive," said Solinger. While she continued working on her private donor, Solinger and the staff at Jeremiah's national office completed the HTF application.

"On Nov. 8, 2016, I had what I now refer to as my \$2 million day. In the morning, the private donor I'd been working with called to share that the million dollar gift had been secured. I was elated," said Solinger. "And, that same day, at 3:30 p.m., I received a call from NDHFA telling me that our project was one of three selected for a HTF award. We received exactly what we applied for, \$1,052,655."

A Wilder Research study estimates that every \$1 invested in a Jeremiah family returns up to \$4 to society through first-generation benefits of decreased dependence upon public assistance and increased taxable earnings, plus second-generation benefits of increased lifetime earnings/taxes paid, and savings from

property in Jan. 2018.

"Affordable housing provides a stable platform for individuals and families that allows them to better their lives," said NDHFA Executive Director Jolene Kline. "If we can move a family out of poverty, it's a win for the household and a win for the community."

After completing the Empowerment

National Housing Trust Fund

The National Housing Trust Fund (HTF) is a federal program established as part of the Housing and Economic Recovery Act of 2008. Its primary purpose is to increase and preserve the supply of affordable rental housing for extremely low-income households, those earning less than 30 percent of area median income, including homeless families.

As the administrator of HTF, North Dakota Housing Finance Agency (NDHFA) is responsible for the development of an Annual Allocation Plan, which defines the process by which funds are distributed. The plan promotes the selection of properties addressing the state's most crucial needs within the priorities outlined in North Dakota's Consolidated Plan and the relevant strategies identified in North Dakota's Ten-Year Plan to End Long-Term Homelessness.

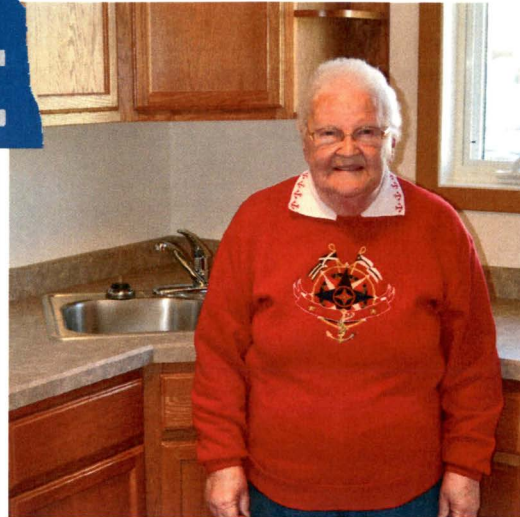
HTF dollars can be used for the production, preservation, rehabilitation and operation of a project. The financial awards are structured as forgivable zero-interest loans with a minimum term of 30 years.

NDHFA made the first financial awards in 2016. Since then, six properties have shared \$5.58 million supporting the development of 85 housing units for individuals and families who have experienced homelessness or who are at risk of homelessness. NDHFA is currently accepting applications for the 2018 program with the project awards slated to be made in early November.

FACES OF HOME

Able to Stay in My Community

Alerene Hoffman's home in New Rockford, N.D., was getting to be just a little too much for her to handle. This retired widow loved spending time in her garden tending to her flowers but health issues slowed her down and she wished for something smaller with less maintenance and no steps. She also wanted to stay in the town she had called home for years.



Hoffman moved into one of Eddy County Housing Authority's new twin homes on June 1 fulfilling all those wishes.

Hoffman and her husband Robert raised five children on a farm north of town. She spent 30 years working at the Lutheran Home of the Good Shepherd, an 80-bed nursing home in the rural North Dakota town. When her husband was injured in a construction accident, she was the main bread winner and they moved from the farm to a large home in town. After her husband passed away, she moved into a smaller house on First Avenue. Now, she says, it's time for something with fewer steps.

When the twin homes were completed this spring, Hoffman was one of the lucky ones chosen to live in the rental units which went fast and now have a waiting list.

"This will be a wonderful experience for me," Hoffman said. "I don't have to mow the grass or shovel snow or any of that. This will just be great. These are such nice homes."

Eddy County Housing Authority took on the twin home project in 2010 to help alleviate a rental housing shortage in the community of about 1,400 people. There are two sets of twin homes with two-bedroom units on Seventh Street and three-bedroom units on Third Avenue.

"The response to this project was just

tremendous and really showed us the housing situation in the community," said Tracy Henningsgard,

executive director of the Eddy County Housing Authority. "We've had a lot of interest with over 25 families expressing interest in renting."

Hoffman agrees. "I think it is just wonderful that I can step out of my garage straight into my apartment and not have to worry about steps," she said. "There are a lot of us in town that are at that point where we have to take a step back and these apartments are just such a help."

This is the housing authority's first venture as property owners and came in response to low rental vacancy rates and aging housing stock in the town.

New Rockford Mayor Jim Belquist said there are a number of houses in such disrepair in the community that the city would soon be condemning them. He hoped that the Eddy County Housing project might spur other developments like it. "That will open up some lots so hopefully we can get some other new homes going in town," he said.

Henningsgard said they looked at three

things to make this project viable: controlling the costs, low-cost financing and low rents. "We looked at tax credits and other programs but those didn't work well with a small project like this," said Henningsgard.

Instead they used an Essential Function Bond through local lender Bank Forward, a U.S. Department of Housing and Urban Development HOME program loan from Eastern Dakota Housing Alliance, and cash contributions from Eddy County Housing and the New Rockford Area Betterment Corp. in addition to a \$50,000 Rural Housing Investment Incentive Program (RHIP) allocation from the North Dakota Housing Finance Agency (NDHFA).

"Without any of these, this would have been a dead project," Henningsgard said.

Rural Housing Investment Incentive

In 2009, the Industrial Commission approved a pilot program that it hoped would assist in overcoming these obstacles. The program supported the development of single- or multi-family housing, or the substantial rehab of existing structures in difficult to develop areas of the state by offering a dollar for dollar match for private sector investment.

The RHIP program was established as a pilot to help address the unique challenges to housing development in rural communities. NDHFA utilized \$400,000 of reserve

funds for the program which has been a resounding success leveraging more than \$6.6 million in housing activity in rural North Dakota.

In the New Rockford project, the RHIP award was matched with \$60,000 in equity investments. That had the effect of helping ease the \$225,000 projected appraisal gap on the project and lowering required rents by \$126 on average enabling affordable rents for low-income families.

NDHFA Director of Planning and Housing Development Jolene Kline said RHIP did just what it was supposed to. "New Rockford epitomizes the pilot," she said. "It addresses the valuation gap and affordability."

(Original article published June 2011.)

FACES OF HOME

Promise of Affordability

A pink rocking chair sways in the breeze on Miriam Shaw's front porch at ParkRidge Townhomes in Williston's new Harvest Hills subdivision as she stands at her stove tending to boiling pots. The spacious kitchen is the Jamaican native's favorite place in her new home and the comfort of knowing it will be affordable for years to come makes everything taste a little sweeter.



The units must remain at affordable levels for at least 15 years.

Shaw's townhome has an open-concept with all the amenities she was looking for including a heated attached garage. "That is so nice, to be able to pull in and throw the

Shaw moved into her townhome with her two children shortly after the complex opened in October 2015. "It reminds us of our home back in Georgia," she said. "It is really nice. We really like it."

A nurse at Mercy Medical Center's occupational health clinic in Williston, Shaw moved to town in 2014 following her daughter who had come, like many others, in search of opportunity. She appreciates what the community and state have to offer. "I like Williston. It is small, but I like the open spaces, places to walk and the scenery," she said. "And I love living here. It is really comfy and just cozy like our [previous] home was."

Shaw struggled to find a place to live when she first arrived in Williston and lived in several other apartment units which had space and cost challenges before moving into the townhouse community. ParkRidge Townhomes, developed by Mountain Plains Equity Group, includes 36 units with half of them targeted to Essential Service Workers like Shaw. Rent for the ESWs are restricted and tenants must be below income limits.

In addition to medical staff, there are also law enforcement personnel, school employees and county workers who call ParkRidge home.

Shaw said while market rate rents in Williston have fluctuated due to changes in the oil industry, the assurance that her rent will remain affordable was a huge bonus.

"The promise that the price would remain affordable for 15 years is very nice," she said. "It just gives you comfort in your mind that it will remain. That really is a nice promise because we don't know what lies around the corner."

The stability of the rent in Shaw's unit at ParkRidge comes from its funding through the Housing Incentive Fund. The \$7.2 million project received just over \$2 million from HIF, administered by the North Dakota Housing Finance Agency.

grocery bags out," she said. "The layout is nice. We have so much storage; they utilized every inch."

Housing Incentive Fund (HIF)

Administered by North Dakota Housing Finance Agency (NDHFA), HIF supports the development of affordable units for low- and moderate-income households.

The program was created during the 2011 Legislative Session. It was reauthorized during the 2013 and 2015 sessions.

Since HIF's inception, NDHFA has allocated over \$80 million to projects, leveraging nearly \$380 million in construction financing.

She also appreciates its convenient location just blocks from the new Williston High School, where her son will attend. "I'm excited to be closer to the school... probably more than he is," she said. "I'm going to be so happy to have a shorter drive to his school events."

Shaw who lived and worked as a nurse in New York and Georgia before coming to North Dakota sees herself enjoying more evenings rocking in her pink chair which she hopes to make even more colorful or in her kitchen cooking unique Jamaican fare like jerked chicken and pork, rice and beans in coconut milk, curried goat and spicy fried fish dishes. "It is such a nice place," she said. "I feel like we are going to be here a while."

'Grateful for My Home'

FACES OF HOME

When Jeri Fick first learned she would be able to move into the new North Sky Apartments in Fargo's Urban Plains neighborhood in the southwest part of town, she cried.

"I just get very emotional thinking about it because I am so appreciative," she said. "I don't know how people would be able to do it without assistance like this."

The first phase of North Sky Apartments opened in Fall 2014 and Jeri moved with her assistance dog, Molly, into her one-bedroom unit in January 2015 after living at another market-rate apartment complex in the community.

"It just got to be too expensive," she said. "I couldn't afford it anymore. It got to the point where I didn't know if I was going to be homeless."

That's what made her North Sky apartment so special to her. "I can actually have a life," she said. "I can afford my rent and still go to a movie if I want to now. Before, all of my money was going to pay rent."

She also appreciates the sense of community in the 55+ apartment complex. "I am meeting new friends and we're like a family; we watch out for each other," Fick said. "I enjoy baking brownies and things and taking them to my new neighbors. Everyone has just been so great."

And Fick says she is looking forward to the "family" extending. The second phase of



North Sky opened in September 2015 with a third phase breaking ground at the same time. In total, the project will have 84 units all targeted to seniors.

The \$11.65 million project was funded by a number of state and federal programs including the Neighborhood Stabilization Program, HOME Investment Partnerships Program, Low Income Housing Tax Credits and the North Dakota Housing Incentive Fund. In all, those programs brought \$10.1 million in funding. The Fargo Housing and Redevelopment Authority, which manages the project, also placed project-based rental assistance vouchers on some of the units in North Sky I and plans to do the same in the other phases.

"It is a challenge for Fargo seniors to find housing that is affordable and every year

that population increases," said Beyond Shelter Inc. CEO Dan Madler. "Without multiple layers of support, our organization would not be able to keep a project's rents at such reasonable levels."

It is the reasonable rents that help Fick and other seniors like her. "I don't know how people would do it without

help like this," she said. "It makes me kind of sad that these buildings are all full because I know there are a lot of other people who need affordable apartments.

Housing Incentive Fund (HIF)
Administered by North Dakota Housing Finance Agency (NDHFA), HIF supports the development of affordable units for low- and moderate-income households.

The program was created during the 2011 Legislative Session. It was reauthorized during the 2013 and 2015 sessions.

Since HIF's inception, NDHFA has allocated over \$84 million to projects, leveraging more than \$429.2 million in construction financing.

Where would they go if this wasn't here?"

Fick, while working part time at Sam's Club, relies almost entirely on her Social Security disability check. "When you have a disability, there is no way you could live anywhere on just Social Security," she said. "I am just so grateful

for my home. I can't express how grateful I am.

"I wake up in the mornings and just look around in amazement. It is gorgeous. Everything is new and I'm just so proud," she said. "It is a blessing from God - it truly is a blessing."

(Original article published Sept. 2015)

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FACES OF HOME

'Godsend To Our Police Department'

A year and a half ago, Hunter Easterling completed law enforcement training and moved from California to Dickinson, ND, to pursue a career as a police officer.

While settling in, Easterling found that finding a home in a growing oil boom town wasn't easy. He lived in an RV park, a hotel and an apartment that

was not quite ideal before Patterson Heights Apartments, a new affordable housing development, became available.

Patterson Heights is one of the first developments in North Dakota to set-aside rental units specifically for law enforcement personnel.

"The place is outstanding; everything is new," said Easterling. "It was such a relief to find a place to live, truly a weight off my shoulders."

In recent years, Dickinson has experienced an influx of energy industry workers and, while new housing units are being added, finding affordable housing is a challenge.

Recruiting and retaining the personnel that provide essential public services is difficult due to increased housing costs and shortages.

Dave Wilkie, administrative captain at the Dickinson Police Department, has noticed significant growth in his home town. "Our department has grown over the last few years and we are adding more and more officers as needed," said Wilkie. "Many out-of-



Heights and the development has truly been a Godsend to our police department."

Patterson Heights is supported by North Dakota Housing Finance Agency's Housing Incentive Fund (HIF) and a Law Enforcement Pilot Program (LEPP). The programs are a means to create affordable rental units for essential services

state workers are hired because they are good candidates looking for a job and their own local police departments are slowing down."

The Dickinson Police Department is constantly in touch with real estate

agents and apartment managers about potential listings, rental openings or even basements for rent to aid their staff in finding places to live.

The city of Dickinson also has FEMA trailers

available for officers just until they can find something more permanent.

"Having affordable housing is really important to our community. There are many people who don't work in the oil fields and they can't afford the high rents," said Wilkie. "We currently have three officers living in Patterson

workers and households of limited means.

Created during North Dakota's 2011 legislative session, HIF provides developers of affordable rental units with low-cost financing. It is

The Law Enforcement Pilot Program was created to address the challenge of providing affordable rental housing for law enforcement personnel in energy-impacted areas of North Dakota. The program was funded by the approximately \$3 million that the State received through the Mortgage Servicer Settlement Fund which originated from a landmark settlement reached with the nation's five major mortgage servicers.

capitalized by contributions from state taxpayers. Contributors to the fund received a dollar-for-dollar state income tax credit for their support.

The North Dakota Industrial Commission asked NDHFA to develop LEPP. The program is targeted to creating housing for

law enforcement personnel in communities in energy-impacted areas.

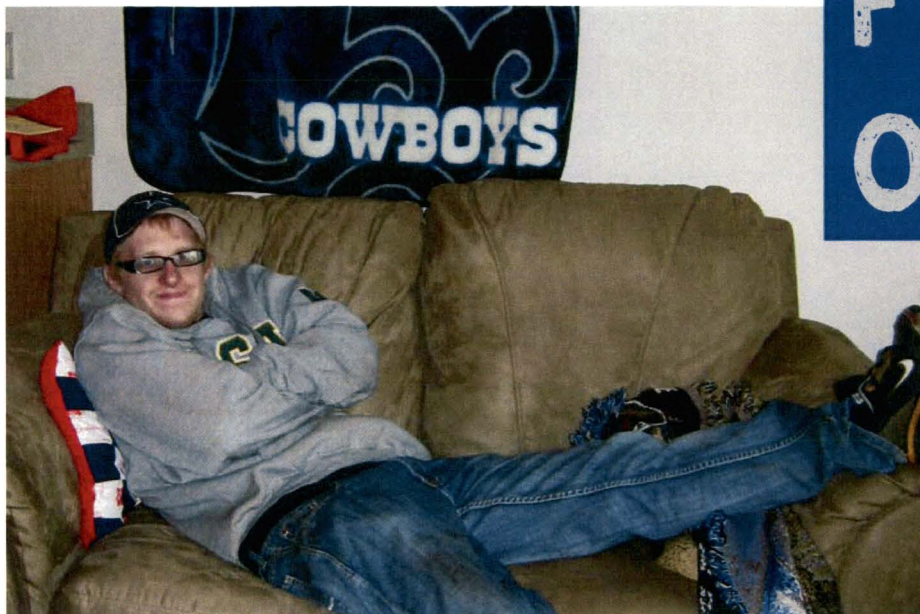
"I like Dickinson," said Easterling. "The city is growing, I like my new development and I really appreciate the housing I'm living in."

(Original article published in Oct. 2013.)

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Enjoying Life's Little Luxuries

FACES OF HOME



Bowman in 1985, the year ABLE opened the group home. Prior to that, Vogel, who is in his 70's, lived in Grafton, ND, at a state-run facility where most of North Dakota's developmentally disabled population was institutionalized before a landmark lawsuit in 1983 declared the practice to be a violation of their civil rights.

Carolynne Jones, director of satellite services for ABLE's Bowman and Hettinger properties, says that Vogel named himself 'Hoppy' after Hopalong Cassidy, a fictional cowboy hero. She believes that action saved his life. "He made a world for himself in order to live in the world he was put into," says Jones. Vogel enjoyed the little bit of freedom that living in the group home setting gave him. When asked if he wanted his own apartment, Jones says he was reluctant to make the change.

Many of us take for granted the little luxuries that come from having a place of our own. Having our own kitchen where we can cook what we want to eat, having a spacious bed to sleep in at night, and having the freedom to entertain guests whenever we please.

supportive services from ABLE. Having the units in close proximity allows the organization to efficiently provide services. And, thanks to the support of North Dakota Housing Finance Agency's Housing Incentive Fund (HIF), the rent is affordable.

Two North Dakota men who are supported by ABLE Inc., a private, nonprofit organization that provides residential and day support to people with intellectual and development disabilities, are enjoying these little luxuries for the first time.

"For the people who needed a change in environment, moving from group settings to apartments, the HIF program has been a huge plus," says Anderson. "We could not have improved their quality of housing without the development assistance."

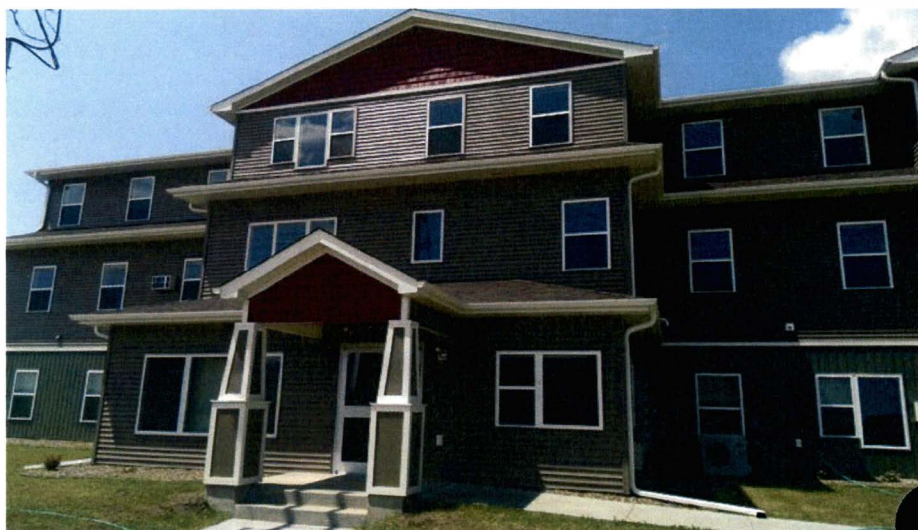
George "Hoppy" Vogel and David Hippe moved into their own apartments at The Landing in Bowman, ND, in July. Prior to the move, they lived in the same community in a Transitional Community Living Facility, a place commonly known as a "group home."

George "Hoppy" Vogel, moved to

"I told Hoppy I'd have to sleep on a cot outside his door the first night because I was so worried," said Jones. "He told me to go, and the next morning he put his arm around me and said he was okay. Whew! When I asked if his new

"Such a situation can be ideal for people that need intense physical or emotional support," says Mary Anderson, ABLE Inc. executive director. "For Hoppy and David, independent living is a much better fit."

Nine of the 26 housing units at The Landing, which was developed by Lutheran Social Services Housing, are reserved for people that receive



full-size bed was comfortable, he said sure and told me to quit worrying. Can you imagine your whole adult life in a twin-size bed?"

In his new independent living situation, Vogel is able to stock his own fridge and decide for himself what he wants to eat rather than participating in communal meals. Prior to the move, his medical team wanted him to gain some weight. Since moving into The Landing, Vogel has gained 7 pounds and everyone is pleased with how well he is doing living on his own.

Unlike Vogel, David Hippe longed for independence. He is in his mid-twenties and, like most young adults, he coveted a place of his own without roommates or restrictions on his decorating choices. He also wanted to be able to entertain friends at his home.

"David was rather lost and going down a destructive path in life when he moved to Bowman," said Jones. "He was embarrassed to live in the group home because he so wanted to be on his own yet knew he needed the structure and safety net ABLE provides."

Hippe adapted quickly to independent living. His new apartment is festooned with sports memorabilia from his favorite football team, the Dallas Cowboys. He enjoys inviting company over to watch a movie in the evening or come for coffee in the



morning. His Erickson's Meat Market co-workers are frequent guests.

Housing Incentive Fund

The Housing Incentive Fund (HIF) supports the development of affordable multifamily housing units for essential service workers, main street employees and fixed-income households. Approximately one-third of the 31 developments supported by HIF during the 2013-2015 biennium created housing for special needs households including disabled, homeless and elderly individuals and families.

"This move has made a huge difference in people's lives," says Jones. "At first, not having joint gathering spaces – a centralized kitchen or recreation space - was a concern, people pretty much stayed to themselves in their own apartments. After about a month we started to see people, if they wanted company, inviting guests to come into their home. It's on their terms, the way it should

be."

Including HIF, a program that supports the development of affordable multifamily housing, The Landing received more than \$2.4 million from the state of North Dakota to ensure the units occupied by people supported by ABLE are affordable. The remaining 17 units in the complex rent at market rate.

ABLE is dedicated to enhancing relationships, providing opportunities for growth and encouraging people to reach their personal dreams. The organization supports people in their homes, work and communities.

ABLE is currently working with Sullivan Properties in Dickinson, ND, to develop an apartment complex that will offer living arrangements similar to the set-up at The Landing.

(Original article published in Dec. 2014.)

FACES OF HOME

Meeting a Need in the Community

Kris Fehr of AK Investments doesn't shy away from helping her community of Dickinson, North Dakota. She serves as an assisting minister and sings in the choir at St. John's Lutheran church; she is director of the Best Friends Mentoring Program; she's involved with Boy Scouts, is an active Rotarian, and serves as President of the school board. So when an opportunity came to further help residents of Dickinson, Fehr jumped right in.

Dickinson has become a hub for the oil and gas industry and many people have moved into the area for the economic opportunities. The current housing stock that is affordable for low- to moderate-income households has become limited with the high growth rates.

In 2011, Fehr read about the Housing Incentive Fund (HIF), administered by the North Dakota Housing Finance Agency. It was created during the legislative session that year to provide developers of affordable rental units with low cost financing.

"I was hearing heartbreaking stories," said Fehr. "Rents were increasing and some residents couldn't afford to stay here. I felt like we could make a difference and help address our community's affordable housing shortage."

Fehr put an application together and it was accepted in an early 2012 funding round. HIF was the perfect tool for Kris



and her husband, Alan, to convert 161 S Main, a 100-year-old property, into 10 units of affordable housing.

While the couple had acquired and owned rental property for many years, this would be the first project that they would be developing. Despite the challenges of

finding a contractor, working through a myriad of details, coordinating city inspections, utilities, water, additional financing and dealing with a couple minor setbacks, the apartments were completed in September 2013.

"We didn't set out to be developers; we enjoyed meeting a need in the community," said Fehr. "HIF did what it was intended to do. Our units were nearly all rented in two months and our tenants are new residents of Dickinson – all ages and all ethnicities."

Through the process, Fehr developed a new admiration for developers.

"There is really so much involved and so much can go wrong, you really have to work as a team and depend on others to complete the project," said Fehr. "It was my goal to be open, honest and straightforward with what I'm doing

and to communicate. In the end it was really satisfying to know we could help others."

Since 2011, developers like Fehr have made more than 1,500 units in 57 developments in communities across the state possible by utilizing HIF.

Housing Incentive Fund (HIF)

Administered by North Dakota Housing Finance Agency (NDHFA), HIF supports the development of affordable units for low- and moderate-income households.

The program was created during the 2011 Legislative Session. It was reauthorized and expanded during the 2013 session.

Since HIF's inception, NDHFA has allocated over \$49 million to projects, leveraging more than \$240 million in construction financing.

Those projects provide much-needed housing for families, essential service workers and disabled and elderly households.

"These units are for people who are not making the big money, yet they are working as ambulance drivers, firefighters, grocery store clerks, mechanics, office

managers, dental hygienists. They are part of what makes our town great, progressive and productive. If we don't find ways to support them, they will leave," said Fehr. "Everyone deserves quality housing."

(Original article published April 2014.)

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Table 2.44 North Dakota Household Projections for Renter-Occupied Housing Units with Householder Ages 65 and Older, 2019 to 2029
 Sources: U.S. Census Bureau and the Center for Social Research at NDSU

Area	Renter-Occupied Housing Units with Householder Ages 65 and Older						
	Estimates		% change: 2010 to 2014	Projections			% change: 2014 to 2029
	2010	2014		2019	2024	2029	
North Dakota	16,449	18,496	12.4%	21,657	25,719	29,166	57.7%
Adams County	118	82	-30.2%	87	90	89	8.1%
Barnes County	482	521	8.1%	579	636	675	29.6%
Benson County	147	133	-9.8%	144	165	176	32.8%
Billings County	19	11	-39.6%	12	14	15	30.7%
Bottineau County	232	193	-16.6%	211	229	243	25.6%
Bowman County	67	92	37.2%	93	111	115	25.1%
Burke County	52	48	-8.6%	45	44	45	-5.3%
Burleigh County	2,015	2,164	7.4%	2,713	3,348	3,906	80.5%
Cass County	3,585	4,300	20.0%	5,738	7,128	8,262	92.1%
Cavalier County	98	108	9.7%	105	106	101	-6.1%
Dickey County	206	153	-25.6%	152	166	172	12.3%
Divide County	53	46	-13.7%	41	45	46	0.6%
Dunn County	37	26	-29.2%	30	37	42	60.4%
Eddy County	78	63	-18.9%	66	71	72	13.8%
Emmons County	75	116	54.7%	118	123	130	12.0%
Foster County	142	95	-32.8%	95	104	111	16.3%
Golden Valley County	27	52	91.5%	49	46	47	-9.1%
Grand Forks County	1,060	1,474	39.1%	1,767	2,049	2,258	53.1%
Grant County	66	90	36.6%	96	101	104	15.4%
Griggs County	102	100	-1.6%	102	103	99	-1.4%
Hettinger County	76	58	-23.4%	57	54	53	-9.0%
Kidder County	95	62	-34.8%	71	78	79	27.6%
LaMoure County	112	120	7.2%	135	147	145	20.7%
Logan County	44	36	-18.0%	33	28	26	-27.9%
McHenry County	193	146	-24.6%	152	160	164	12.7%
McIntosh County	65	89	37.4%	81	84	87	-2.6%
McKenzie County	94	231	145.7%	323	433	589	155.0%
McLean County	205	264	28.9%	289	329	346	31.0%
Mercer County	141	151	6.9%	174	209	226	49.9%
Morton County	611	702	14.9%	814	965	1,084	54.4%
Mountrail County	60	151	151.5%	184	238	291	92.8%
Nelson County	111	63	-42.9%	61	65	64	1.1%
Oliver County	32	54	68.9%	63	71	74	36.9%
Pembina County	178	242	35.7%	271	302	313	29.6%
Pierce County	204	222	9.0%	225	244	269	21.0%
Ramsey County	500	568	13.6%	617	705	810	42.6%
Ransom County	182	205	12.5%	206	213	214	4.5%
Renville County	51	66	29.5%	67	70	73	10.6%
Richland County	324	321	-0.9%	367	422	451	40.5%
Rolette County	170	195	14.7%	235	276	315	61.6%
Sargent County	120	92	-23.6%	108	121	128	39.5%
Sheridan County	27	41	53.3%	40	40	38	-8.2%
Sioux County	65	96	47.6%	101	107	118	23.0%
Slope County	8	7	-13.7%	8	8	8	15.9%
Stark County	698	696	-0.2%	764	975	1,195	71.6%
Steele County	37	86	131.2%	100	122	148	73.0%
Stutsman County	722	781	8.1%	861	955	1,045	33.9%
Towner County	82	102	24.9%	113	126	122	19.1%
Traill County	368	295	-19.7%	326	378	422	42.9%
Walsh County	404	374	-7.4%	371	374	369	-1.4%
Ward County	1,131	1,285	13.6%	1,343	1,569	1,776	38.2%
Wells County	187	164	-12.5%	158	163	170	3.9%
Williams County	491	662	34.9%	696	972	1,246	88.1%
Bismarck city	1,912	2,132	11.5%	2,724	3,357	3,937	84.6%
Devils Lake city	488	518	6.2%	544	619	714	37.7%
Dickinson city	651	645	-1.0%	617	763	924	43.3%
Fargo city	2,957	3,336	12.8%	4,673	5,824	6,839	105.0%
Grand Forks city	1,004	1,330	32.5%	1,629	1,892	2,091	57.2%
Jamestown city	666	721	8.2%	809	900	986	36.8%
Mandan city	491	631	28.4%	723	856	960	52.2%
Minot city	996	1,122	12.6%	1,064	1,233	1,400	24.8%
Valley City city	448	487	8.6%	543	594	633	30.1%
Wahpeton city	226	149	-34.1%	171	190	203	36.3%
West Fargo city	398	731	83.7%	1,025	1,273	1,422	94.5%
Williston city	392	558	42.5%	455	632	798	42.9%
Fort Berthold Reservation	63	111	76.2%	120	128	137	23.4%
Spirit Lake Reservation	65	49	-24.6%	49	49	49	0.0%
Standing Rock Reservation	65	96	47.6%	101	107	118	23.0%
Turtle Mountain Reservation	78	63	-19.2%	65	67	69	9.5%
Region 1	638	939	47.2%	1,060	1,450	1,881	100.3%
Region 2	1,923	2,111	9.8%	2,227	2,554	2,861	35.5%
Region 3	1,075	1,169	8.7%	1,280	1,449	1,596	36.5%
Region 4	1,753	2,154	22.9%	2,470	2,790	3,004	39.5%
Region 5	4,616	5,299	14.8%	6,845	8,384	9,625	81.6%
Region 6	2,062	2,060	-0.1%	2,196	2,386	2,530	22.8%
Region 7	3,332	3,740	12.2%	4,479	5,371	6,105	63.2%
Region 8	1,050	1,025	-2.4%	1,100	1,335	1,564	52.6%

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Area	Change in Renter-Occupied Housing Units by Age of Householder									
	Total		Less than 25		Ages 25 to 44		Ages 45 to 64		Ages 65 and older	
	Numeric	Percent	Numeric	Percent	Numeric	Percent	Numeric	Percent	Numeric	Percent
North Dakota	25,664	22.9%	1,001	4.0%	13,466	31.4%	526	2.0%	10,670	57.7%
Adams County	62	20.1%	23	28.6%	44	45.7%	-11	-22.8%	7	8.1%
Barnes County	45	3.0%	-13	-4.5%	-41	-9.6%	-55	-21.5%	154	29.6%
Benson County	-73	-8.9%	6	12.9%	-37	-11.0%	-85	-28.1%	43	32.8%
Billings County	-3	-3.1%	1	6.5%	-6	-20.1%	-1	-2.0%	4	30.7%
Bottineau County	75	10.2%	98	86.0%	-20	-10.8%	-51	-21.0%	50	25.6%
Bowman County	35	9.8%	17	37.0%	7	5.6%	-13	-14.9%	23	25.1%
Burke County	23	6.5%	49	51.5%	-12	-8.1%	-11	-15.6%	-3	-5.3%
Burleigh County	3,648	31.7%	643	27.4%	1,060	27.2%	202	6.6%	1,742	80.5%
Cass County	9,822	28.2%	680	7.5%	4,343	29.9%	838	12.1%	3,962	92.1%
Cavalier County	-28	-12.2%	-2	-8.5%	8	17.2%	-27	-51.2%	-7	-6.1%
Dickey County	-16	-2.5%	52	31.4%	-54	-32.0%	-32	-23.4%	19	12.3%
Divide County	59	31.1%	1	14.8%	63	77.2%	-5	-8.6%	0	0.6%
Dunn County	96	30.8%	26	50.2%	61	41.3%	-6	-7.2%	16	60.4%
Eddy County	-30	-10.5%	3	9.0%	-11	-10.0%	-31	-42.0%	9	13.8%
Emmons County	-4	-1.4%	-9	-11.7%	17	32.3%	-26	-43.4%	14	12.0%
Foster County	-11	-2.7%	-7	-8.0%	0	0.2%	-19	-26.4%	16	16.3%
Golden Valley County	30	13.5%	-1	-10.2%	20	24.5%	16	21.9%	-5	-9.1%
Grand Forks County	1,191	8.2%	-1,054	-21.5%	1,871	34.1%	-410	-15.4%	784	53.1%
Grant County	-22	-8.7%	4	10.6%	-16	-22.1%	-24	-42.2%	14	15.4%
Griggs County	-40	-15.0%	3	18.5%	-9	-12.3%	-33	-39.3%	-1	-1.4%
Hettinger County	59	27.7%	26	69.3%	39	52.1%	-2	-4.6%	-5	-9.0%
Kidder County	4	1.8%	1	2.5%	-1	-1.5%	-12	-37.3%	17	27.6%
LaMoure County	-7	-1.8%	10	12.1%	2	1.9%	-44	-41.2%	25	20.7%
Logan County	8	5.3%	3	6.1%	21	54.8%	-6	-20.9%	-10	-27.9%
McHenry County	-2	-0.3%	12	21.1%	-28	-14.6%	-4	-3.2%	18	12.7%
McIntosh County	-21	-8.9%	-3	-15.3%	1	0.8%	-16	-42.3%	-2	-2.6%
McKenzie County	1,563	100.0%	36	53.1%	742	99.3%	427	82.7%	358	155.0%
McLean County	128	13.3%	61	37.5%	30	11.1%	-44	-16.4%	82	31.0%
Mercer County	118	17.9%	28	26.5%	73	32.7%	-58	-32.7%	75	49.9%
Morton County	536	18.1%	30	5.5%	127	13.4%	-3	-0.4%	382	54.4%
Mountrail County	430	38.6%	14	22.4%	201	39.0%	76	19.5%	140	92.8%
Nelson County	-5	-1.9%	3	9.8%	27	22.3%	-36	-47.6%	1	1.1%
Oliver County	25	19.7%	-4	-20.9%	21	61.6%	-12	-51.3%	20	36.9%
Pembina County	-34	-4.5%	-4	-5.9%	-20	-7.8%	-81	-43.1%	71	29.6%
Pierce County	26	5.1%	-2	-3.6%	16	13.5%	-35	-33.2%	47	21.0%
Ramsey County	195	10.4%	-2	-1.6%	78	11.9%	-123	-24.7%	242	42.6%
Ransom County	-10	-1.5%	-6	-8.8%	52	30.9%	-66	-26.8%	9	4.5%
Renville County	-24	-9.1%	3	9.5%	-16	-15.2%	-18	-27.0%	7	10.6%
Richland County	208	11.8%	6	1.3%	185	33.1%	-113	-29.0%	130	40.5%
Rolette County	220	15.2%	63	36.9%	65	9.5%	-29	-7.3%	120	61.6%
Sargent County	18	4.6%	-5	-8.4%	20	16.7%	-33	-28.8%	36	39.5%
Sheridan County	-13	-14.5%	0	-	4	39.6%	-13	-33.9%	-3	-8.2%
Sioux County	147	23.1%	8	23.8%	71	28.5%	46	17.9%	22	23.0%
Slope County	6	11.5%	0	1.4%	5	15.9%	-1	-15.5%	1	15.9%
Stark County	1,510	39.2%	386	49.7%	401	27.8%	224	24.0%	499	71.6%
Steele County	2	0.9%	-6	-15.3%	-26	-39.3%	-28	-50.1%	62	73.0%
Stutsman County	-32	-1.0%	20	4.4%	-62	-6.6%	-254	-26.2%	264	33.9%
Towner County	-5	-2.3%	6	39.5%	3	5.6%	-34	-51.2%	20	19.1%
Traill County	0	0.0%	-12	-9.6%	-61	-20.4%	-53	-30.6%	127	42.9%
Walsh County	-72	-5.9%	-3	-1.6%	63	21.7%	-127	-35.7%	-5	-1.4%
Ward County	2,622	24.1%	-368	-13.0%	2,229	48.9%	269	12.2%	491	38.2%
Wells County	-3	-0.8%	6	10.0%	31	35.4%	-47	-37.1%	6	3.9%
Williams County	3,213	61.9%	181	31.2%	1,884	77.3%	564	37.4%	584	88.1%
Bismarck city	3,416	30.7%	551	23.3%	1,003	27.2%	58	2.0%	1,805	84.6%
Devils Lake city	125	7.6%	-4	-2.7%	56	10.3%	-122	-27.5%	196	37.7%
Dickinson city	1,215	35.6%	328	46.3%	497	38.5%	111	14.4%	279	43.3%
Fargo city	8,342	28.1%	689	8.3%	3,574	29.2%	576	10.1%	3,503	105.0%
Grand Forks city	900	6.8%	-1,022	-21.6%	1,661	35.1%	-500	-20.4%	761	57.2%
Jamestown city	-6	-0.2%	32	7.8%	-51	-6.6%	-252	-28.4%	265	36.8%
Mandan city	401	16.0%	6	1.2%	103	12.6%	-38	-6.7%	329	52.2%
Minot city	1,808	21.8%	-330	-15.6%	1,787	55.7%	72	3.9%	278	24.8%
Valley City city	49	3.8%	8	3.0%	-53	-16.1%	-52	-24.7%	146	30.1%
Wahpeton city	126	9.8%	25	5.8%	149	36.3%	-102	-34.3%	54	36.3%
West Fargo city	1,159	27.7%	-3	-0.5%	426	23.7%	44	4.4%	691	94.5%
Williston city	2,151	48.9%	148	29.6%	1,455	71.5%	309	23.7%	240	42.9%
Fort Berthold Reservation	254	23.1%	16	22.5%	111	23.0%	101	23.3%	26	23.4%
Spirit Lake Reservation	2	0.3%	0	0.0%	1	0.4%	1	0.4%	0	0.0%
Standing Rock Reservation	147	23.1%	8	23.8%	71	28.5%	46	17.9%	22	23.0%
Turtle Mountain Reservation	75	8.9%	7	9.6%	38	8.8%	24	8.8%	6	9.5%
Region 1	4,835	69.7%	218	33.3%	2,689	82.3%	986	47.4%	942	100.3%
Region 2	3,151	21.9%	-196	-6.0%	2,371	40.7%	226	7.0%	750	35.5%
Region 3	278	5.7%	74	16.6%	106	5.6%	-329	-23.7%	427	36.5%
Region 4	1,079	6.4%	-1,059	-20.3%	1,942	31.6%	-655	-20.0%	850	39.5%
Region 5	10,040	25.9%	656	6.6%	4,513	28.7%	544	6.9%	4,326	81.6%
Region 6	-78	-1.1%	69	5.6%	-110	-5.4%	-507	-27.9%	470	22.8%
Region 7	4,566	25.8%	762	22.8%	1,384	23.6%	55	1.2%	2,365	63.2%
Region 8	1,793	33.2%	477	46.9%	571	28.0%	205	15.5%	539	52.6%

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Table 2.46 North Dakota Household Projections for Extremely Low Income Households, 2019 to 2029
 Sources: U.S. Census Bureau and the Center for Social Research at NDSU

Area	Extremely Low Income Households - Earning 0% to 30% of the Median Family Income (MFI)				
	2014	Projections			% change: 2014 to 2029
		2019	2024	2029	
North Dakota	50,607	54,703	58,249	62,538	23.6%
Adams County	149	153	160	162	9.0%
Barnes County	760	789	799	809	6.5%
Benson County	626	623	620	611	-2.3%
Billings County	64	61	65	71	11.6%
Bottineau County	587	589	614	643	9.6%
Bowman County	203	204	228	235	15.6%
Burke County	217	207	207	218	0.4%
Burleigh County	4,710	5,292	5,965	6,665	41.5%
Cass County	11,307	12,623	13,659	14,900	31.8%
Cavalier County	229	216	207	193	-15.8%
Dickey County	374	365	385	392	4.7%
Divide County	182	174	179	187	2.8%
Dunn County	236	266	296	319	35.4%
Eddy County	226	233	229	217	-4.1%
Emmons County	380	375	378	381	0.4%
Foster County	288	278	288	296	2.6%
Golden Valley County	196	200	200	211	7.4%
Grand Forks County	6,332	6,508	6,370	6,745	6.5%
Grant County	270	275	273	265	-2.0%
Griggs County	149	146	144	139	-6.4%
Hettinger County	141	143	139	141	0.0%
Kidder County	196	208	219	213	8.7%
LaMoure County	354	379	387	377	6.4%
Logan County	159	152	137	129	-18.7%
McHenry County	461	468	479	487	5.6%
McIntosh County	313	293	284	276	-11.9%
McKenzie County	606	897	1,075	1,265	108.6%
McLean County	709	756	796	814	14.9%
Mercer County	635	684	755	794	25.1%
Morton County	1,662	1,826	2,034	2,207	32.8%
Mountrail County	541	647	730	813	50.2%
Nelson County	311	292	290	279	-10.2%
Oliver County	123	138	151	153	24.5%
Pembina County	498	502	510	503	1.0%
Pierce County	428	428	444	473	10.6%
Ramsey County	1,056	1,106	1,183	1,264	19.8%
Ransom County	363	358	353	348	-4.2%
Renville County	167	166	165	164	-1.6%
Richland County	1,107	1,184	1,209	1,251	13.0%
Rolette County	1,796	1,955	2,070	2,186	21.7%
Sargent County	252	274	283	284	12.8%
Sheridan County	111	107	103	97	-12.4%
Sioux County	307	348	364	380	23.8%
Slope County	57	65	69	65	13.6%
Stark County	1,744	2,004	2,304	2,635	51.0%
Steele County	120	127	143	166	38.4%
Stutsman County	1,561	1,613	1,655	1,726	10.6%
Towner County	180	189	191	182	1.0%
Traill County	565	592	615	640	13.3%
Walsh County	950	922	909	901	-5.1%
Ward County	3,495	3,842	4,078	4,368	25.0%
Wells County	398	385	389	394	-1.0%
Williams County	1,759	2,076	2,470	2,904	65.1%
Bismarck city	4,458	4,976	5,599	6,284	41.0%
Devils Lake city	928	951	1,005	1,076	15.9%
Dickinson city	1,403	1,533	1,707	1,903	35.7%
Fargo city	9,598	10,757	11,513	12,583	31.1%
Grand Forks city	5,898	6,017	5,847	6,191	5.0%
Jamestown city	1,226	1,274	1,302	1,363	11.2%
Mandan city	1,246	1,345	1,504	1,628	30.7%
Minot city	2,846	2,989	3,127	3,337	17.2%
Valley City city	571	605	600	610	6.8%
Wahpeton city	657	711	680	696	6.0%
West Fargo city	1,258	1,459	1,662	1,799	43.0%
Williston city	1,366	1,431	1,656	1,918	40.4%
Fort Berthold Reservation	513	552	592	631	23.0%
Spirit Lake Reservation	409	409	409	409	0.0%
Standing Rock Reservation	307	348	364	380	23.8%
Turtle Mountain Reservation	1,118	1,151	1,183	1,217	8.9%
Region 1	2,547	3,147	3,724	4,356	71.0%
Region 2	5,896	6,347	6,717	7,166	21.5%
Region 3	4,112	4,322	4,500	4,653	13.1%
Region 4	8,090	8,224	8,079	8,428	4.2%
Region 5	13,714	15,158	16,262	17,589	28.3%
Region 6	4,356	4,400	4,468	4,538	4.2%
Region 7	9,101	10,009	11,038	11,969	31.5%
Region 8	2,790	3,096	3,461	3,839	37.6%

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Table 2.47 North Dakota Household Projections for Very Low Income Households, 2019 to 2029					
Sources: U.S. Census Bureau and the Center for Social Research at NDSU					
Area	Very Low Income Households - Earning 31% to 50% of the Median Family Income (MFI)				
	2014	Projections			% change: 2014 to 2029
		2019	2024	2029	
North Dakota	49,919	55,178	58,929	62,579	25.4%
Adams County	194	196	202	205	5.8%
Barnes County	795	832	837	855	7.5%
Benson County	445	442	437	428	-3.8%
Billings County	26	26	28	29	11.2%
Bottineau County	480	495	518	537	11.8%
Bowman County	161	164	178	185	14.6%
Burke County	141	141	140	136	-3.9%
Burleigh County	5,452	6,108	6,848	7,581	39.1%
Cass County	12,682	14,540	15,849	17,150	35.2%
Cavalier County	260	246	234	215	-17.4%
Dickey County	414	400	396	391	-5.7%
Divide County	154	153	150	158	2.3%
Dunn County	214	237	263	283	32.4%
Eddy County	144	147	148	144	0.0%
Emmons County	361	354	348	350	-3.1%
Foster County	182	179	184	188	3.4%
Golden Valley County	154	156	158	174	12.9%
Grand Forks County	5,098	5,554	5,743	5,898	15.7%
Grant County	173	173	164	160	-7.7%
Griggs County	225	216	208	198	-12.2%
Hettinger County	201	214	215	219	8.8%
Kidder County	165	168	163	158	-4.5%
LaMoure County	254	266	264	252	-0.9%
Logan County	159	153	141	136	-14.3%
McHenry County	435	442	445	448	3.1%
McIntosh County	301	293	278	266	-11.7%
McKenzie County	668	967	1,208	1,511	126.3%
McLean County	696	758	795	807	15.9%
Mercer County	362	391	431	451	24.7%
Morton County	1,874	2,043	2,245	2,407	28.4%
Mountrail County	399	487	550	609	52.5%
Nelson County	217	210	211	205	-5.6%
Oliver County	93	105	114	114	22.1%
Pembina County	570	562	562	550	-3.5%
Pierce County	365	365	372	387	6.2%
Ramsey County	886	895	913	929	4.9%
Ransom County	391	389	398	403	3.0%
Renville County	131	127	125	125	-4.6%
Richland County	908	965	1,001	1,032	13.6%
Rolette County	680	735	763	793	16.7%
Sargent County	227	257	262	259	13.9%
Sheridan County	89	88	87	86	-3.3%
Sioux County	194	215	228	237	22.2%
Slope County	55	62	63	59	6.8%
Stark County	1,867	2,173	2,421	2,683	43.7%
Steele County	147	143	148	158	7.8%
Stutsman County	1,522	1,538	1,559	1,567	2.9%
Towner County	157	169	166	151	-3.6%
Traill County	509	524	521	520	2.2%
Walsh County	761	727	697	675	-11.3%
Ward County	4,949	5,503	5,779	6,126	23.8%
Wells County	348	339	336	338	-3.0%
Williams County	1,583	2,146	2,435	2,653	67.6%
Bismarck city	4,872	5,435	6,094	6,764	38.8%
Devils Lake city	621	621	617	617	-0.6%
Dickinson city	1,450	1,652	1,816	1,978	36.4%
Fargo city	10,293	11,951	12,959	14,076	36.8%
Grand Forks city	4,318	4,674	4,814	4,921	14.0%
Jamestown city	1,306	1,319	1,335	1,343	2.8%
Mandan city	1,431	1,532	1,683	1,800	25.8%
Minot city	3,792	4,073	4,284	4,533	19.5%
Valley City city	567	610	597	612	7.9%
Wahpeton city	467	514	525	535	14.6%
West Fargo city	1,806	1,993	2,197	2,338	29.5%
Williston city	1,238	1,617	1,775	1,881	52.0%
Fort Berthold Reservation	238	257	275	292	22.7%
Spirit Lake Reservation	211	211	211	211	0.0%
Standing Rock Reservation	194	215	228	237	22.2%
Turtle Mountain Reservation	393	404	416	428	8.9%
Region 1	2,405	3,266	3,793	4,322	79.7%
Region 2	6,900	7,560	7,929	8,368	21.3%
Region 3	2,571	2,634	2,661	2,660	3.4%
Region 4	6,645	7,053	7,213	7,328	10.3%
Region 5	14,864	16,818	18,179	19,522	31.3%
Region 6	4,202	4,216	4,203	4,191	-0.3%
Region 7	9,460	10,403	11,423	12,351	30.6%
Region 8	2,872	3,228	3,528	3,837	33.6%

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Table 2.48 North Dakota Household Projections for Low Income Households, 2019 to 2029
 Sources: U.S. Census Bureau and the Center for Social Research at NDSU

Area	Low Income Households - Earning 51% to 80% of the Median Family Income (MFI)					
	2014	Projections				% change: 2014 to 2029
		2019	2024	2029		
North Dakota	68,690	75,587	79,668	83,184	21.1%	
Adams County	300	305	311	315	4.9%	
Barnes County	1,118	1,119	1,112	1,088	-2.7%	
Benson County	580	570	558	544	-6.3%	
Billings County	89	93	93	89	0.4%	
Bottineau County	596	600	619	635	6.6%	
Bowman County	264	270	271	275	4.3%	
Burke County	200	195	190	186	-6.9%	
Burleigh County	8,007	8,860	9,815	10,760	34.4%	
Cass County	16,494	18,850	20,284	21,712	31.6%	
Cavalier County	377	362	347	326	-13.5%	
Dickey County	519	505	493	481	-7.2%	
Divide County	210	228	236	243	15.6%	
Dunn County	285	309	346	374	31.4%	
Eddy County	274	256	235	218	-20.4%	
Emmons County	402	384	368	345	-14.2%	
Foster County	369	361	346	336	-8.9%	
Golden Valley County	124	125	120	129	4.0%	
Grand Forks County	6,611	7,225	7,535	7,582	14.7%	
Grant County	274	262	241	225	-18.0%	
Griggs County	265	240	222	203	-23.5%	
Hettinger County	306	337	337	341	11.3%	
Kidder County	236	239	231	221	-6.6%	
LaMoure County	461	475	449	424	-8.1%	
Logan County	215	216	202	204	-5.3%	
McHenry County	592	598	587	582	-1.8%	
McIntosh County	295	291	270	256	-13.3%	
McKenzie County	789	1,176	1,398	1,616	104.9%	
McLean County	946	1,008	1,020	1,019	7.7%	
Mercer County	712	743	779	801	12.5%	
Morton County	3,087	3,289	3,453	3,592	16.3%	
Mountrail County	625	758	803	845	35.2%	
Nelson County	361	352	353	346	-4.1%	
Oliver County	163	155	151	150	-8.1%	
Pembina County	836	813	787	756	-9.6%	
Pierce County	400	395	380	370	-7.5%	
Ramsey County	1,085	1,099	1,121	1,141	5.1%	
Ransom County	514	506	499	494	-3.8%	
Renville County	242	242	231	217	-10.5%	
Richland County	1,492	1,518	1,580	1,606	7.6%	
Rolette County	959	1,024	1,032	1,045	8.9%	
Sargent County	430	455	450	436	1.4%	
Sheridan County	188	183	171	163	-13.4%	
Sioux County	237	263	277	290	22.2%	
Slope County	34	34	31	33	-1.6%	
Stark County	2,306	2,688	2,931	3,239	40.4%	
Steele County	258	259	246	222	-13.8%	
Stutsman County	2,428	2,415	2,410	2,394	-1.4%	
Towner County	202	208	197	177	-12.3%	
Traill County	734	752	737	726	-1.1%	
Walsh County	1,217	1,196	1,170	1,150	-5.5%	
Ward County	6,133	7,177	7,679	7,980	30.1%	
Wells County	503	493	480	468	-7.0%	
Williams County	2,344	3,111	3,484	3,814	62.7%	
Bismarck city	6,917	7,594	8,400	9,227	33.4%	
Devils Lake city	776	780	788	803	3.5%	
Dickinson city	1,650	1,909	2,038	2,188	32.6%	
Fargo city	12,699	14,638	15,620	16,681	31.4%	
Grand Forks city	5,386	5,840	6,095	6,096	13.2%	
Jamestown city	1,914	1,882	1,870	1,855	-3.1%	
Mandan city	2,327	2,424	2,522	2,600	11.7%	
Minot city	4,445	5,249	5,641	5,798	30.4%	
Valley City city	667	676	664	657	-1.4%	
Wahpeton city	693	699	731	729	5.2%	
West Fargo city	2,496	2,729	2,991	3,203	28.3%	
Williston city	1,666	2,034	2,222	2,417	45.1%	
Fort Berthold Reservation	499	537	575	614	23.0%	
Spirit Lake Reservation	264	264	264	264	0.0%	
Standing Rock Reservation	237	263	277	290	22.2%	
Turtle Mountain Reservation	573	590	606	623	8.7%	
Region 1	3,343	4,515	5,118	5,673	69.7%	
Region 2	8,789	9,965	10,489	10,815	23.1%	
Region 3	3,477	3,519	3,490	3,451	-0.8%	
Region 4	9,025	9,586	9,845	9,834	9.0%	
Region 5	19,922	22,340	23,796	25,196	26.5%	
Region 6	6,173	6,115	5,984	5,854	-5.2%	
Region 7	14,254	15,386	16,506	17,566	23.2%	
Region 8	3,707	4,161	4,440	4,795	29.3%	

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Table 2.49 North Dakota Household Projections for Lower Moderate Income Households, 2019 to 2029						
Sources: U.S. Census Bureau and the Center for Social Research at NDSU						
Area	Lower Moderate Income Households - Earning 81% to 115% of the Median Family Income (MFI)					
	2014	2019	Projections		2029	% change: 2014 to 2029
			2024	2029		
North Dakota	35,211	39,247	41,168	42,632	21.1%	
Adams County	128	133	138	140	9.8%	
Barnes County	641	641	636	616	-4.0%	
Benson County	203	200	198	195	-3.9%	
Billings County	26	28	27	27	3.6%	
Bottineau County	257	250	250	248	-3.6%	
Bowman County	148	156	156	155	4.6%	
Burke County	91	88	85	86	-5.2%	
Burleigh County	4,530	4,970	5,456	5,944	31.2%	
Cass County	8,427	9,699	10,381	10,996	30.5%	
Cavalier County	164	151	137	122	-25.5%	
Dickey County	264	257	233	217	-17.9%	
Divide County	112	134	143	145	29.8%	
Dunn County	127	136	147	158	24.9%	
Eddy County	143	143	133	121	-15.6%	
Emmons County	107	99	92	83	-22.3%	
Foster County	188	186	180	176	-6.3%	
Golden Valley County	67	65	68	77	14.6%	
Grand Forks County	2,885	3,126	3,234	3,245	12.5%	
Grant County	78	80	71	63	-19.4%	
Griggs County	113	101	92	83	-26.4%	
Hettinger County	120	138	143	146	22.2%	
Kidder County	129	129	122	115	-10.8%	
LaMoure County	228	233	213	197	-13.7%	
Logan County	91	95	97	98	8.1%	
McHenry County	335	333	337	336	0.3%	
McIntosh County	99	94	84	76	-23.5%	
McKenzie County	614	904	1,043	1,183	92.8%	
McLean County	436	464	466	464	6.4%	
Mercer County	391	405	411	413	5.6%	
Morton County	1,403	1,497	1,539	1,578	12.4%	
Mountrail County	408	511	537	554	35.6%	
Nelson County	196	184	174	165	-15.8%	
Oliver County	77	85	88	84	9.6%	
Pembina County	381	364	340	320	-16.1%	
Pierce County	254	246	232	219	-13.8%	
Ramsey County	477	489	500	505	5.9%	
Ransom County	313	309	307	308	-1.6%	
Renville County	132	127	123	121	-8.4%	
Richland County	752	759	784	793	5.5%	
Rolette County	373	396	400	403	8.1%	
Sargent County	239	268	262	250	4.8%	
Sheridan County	69	67	59	55	-20.7%	
Sioux County	104	120	125	129	24.0%	
Slope County	48	55	54	49	1.4%	
Stark County	1,546	1,852	1,975	2,107	36.3%	
Steele County	99	96	90	80	-19.5%	
Stutsman County	1,113	1,082	1,055	1,028	-7.6%	
Towner County	135	142	129	112	-17.1%	
Traill County	417	412	390	364	-12.6%	
Walsh County	617	585	556	539	-12.6%	
Ward County	3,135	3,732	4,024	4,152	32.4%	
Wells County	189	187	186	185	-2.1%	
Williams County	1,593	2,244	2,466	2,607	63.7%	
Bismarck city	3,655	3,972	4,356	4,762	30.3%	
Devils Lake city	288	302	310	318	10.4%	
Dickinson city	1,287	1,538	1,630	1,717	33.4%	
Fargo city	5,481	6,369	6,784	7,189	31.2%	
Grand Forks city	2,283	2,482	2,599	2,587	13.3%	
Jamestown city	784	754	732	724	-7.7%	
Mandan city	912	965	998	1,018	11.7%	
Minot city	2,163	2,550	2,747	2,824	30.5%	
Valley City city	425	432	420	410	-3.6%	
Wahpeton city	338	345	360	361	6.9%	
West Fargo city	1,976	2,127	2,302	2,422	22.6%	
Williston city	1,120	1,554	1,672	1,726	54.1%	
Fort Berthold Reservation	207	223	238	256	23.7%	
Spirit Lake Reservation	72	72	72	72	0.0%	
Standing Rock Reservation	104	120	125	129	24.0%	
Turtle Mountain Reservation	210	217	222	230	9.5%	
Region 1	2,318	3,282	3,652	3,935	69.8%	
Region 2	4,613	5,287	5,588	5,716	23.9%	
Region 3	1,495	1,521	1,497	1,458	-2.5%	
Region 4	4,079	4,259	4,304	4,269	4.7%	
Region 5	10,246	11,543	12,214	12,791	24.8%	
Region 6	2,926	2,876	2,776	2,676	-8.5%	
Region 7	7,324	7,916	8,429	8,928	21.9%	
Region 8	2,209	2,563	2,708	2,859	29.4%	

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Table 2.52 North Dakota Household Projections for Tax Credit Households, 2019 to 2029
 Sources: U.S. Census Bureau and the Center for Social Research at NDSU

Area	Tax Credit Income Households - Earning 0% to 60% of the Median Family Income (MFI)					% change: 2014 to 2029
	2014	Projections			2029	
		2019	2024	2029		
North Dakota	115,438	126,203	134,390	143,168	24.0%	
Adams County	407	413	425	431	6.0%	
Barnes County	1,738	1,805	1,822	1,851	6.5%	
Benson County	1,201	1,193	1,184	1,163	-3.1%	
Billings County	104	101	108	117	12.2%	
Bottineau County	1,174	1,194	1,249	1,311	11.7%	
Bowman County	430	430	467	484	12.5%	
Burke County	415	404	401	402	-3.1%	
Burleigh County	11,752	13,156	14,751	16,368	39.3%	
Cass County	27,674	31,353	34,036	36,933	33.5%	
Cavalier County	574	544	520	484	-15.7%	
Dickey County	868	845	858	856	-1.4%	
Divide County	390	376	380	398	2.0%	
Dunn County	495	550	608	654	32.1%	
Eddy County	431	436	429	410	-4.8%	
Emmons County	817	803	796	799	-2.2%	
Foster County	559	542	552	562	0.6%	
Golden Valley County	410	417	414	443	7.9%	
Grand Forks County	12,924	13,722	13,863	14,394	11.4%	
Grant County	502	498	489	476	-5.2%	
Griggs County	449	427	411	388	-13.5%	
Hettinger County	396	414	411	415	4.7%	
Kidder County	416	433	439	426	2.4%	
LaMoure County	695	734	739	716	3.1%	
Logan County	366	352	320	311	-15.0%	
McHenry County	1,066	1,083	1,093	1,103	3.5%	
McIntosh County	698	667	642	620	-11.1%	
McKenzie County	1,382	2,021	2,471	2,997	116.8%	
McLean County	1,618	1,743	1,828	1,858	14.8%	
Mercer County	1,260	1,351	1,481	1,555	23.4%	
Morton County	4,173	4,546	4,984	5,348	28.2%	
Mountrail County	1,034	1,249	1,401	1,550	49.9%	
Nelson County	632	605	602	585	-7.5%	
Oliver County	246	269	287	290	18.0%	
Pembina County	1,235	1,230	1,232	1,206	-2.3%	
Pierce County	885	883	902	946	6.9%	
Ramsey County	2,231	2,301	2,410	2,520	13.0%	
Ransom County	860	854	857	857	-0.3%	
Renville County	334	330	325	322	-3.7%	
Richland County	2,300	2,452	2,534	2,620	13.9%	
Rolette County	2,690	2,919	3,062	3,208	19.2%	
Sargent County	546	602	612	607	11.1%	
Sheridan County	231	226	222	211	-8.5%	
Sioux County	552	624	652	681	23.3%	
Slope County	116	130	135	129	10.8%	
Stark County	4,156	4,810	5,430	6,101	46.8%	
Steele County	305	308	323	350	14.8%	
Stutsman County	3,642	3,717	3,778	3,864	6.1%	
Towner County	368	388	385	358	-2.6%	
Traill County	1,295	1,346	1,360	1,384	6.9%	
Walsh County	1,962	1,893	1,846	1,814	-7.5%	
Ward County	9,901	10,992	11,609	12,343	24.7%	
Wells County	869	841	836	840	-3.3%	
Williams County	3,666	4,681	5,419	6,109	66.6%	
Bismarck city	10,768	11,980	13,421	14,940	38.7%	
Devils Lake city	1,775	1,803	1,864	1,945	9.6%	
Dickinson city	3,309	3,715	4,104	4,510	36.3%	
Fargo city	22,850	26,094	28,096	30,563	33.8%	
Grand Forks city	11,421	12,029	12,073	12,508	9.5%	
Jamestown city	2,951	3,011	3,047	3,120	5.7%	
Mandan city	3,216	3,433	3,763	4,023	25.1%	
Minot city	7,677	8,214	8,650	9,170	19.4%	
Valley City city	1,230	1,312	1,295	1,322	7.5%	
Wahpeton city	1,230	1,339	1,334	1,360	10.6%	
West Fargo city	3,552	4,010	4,483	4,816	35.6%	
Williston city	2,750	3,252	3,653	4,028	46.5%	
Fort Berthold Reservation	849	914	980	1,046	23.2%	
Spirit Lake Reservation	695	697	697	697	0.3%	
Standing Rock Reservation	552	624	652	681	23.3%	
Turtle Mountain Reservation	1,643	1,692	1,738	1,789	8.9%	
Region 1	5,438	7,078	8,270	9,504	74.8%	
Region 2	14,809	16,135	16,980	17,977	21.4%	
Region 3	7,494	7,781	7,990	8,143	8.7%	
Region 4	16,754	17,450	17,543	17,999	7.4%	
Region 5	32,980	36,915	39,722	42,751	29.6%	
Region 6	9,882	9,930	9,958	10,008	1.3%	
Region 7	21,567	23,649	25,929	28,012	29.9%	
Region 8	6,515	7,265	7,998	8,774	34.7%	

HOUSE INDUSTRY, BUSINESS AND LABOR COMMITTEE

TESTIMONY IN SUPPORT OF SB2271

“Housing Incentive Fund”

March 11, 2019

Chairman Keiser and Committee Members. My name is Shirley Dykshoorn, and I am the Vice President of Lutheran Social Services of North Dakota. I am providing testimony on behalf of Lutheran Social Services Housing to support SB2271.

Housing is about more than a place to live. We at Lutheran Social Services know that first hand, and perhaps with a somewhat unique perspective. We are a provider of both housing and supportive services to families, seniors, in communities all across the state. In almost every hearing we have provided testimony for, we have been able to authentically reference housing and the role it played or can play in that person's road to achieving wellbeing.

In past years we have put Housing Incentive Fund dollars to work in Watford City, Belfield, Bowman, Hettinger, Beulah and Williston. The availability of this flexible, yet targeted, state housing development resource was the difference between these projects being built and not. We were able to create mixed income rental housing properties that served community needs, blending lower rent apartments with more moderate rent apartments to serve people across the income spectrum.

In addition to the HIF-funded projects noted above, Lutheran Social Services also manages projects that make federal rent assistance available to tenants via USDA Rural Development of the U.S. Department of Housing and Urban Development, as well as non-subsidized properties. Our experience as a landlord to over 900 households across rural North Dakota, is that having access to a safe, decent affordable place to live is absolutely essential to

their wellbeing. The housing is what provides a base level of stability from which each of those individuals can build a stable and successful life.

While our individual Housing Incentive Fund projects are not built specifically to serve any specific “special needs population”, they do serve people with special needs – every single day. We – today – are providing housing for veterans who had previously been homeless, seniors who are living alone on fixed incomes, young working families who struggle to make ends meet, people in recovery from addiction and/or mental illness, men and women exiting the justice system and returning to community. People who are new to our communities and people who have been our neighbors for decades. Regular North Dakotans. Who have one thing in common – they need a safe, decent affordable place to live.

Because of the Housing Incentive Fund, we have been able to serve families with affordability challenges. An example is a single mom with 4 kids, age elementary to high school, in Watford City. She was living with her family in a 3 bedroom unit, when her landlord informed her that her rent was jumping to over \$1800 per month. She had no room to negotiate and had to find a place she could afford. We were able to serve her in one of our 3 bedroom units for \$749/month because of HIF. Now she is living in a safe and affordable space she calls home.

The Housing Incentive Fund allows us to better serve clients with only social security income. It relieves the pressure on counties that have 4-5 year wait lists at their Housing authorities and housing vouchers are in very short supply. It would allow us to bring more affordable units in communities where there is a very short supply of affordable housing.

The investment of resources contemplated in SB2271 for the Housing Incentive Fund can be part of making sure North Dakota has strong affordable housing infrastructure that meets the needs of people living in communities all across the state. And the proposed modification to the

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targeting of the fund will help ensure that this tool can continue to be used in ways that can best benefit the people and communities of our state, depending on their unique needs.

Testimony in Support of SB 2271
Industry, Business and Labor
Chairman: Representative George Keiser
March 11, 2019

Submitted by: Dan Madler, Chief Executive Officer - Beyond Shelter Inc. (BSI),
701-730-2734, dmadler@beyondshelterinc.com, Lobbyist #8

Chairman Keiser and members of the Committee, for the record my name is Dan Madler, I live in ND District 27 and I am the CEO of Beyond Shelter, Inc. (BSI), a mission driven North Dakota nonprofit developer of affordable housing. I would like to express support of Senate Bill 2271 and the \$10,000,000 appropriation to fund the Housing Incentive Fund (HIF).

Invest in things that work and the HIF works:

- HIF is a great tool for Community and Economic Development
- HIF strengthens local North Dakota communities
- HIF supports an increase in the availability of affordable housing options within North Dakota communities and I would say that we all thrive when there is housing available for all incomes within every North Dakota community. Also, increasing the availability of affordable housing options makes North Dakota communities more competitive
- HIF has improved the quality of life for North Dakota residents that call one of 2,500 HIF units home
- HIF's design is very nimble and it works well with other affordable housing funding sources. Because of this, BSI has been able to put awarded HIF funds to work quickly; leveraging approximately \$12M in HIF's to produce \$79.6M in long-term quality affordable housing assets. Essentially, for every \$1 of HIF investment, BSI has been able to produce \$6.63 in long-term affordable housing assets. These affordable housing assets benefit the North Dakota communities of Bismarck, Burlington, Dickinson, Fargo, Minot, and West Fargo and are providing 416 HIF homes to elderly and physically disabled households, victims of domestic violence, homeless individuals, law enforcement, and essential service workers.

The need for HIF is absolute:

- NDHFA has always received more HIF funding applications than available HIF funds
- Beyond Shelter's current vacancy rates are 2% in Fargo, 2.9% in Dickinson, and 7.5% in Minot.
- Beyond Shelter has 39 affordable senior homes under construction and has a wait list of 36 seniors for one of the 33 1-bedroom homes and 17 seniors for one of the 6 2-bedroom homes

In closing, I respectfully request your support of Senate Bill 2271 and the \$10,000,000 appropriation to fund the Housing Incentive Fund. This funding would be a continued long-term investment in ND communities, offering great financial leverage, while increasing the availability of quality affordable housing options that will enable local families, longtime residents, and those on fixed incomes to affordably live in the ND community that they call home.

Thank you for your time and consideration.

Testimony of Brent Ekstrom, Executive Director, Lewis & Clark Development Group

In Support of HIF Funding – March 11, 2019

Chairman Keiser and Members of the Committee:

Thank you for the opportunity to speak in support of funding the Housing Incentive Fund.

I'm Brent Ekstrom of Bismarck. I have the pleasure of serving as the Executive Director of the Lewis & Clark Development Group, which is a collaboration of three separate non-profit organizations: the Lewis & Clark Regional Development Council (RDC), the Lewis & Clark Certified Development Company (CDC), and CommunityWorks North Dakota.

Together, we provide programs and loans to support businesses, local governments, and individuals in expanding affordable housing opportunities and advancing economic and community development across North Dakota. This year marks our organization's 50th anniversary. In our 50 years of operation, Lewis & Clark Development Group has made a significant and lasting impact throughout North Dakota. In fact, just within the last 25 years, we've...

- Helped leverage public, private, and philanthropic investment totaling almost **\$600 million dollars**;
- Helped to create or maintain **3,692 jobs**, and
- Helped to create more than **2,800 single- and multi-family housing units** across North Dakota.

As you know, affordable housing is one of North Dakota's persistent challenges. Expanding affordable housing is central to our work. As you can see from the handout I've provided, HIF is essential to our work and, because of HIF, Lewis & Clark Development Group been able to participate in 14 projects creating 539 units of affordable housing across North Dakota.

The average cost of construction of the units produced in projects we have participated in is \$155,424 per unit. HIF funding represents 17% of the funding need to produce those units. That results in the average reduction in rent to the ultimate renter of \$150 per unit per month. Bottom line is that without HIF there projects would likely have not happened and certainly would have resulted in higher rental rates.

We all know how to judge investments based on their rate of return. And, in my professional experience, HIF is one of the most innovative and effective tools available to address North Dakota's housing challenges. It's innovation and effectiveness rests in the return on investment it yields in building homes that would otherwise have not be built and in housing low-income residents and families who would otherwise have been forced to look for other housing alternatives.

Chairman Keiser and Members of the Committee, Investing into HIF is one of the wisest and most sensible investments you can make.

I respectfully ask you to vote yes and thank you for the opportunity to share my thoughts with you this morning and I stand for any questions.

WHY HIF MATTERS

Since its inception in 2011, the Housing Incentive Fund (HIF) has provided critical funding to address North Dakota's housing needs. HIF funds have developed affordable and multi-family housing for essential workers, small business employees, senior citizens and families on fixed incomes. HIF is a sterling example of an innovative policy solution to a major persistent challenge.

- ✓ Support for HIF is a vote for continued innovation and collaboration that successfully addresses local and regional housing needs.

BY THE NUMBERS

539

The number of housing units created through HIF

\$155,424

The total cost per unit

\$26,948

The average HIF investment per unit

\$150

PER UNIT
PER MONTH

On average, HIF kept the ultimate rental cost down by \$150 per unit over a 15-year compliance period

14

OUT OF
22

LCD Group has participated in or funded 22 housing projects. Of these, we utilized HIF in the following 14 projects throughout central and western North Dakota, which created 539 housing units. Without HIF and us, the following projects would likely not have happened....

BISMARCK

- Century Cottages - 35 units
- Pride Independence Pt. - 22 units
- Ruth Meiers Hospitality House - 85 Units
- Sierra Court - 40 units
- 100 West Main - 30 units

BOWMAN

- The Landing - 26 units

CROSBY

- Loretta Bay - 24 Units

DICKINSON

- Dacotah Ridge - 24 units

HAZEN

- Pioneer Homes - 22 units

MINOT

- Minot Place Rowhomes - 30 units

WATFORD CITY

- Prairie Heights I - 58 units
- Prairie Heights II - 66 units

WILLISTON

- Williston School - 45 units
- ParkRidge Townhomes - 36 units



Lewis & Clark Development Group
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Mandan, ND 58554
www.lcdgroup.org
701.667.7600

Brent Ekstrom, Executive Director
brent@lcdgroup.org

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March 11th, 2019

Dear Chairman Keiser and members of the committee,

My name is Katie Jo Armbrust, I work for the Grand Forks Housing Authority. I'm here today to discuss the impact of the Housing Incentive Fund (HIF).

The Grand Forks Housing Authority participated in the development of the first project to utilize HIF, Cherrywood Village, in 2014. This apartment complex provides 30 - 1 bedroom/bathroom units of affordable housing to people 62 years or older in our community. People like Eunice, who after 26 years as a house mother to a local sorority, decided it was time to retire. At the age 77, her decision to retire was only made after she learned she would be eligible for a new property, designed exclusively for seniors with rents based upon annual income. As one of the original Cherrywood Village residents from the 2014 opening, Eunice now takes time for herself by voluntarily preparing food for neighbors, potlucks, playing cards, and volunteering for other city and community events. Very rarely will Eunice miss an opportunity to cheer on a UND game, she is a valued member of the Cherrywood Village community!

Without HIF, people like Eunice wouldn't have safe, decent, affordable housing. Not only does HIF provide a vital funding source to fill the gap for development of affordable housing, it can also provide funding for the preservation of existing units as well as targeted supportive services designated to prevent homelessness. These funding opportunities continue to be desperately needed in our state and I urge you to consider the impact HIF can have.

Respectfully submitted,

Katie Jo Armbrust

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North Dakota Senate Bill No. 2271
House Standing Committee
Industry, Business and Labor

Chairman Keiser and respected committee members,

My name is Dwight Barden. I am the Executive Director at Burleigh County Housing Authority here in Bismarck. I am here to provide support for Senate Bill No 2271.

I will try to express to you the need for this funding of the Housing Incentive Fund (HIF) that is administered by the North Dakota Housing Finance Agency. I am sure that Senators Kreun, Osland, Vedaa and Representatives Blum, Mock and Vetter could give you examples of how this program has impacted their Districts.

Burleigh County Housing Authority has been fortunate enough to utilize these funds on two projects. At the rise of the oil impact activity we utilized the HIF program to build a 4-plex for special needs populations. During that time when land and building cost went sky high we were able to use HIF funds to bridge the finance gap. Without these funds this project would not have been built. We are the landlord and 24 hr. Services are provided by local non-profits such as HIT, Inc., Pride, Inc. and Enable.

We are in the process of building in Bismarck a 40 unit permanent supportive housing project for the homeless with developer Beyond Shelter. Most of these tenants deal with mental illness and drug or alcohol addiction. This project is similar to Cooper House in Fargo and LaGrave on 1st in Grand Forks. We are fortunate to be able to use the HIF program also on this project. As you are aware the program was not funded in the 2017 session. We received these funds only because there was another project that could not secure enough funding. This project, Edwinton Place, has six different funding sources. They are Low Income Housing Tax Credits, Federal Housing Trust Fund, Two different allocations of Neighborhood Stabilization Program, Federal Home Loan Bank and HIF. With the rent restrictions on these programs it makes it virtually impossible for us to support debt service.

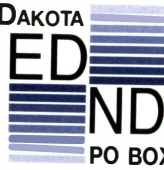
With guidelines established by North Dakota Housing Finance Agency, funding from the HIF program is meant to provide affordable and assessable housing for low to moderate income, special needs populations and the elderly. We have a 46 year old 96 unit HUD project that is in need of modernization and without this type of funding we lose these affordable units.

The state currently receives enough Tax Credit funding to do about five projects a year. The problem is that there are between 8 to 15 projects that submit applications for this funding. The equity generated by a \$10,000,000 to \$20,000,000 HIF program would go a long way in establishing these assets for affordable housing in our State. And they would be assets for populations in our state that are in need of this type of housing with an investment into the future.

Again I ask for your support of SB 2271 with the Housing Incentive Fund program and will answer any questions that you may have.

Dwight Barden
Executive Director
Burleigh County Housing Authority
410 S. 2nd Street
Bismarck, ND 58504

701-255-2540 Dwight@bchabis.com



Testimony of Mason Sisk
Economic Development Association of North Dakota
In Support of SB 2271
March 11, 2019

Chairman Keiser and members of the House Industry Business and Labor Committee:

The Economic Development Association of North Dakota represents more than 80 large and small and rural and urban economic development organizations on the front line of growing businesses and communities in North Dakota. The primary purpose of the organization is to promote the creation of new wealth throughout North Dakota to develop more vibrant communities and improve quality of life. It is for these reasons our organization and its members want to express support for SB 2271.

Workforce and affordable housing continues to be a priority for expansion of North Dakota's businesses and communities in all areas of North Dakota. The Housing Incentive Fund capitalizes contributions from state taxpayers developing affordable multi-family housing for essential service workers, main street employees and fixed-income households. A major stumbling block to attracting businesses that would diversify the economy or to attracting workers to fill the thousands of basic service jobs open in the state is a lack of affordable housing.

A recent high impact example of the housing incentive program's benefit is in the Beulah/Hazen area, where a housing study of the region identified a need for additional apartments. The community came together and utilized the fund to create new housing for a variety of its citizens. An abandoned piece of land where mobile homes stood in the 1980s is now home to New Energy Apartments. These one to three bedroom units are open to a range of families, including low-income and essential workers. The Hazen community also identified a need for Hazen seniors to have housing to age in place. Through a Housing Incentive Fund grant, the community was able to tear down an old, abandoned hospital and build a new, 18-unit senior facility. This is one of the many examples where these funds return investment into the rural and urban communities throughout North Dakota.

In order to diversify our economy, we need to partner with our communities to create livable spaces. A part of this formula is affordable housing, and this fund creates an economic 'win-win' for both the employees and the communities.

Thank you for the opportunity to express our support for SB 2271 and for your continued commitment to keeping North Dakota globally competitive to recruit and retain the state's workforce.

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SB 2271

March 11, 2019

SB 2271

House Industry, Business and Labor

Representative George Keiser, Chairman

Chairman Keiser and members of the committee, for the record, Blake Crosby, Executive Director North Dakota League of Cities. We are in support of SB 2271 that addresses the needs of Housing Finance Agency (HFA), particularly the Housing Incentive Fund (HIF).

As cities look at their demographics and realize the needs of the seniors, young families with low to moderate income and low to moderate income citizens in general, they see significant needs for low income housing. This lack of housing is impacting nearly all North Dakota cities and the problem only will continue to grow. In testimony on a bill to study the Homestead Tax Credit, I gathered US Census Data from the most recent ACS and it showed that for all of my 357 incorporated cities the median percent of those persons 65 and over was 18.2%. For those 60-64 it was 26.8%, so the bubble continues to expand. We can't presume all of them are eligible for low income housing, but even if only 25% are eligible we are looking at numbers in the 20.6 to 28.6 thousand persons range.

I respectfully ask for a DO-PASS on HB 1014 with an increase in the appropriation for the Housing Incentive Fund (HIF) as administered by the Housing Finance Agency.

Thank you for your time and consideration.

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Testimony Presented on Senate Bill 2271 to the
House Industry, Business and Labor Committee

Representative George Keiser, Chair

for the City of Fargo

by Jim Gilmour, Strategic Planning Director

March 11, 2019

Mr. Chairman and Members of the Committee:

The Fargo City Commission supports programs that assist with maintaining existing lower income housing and the development of new housing for lower income households, especially the elderly and very low-income individuals and families.

Existing programs do not meet the need for lower income housing in North Dakota. Programs through the US Department of Housing and Urban Development have been reduced over the past decade, while the costs of housing have increased. Federal Low Income Housing Tax Credits do not meet the need, as tax credits available in North Dakota were only sufficient to approve less than half the applications.

The City of Fargo has an aging public housing high rise building with 248 housing units. The building is 47 years old and needs more than \$20 million in renovation work. Without renovation, the building will have to close. Housing Incentive Funds are needed to assist with the replacement of these housing units or assist with renovation of the existing building.

A major housing need in Fargo is for people over the age of 65. Population projections indicate the growth of elderly households (those over age 64) is 519 households per year. Many of these newly-retired households have lower incomes and cannot afford market rate apartments.

We encourage your committee to recommend a "Do Pass" on SB 2271.

Thank you for your consideration.



North Dakota

SB 2271

March 11, 2019

House Industry, Business and Labor Committee

Mike Chaussee- AARP-ND

mchaussee@aarp.org or (701) 390-0161

Chairman Keiser, members of the House Industry Business and Labor Committee, I am Mike Chaussee, representing AARP North Dakota.

There are some ideas that hit home with us at AARP more than others. The Housing Incentive Fund is one of them. Dr. Ethel Percy Andrus founded what would become AARP. The moment of awakening for Dr. Andrus happened when she found a retired former colleague living alone, in a chicken coop, because she had run out of options. From that moment on, she set out to help older Americans live safe, secure and dignified lives.

AARP has grown to a membership of 38 million people nationwide - 88,000 live in North Dakota. They all want to live fulfilling lives.

Programs like the Housing Incentive Fund help older North Dakotans, especially those with low or fixed incomes, live in safe, comfortable housing at an affordable price.

There is a document attached to this testimony that provides information about the number of North Dakotans who live on fixed incomes. Almost a quarter of North Dakotans who collect Social Security rely on it for nearly every penny they make. And 45 percent rely on it for more than half of their income. That's a good chunk of North Dakotans who rely heavily (or fully) on Social Security. Data you also heard earlier from the Housing Finance Agency shows the average Social Security check in North Dakota averages just more than \$1,300.

Providing incentives to developers to include low income set-aside units in their developments is a creative and effective way to promote affordable housing. AARP policy supports the tenants of the Housing Incentive Fund. Specifically, there are two AARP policy principles that call for a program like HIF:

“Promote affordable housing options. Ensure that land use and other policies support the private and public sectors in providing a variety of housing sizes and

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types. Promote funding and policy for programs that lead to an adequate supply of affordable rental and ownership options integrated with the community to meet the needs of people of all ages, family compositions, and incomes.”

“Increase capacity for public-private partnerships. Reauthorize or create programs and policies at the federal, state, and local levels to ensure that the private sector has the capacity and tools to effectively partner with governmental agencies to increase the range of housing choices available to older people.”

At AARP North Dakota, we believe people should be given every opportunity to choose where they live as they age. Making affordable housing options available can help keep people in the communities where they live and out of institutional care longer, saving the state money in the long run. Again, we believe this is about choice.

Additionally, we at AARP believe the priority of HIF should be on low-income North Dakotans who desperately need affordable housing – Senate Bill 2271 restores the original intention of HIF by making that a priority.

I have also attached a series of data and maps from North Dakota Compass – a reputable data and research website from the Center for Social Research at NDSU. We hear a lot about how the population of North Dakota is getting younger. And overall, that is true. But that trend really only hits a few of our state’s counties. A large majority of our counties have average ages that are much older.

Data/Maps included:

- Projected population growth of North Dakotans 65+
- Projected population growth of North Dakotans 85+
- Average age by county (map)
- Average age by county (chart/list)

The Housing Incentive Fund is an excellent private and public partnership designed to build homes – and help keep North Dakotans safe and secure in the communities where they choose to live.

Again, we support the North Dakota Housing Finance Agency’s commitment to the Housing Incentive Fund. We urge you to support Senate Bill 2271.

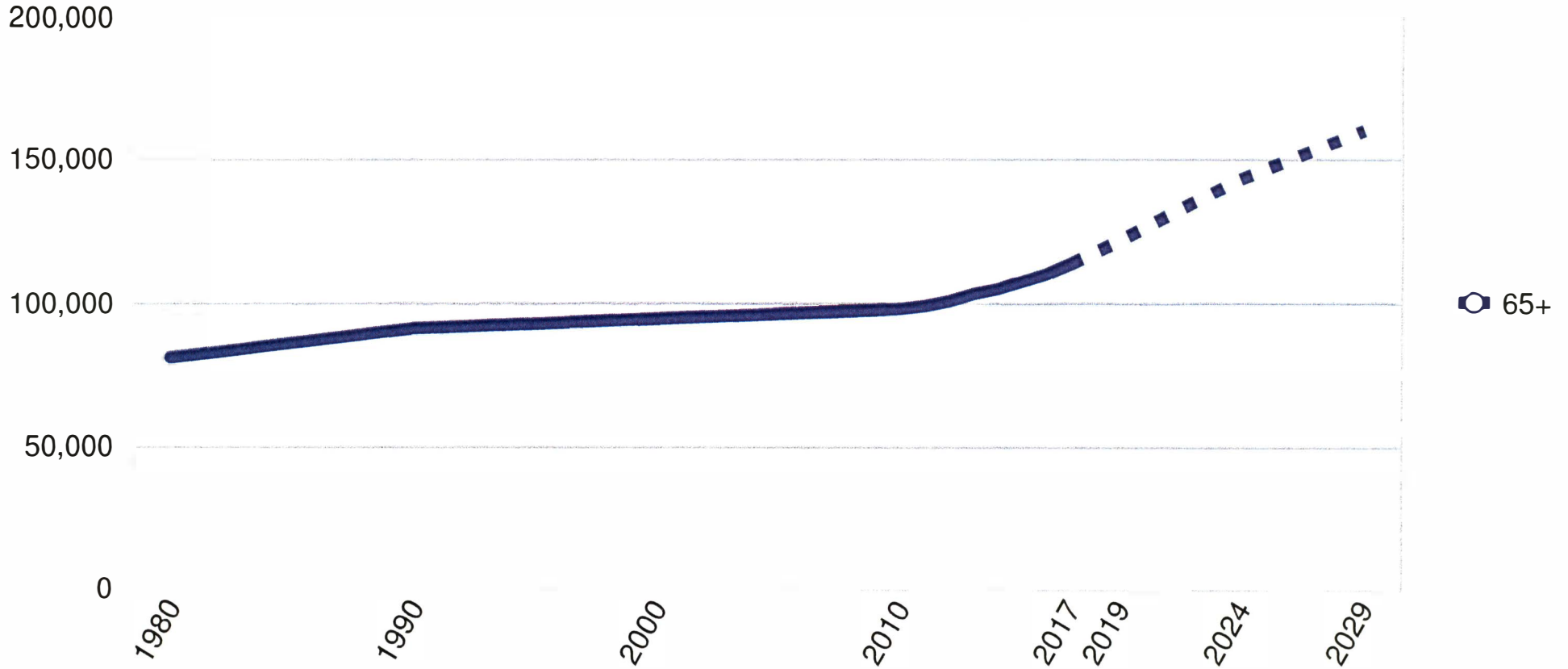
Thank you

Mike Chaussee, AARP North Dakota

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Population age 65 years and older, trend and forecast

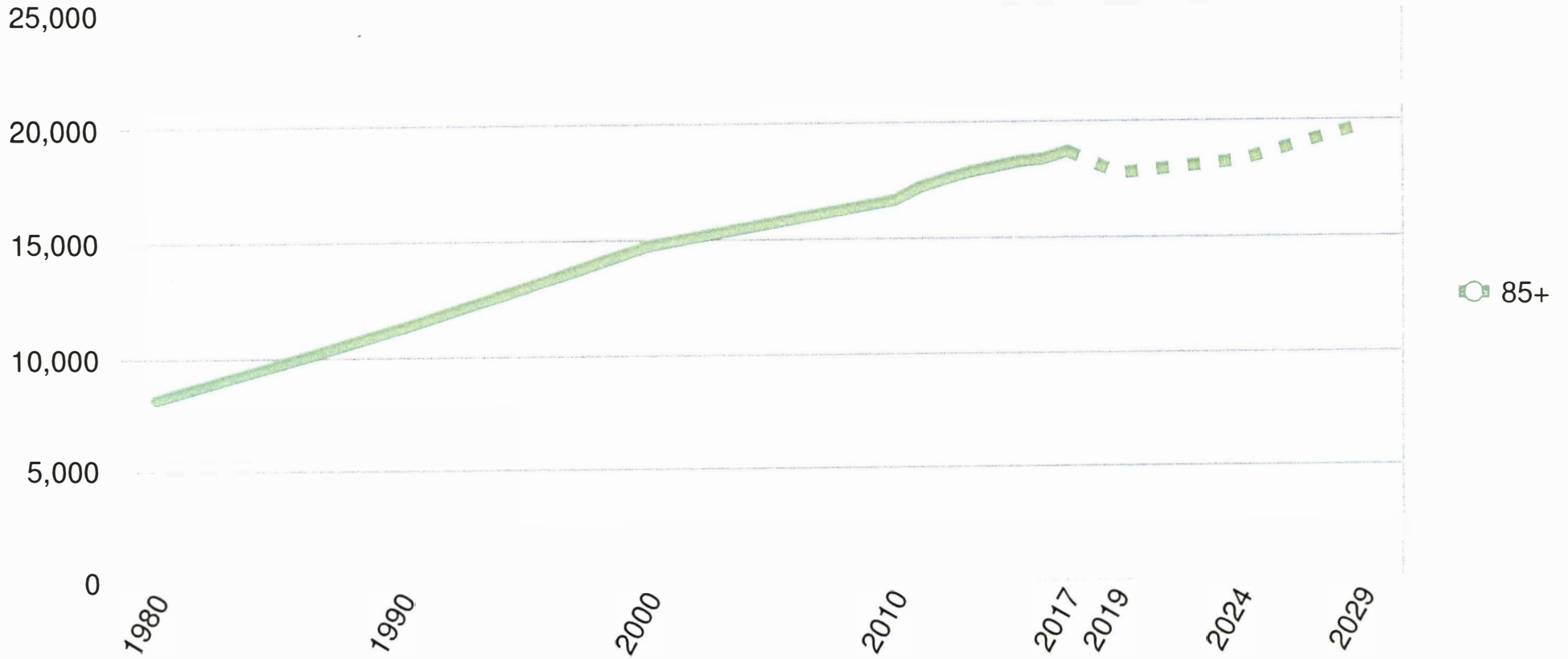
North Dakota, 1980-2029



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Population age 85 years and older, trend and forecast

North Dakota, 1980-2029

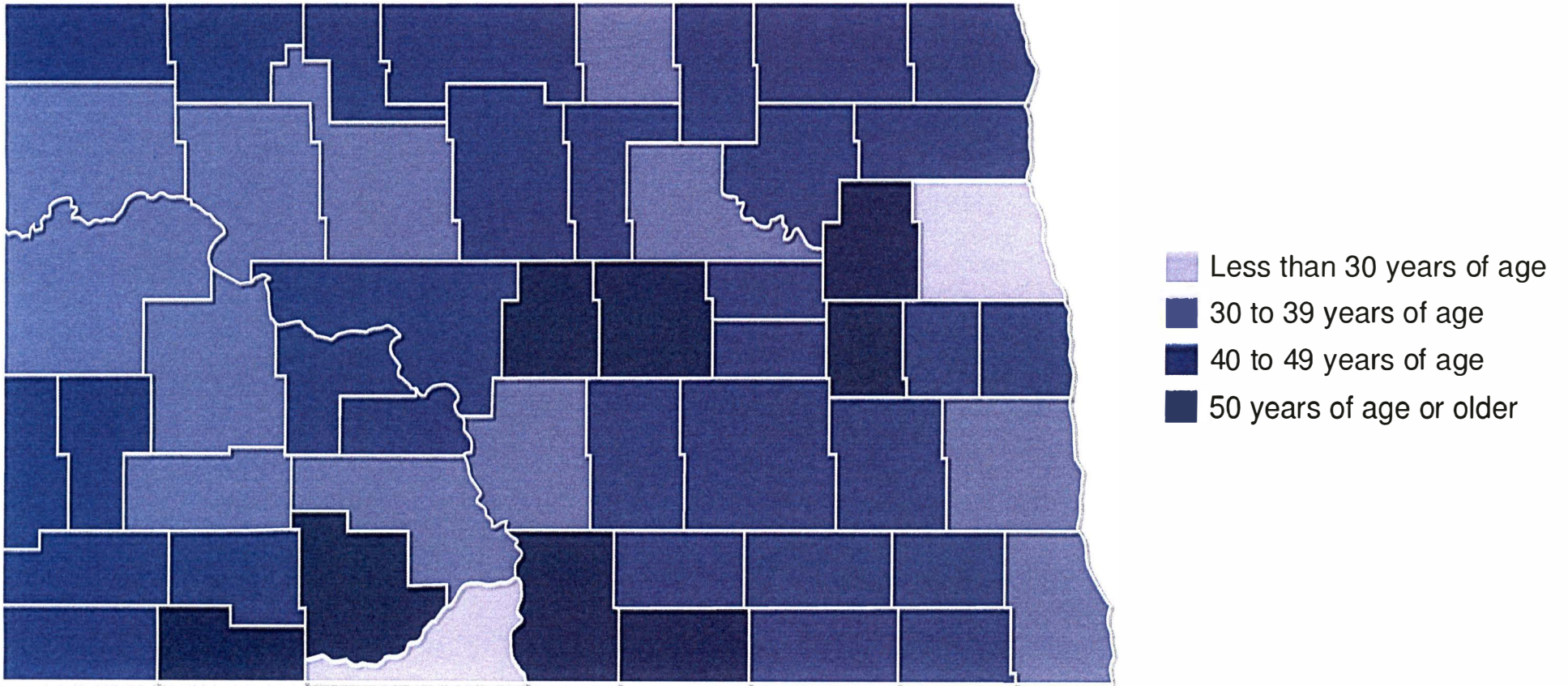


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Median age

North Dakota counties, 2017



AGE

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Understanding the age structure of a community is essential to community planning. Age distribution suggests patterns of growth or decline. For instance, a top-heavy age distribution pyramid (i.e., an older population) in a community suggests negative population growth, which may cause implications for economic development, workforce, and service programming. A bottom-heavy pyramid (i.e., much younger population) in return, suggests potential for growth, but also an increased need for jobs, housing, childcare, and education.

BREAKDOWN: Median age by county (ranking) ▾

VIEW: Graph ▾

Median age

Rank of counties, North Dakota, 2017

Rank	County (1=oldest)	2017			
1	McIntosh	53.6	35	Bowman	41.8
2	Sheridan	53.5	36	Burke	41.8
3	Griggs	51.8	37	Traill	41.7
4	Nelson	51.4	38	Ramsey	40.8
5	Grant	51.2	39	Stutsman	40.6
6	Emmons	51.1	40	Dunn	39.3
7	Wells	50.9	41	Richland	37.8
8	Adams	50.6	42	Morton	37.7
9	Towner	49.9	43	Burleigh	36.9
10	Cavalier	49.5	44	Stark	34.1
11	Slope	49.3	45	Mountrail	33.3
12	LaMoure	49.0	46	Cass	32.3
13	Divide	48.8	47	Williams	31.9
14	Logan	48.8	48	Ward	31.6
15	Kidder	47.3	49	McKenzie	31.2
16	Steele	46.9	50	Rolette	31.0
17	Pembina	46.4	51	Benson	30.7
18	McLean	45.6	52	Grand Forks	29.5
19	Foster	45.3	53	Sioux	27.2
20	Sargent	45.3			
21	Bottineau	45.2			
22	Eddy	45.2			
23	Oliver	45.2			
24	Pierce	44.8			
25	Golden Valley	44.5			
26	Ransom	43.8			
27	Renville	43.8			
28	Barnes	43.7			
29	Hettinger	43.7			
30	Walsh	43.7			
31	Mercer	43.5			
32	McHenry	42.9			
33	Billings	42.8			
34	Dickey	42.0			

Notes:

Values in this table are mathematically sorted from highest to lowest. Ranking tables do not account for ties.

Sources:

U.S. Census Bureau, Population Estimates.

Center for Social Research
North Dakota State University

Compass created by:
Wilder Research

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WRITTEN TESTIMONY PROVIDED TO
ND HOUSE
INDUSTRY, BUSINESS AND LABOR COMMITTEE
DURING THE 66th LEGISLATIVE ASSEMBLY
On March 11th, 2019
IN SUPPORT OF
SB 2271
REGARDING THE
HOUSING INCENTIVE FUND

Chairman Keiser
Vice Chairman Lefor
Members of the House Industry, Business and Labor Committee

I write today to ask for your support of SB 2271 and to consider increasing the funding amount to the level as it was originally introduced and funded by the Industry, Business and Labor Committee in the Senate, i.e. \$40 million. Affordable housing for the low income households of North Dakota is a continuing problem. Nearly 40% of renter households in North Dakota are cost-burdened, paying 30% or more of household income towards housing. Even within the districts of this committee's members, the range of cost burdened households is from a low 21% in Mr. Laning's district to a high of 56% in Ms. O'Brien's district. The average of committee member districts is 38% and the median is 35-39%. Affordable housing for low income families is an issue that is just not going away. And, with the aging of existing affordable housing inventory, without preservation activity, this situation will only worsen as this older housing leaves the market.

The HIF Program provides the financial resource that is greatly needed to aid in addressing the affordable housing problems in North Dakota. Whether to provide new construction or preservation financing, gap assistance, or targeted supported services needed to prevent homelessness, the HIF Program works. Jolene Kline and her staff at North Dakota Housing Finance Agency have the research that shows the great extent of the need.

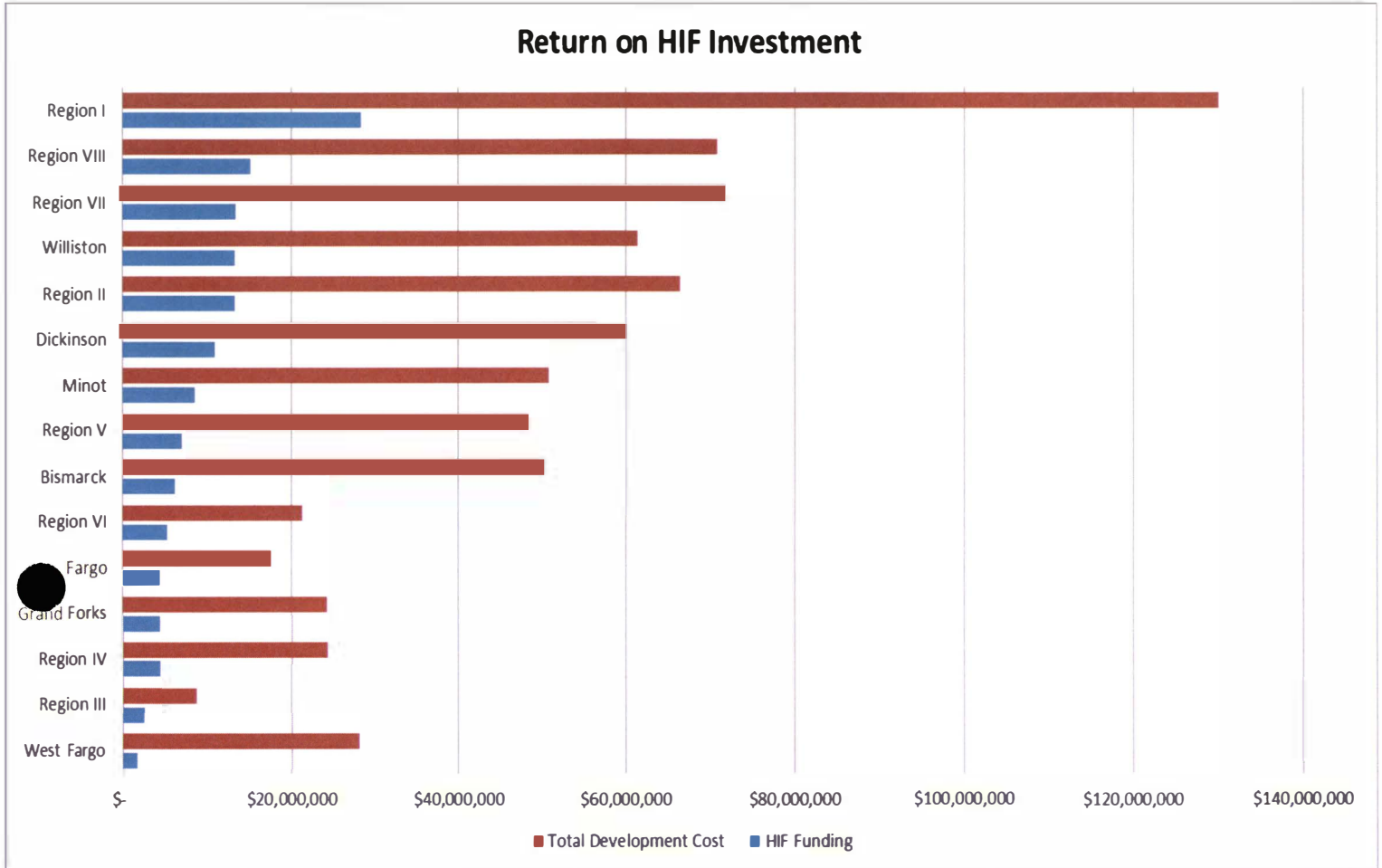
For committee members looking for other reasons to support the HIF Program one needs only look at the leveraging of these important dollars. Since its inception, the HIF Program has brought in nearly \$4.00 for every \$1.00 of the state's funding. As the graph and table below reflect, for this committee member's respective communities, except for Mr. Johnson's and Mr. Nelson's communities, the HIF Program has leveraged state



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dollars even more, bringing in \$4.84 of private sector or federal dollars for every \$1.00 of HIF Program dollars expended. The HIF Program has contributed towards the development of nearly \$290 million of housing in the member's communities. Perhaps this time around Bottineau and Rolette Counties will see some local investment of HIF dollars.



	HIF Investment	Total Investment
Region I	\$ 28,423,677	\$ 130,057,346
Region II	\$ 13,292,928	\$ 66,418,880
Region III	\$ 2,513,602	\$ 8,816,294
Region IV	\$ 4,354,545	\$ 24,241,672
Region V	\$ 7,095,793	\$ 48,423,383
Region VI	\$ 5,309,423	\$ 21,327,228
Region VII	\$ 13,431,418	\$ 71,805,356
Region VIII	\$ 15,188,691	\$ 70,846,568
Williston	\$ 13,313,122	\$ 61,424,173
Minot	\$ 8,547,928	\$ 50,948,700
Grand Forks	\$ 4,354,545	\$ 24,241,672
Fargo	\$ 4,419,684	\$ 17,505,337
West Fargo	\$ 1,700,000	\$ 28,107,838
Bismarck	\$ 6,233,275	\$ 50,347,791
Dickinson	\$ 10,917,692	\$ 56,624,598
Total Member Communities	\$ 49,486,246	\$ 289,200,109
North Dakota	\$ 89,610,077	\$ 441,936,727

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SB 2271
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Mar 11, 2019

HIF Program funding has provided not only much needed affordable housing but also significant economic activity within the HIF participating communities throughout the state.

Thank you in advance for your favorable consideration of SB 2271 and the requested appropriation amount of \$40 million and Thank You for all you do.

Respectfully submitted,



Terry Hanson
Executive Director