



The Current State of Housing in North Dakota

A study of the affordability of single and multifamily housing, the impacts of COVID-19, and housing challenges faced by vulnerable populations in 2020

executive summary

The “Current State of Housing in North Dakota” is a study of the affordability of the state’s single and multifamily housing, the impacts of COVID-19, and housing challenges faced by vulnerable populations in 2020.

A home is considered to be affordable when 30 percent or less of earned income is spent on housing expenses. Households paying more than 30 percent are considered housing cost burdened. For some North Dakotans, a strong work ethic is not enough to be able to secure safe and affordable housing.

Access to Homeownership

- More than 60 percent of North Dakotans live in owner-occupied housing and, in recent years, have benefited from an above average increase in their median household value.
- Unfortunately, a tight purchase market coupled with only employees of the state’s top three industries being able to afford the most readily available homes and the cost of construction restricting the ability to list a home at an affordable price, makes it challenging for first-time buyers and households new to the market to buy a home in North Dakota.

Access to Multifamily Housing

- North Dakota’s renters are substantially more cost burdened than homeowners with 39 percent spending more than 30 percent of their income on housing expenses.
- The largest segment of the population works in the state’s fourth largest industry, Accommodations and Food services, earning minimum wage
- Failure to pay rent is the number one reason for eviction in North Dakota and such judgments are increasing.

COVID-19 Impact & Vulnerable Populations

- Prior to COVID-19, 1 in 10 North Dakotans were living below the poverty level.
- The state’s aging population and individuals with disabilities need accessible and affordable housing to maintain their independence.
- Depending on the crime(s) committed, justice involved individuals face state and federal regulations further limiting their housing options.
- Youth living in poverty and in foster care have elevated risk of experiencing behavioral, social and emotional health challenges.
- Native Americans, the state’s largest minority population, face complex housing barriers.

The "Current State of Housing in North Dakota" is a snapshot of the housing availability and affordability across the state. Data was gathered from 2018 to 2020 and used state, federal, academic and association sources to provide an unbiased study.

The study is segmented into the following categories:

- Homeownership Overview
- Rental Housing Overview
- COVID-19 Impacts on Housing Stability
- Housing Vulnerable Populations

Thank you to all of the state agencies and associations that contributed to the study.

TERMINOLOGY GUIDE

AMI

Area Median Income is the midpoint of a region's income distribution – half of the households in a region earn more than the median and half earn less. These local limits help identify eligibility and affordability based on specific locations.

ELI

Extremely Low Income, earning at or below 30% of area median income (AMI).

Housing Cost Burden

Spending 30% or more of household income on housing and utilities.

HIF

Housing Incentive Fund is a state-funded, gap financing program leveraged for multifamily housing construction and rehabilitation in urban and rural communities.

Tax Credits

Federal government tax credit programs encouraging the investment of private equity for developing affordable rental housing for low-income and very low-income households.

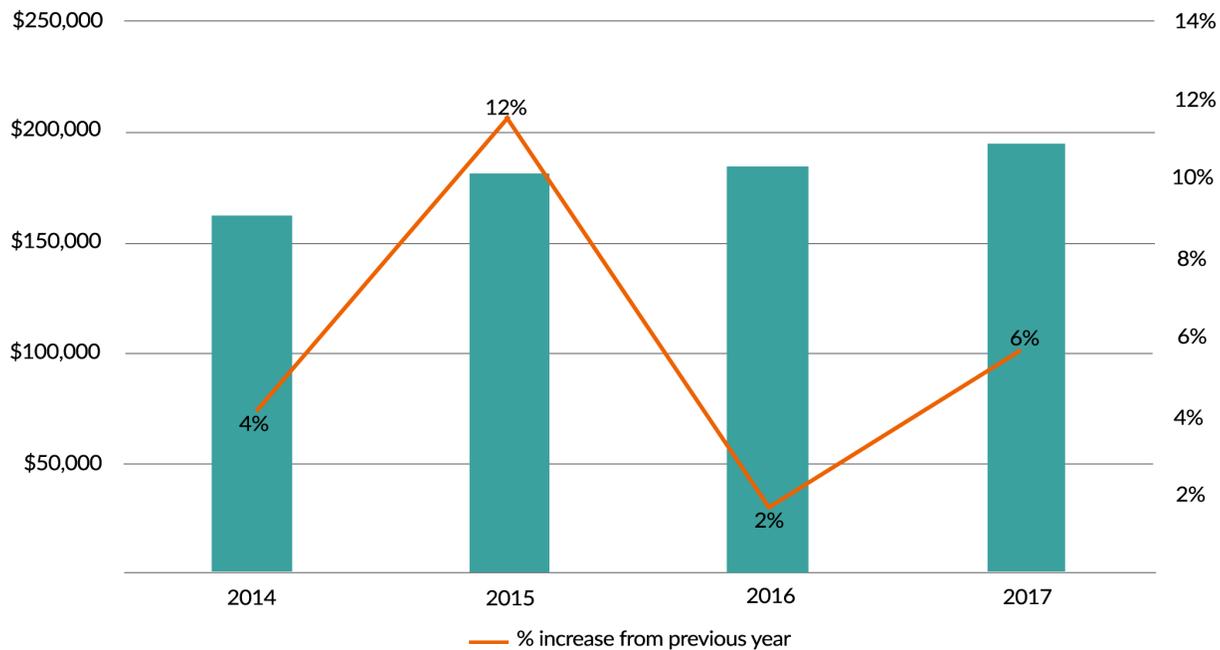
Severe Housing Cost Burden

Spending 50% or more of household income on housing and utilities.

homeownership overview

Approximately 61.3 percent of North Dakotans live in owner-occupied housing, totaling 198,411 housing units across the state. The ability to own a home is an indicator of a strong financial future for the homeowner, and urban and rural communities. Home values generally increase 3 to 4 percent every year due to inflation and natural population growth. From 2014-2018, homeowners averaged a 22.8 percent increase in their median household value.¹

Median Household Value Increase from Previous Year¹



A tight housing market and steadily increasing home values are preventing many of the state's current and future residents from being able to afford a home. According to the 2018 Census, North Dakota's homeowner vacancy rate was 1.5 percent.¹ To help understand how many houses are on the market, Zillow.com listed slightly more than 3,033 homes for sale in the state as of Sept. 1, 2020.*

¹American Community Survey One Year Estimates, TableDP04

*When evaluating single family homes on the market, research focused on single-family housing, townhomes and condos. Across the state, there are less than 100 mobile homes listed on Zillow.com for sale. According to the Federal Housing Administration, a mobile home must have a permanent foundation to be considered a permanent dwelling. Because it could not be determined which mobile homes listed on Realtor.com homes had foundations, mobile homes were not included in the analysis.

The seven largest housing markets had a total of 1,674 detached single-family homes, townhomes and condos listed for sale on Realtor.com on Sept. 1, 2020. Of the listed homes, 14 percent were under \$199,999; 30 percent were \$200,000 to \$299,999; and 56 percent were listed for more than \$300,000.²

Housing options are limited for individuals and families wanting to purchase a home under \$200,000, especially if they desire a traditional single-family home and are not interested in a townhome or condo. Within the seven largest markets, there were 510 options within the \$200,000 to \$299,999 range. If a household can afford a mortgage over \$300,000, almost double the options were available.



**Breakdown of Housing on the Market by Sale Price ²
(9/1/2020)**



² Realtor.com, September 1, 2020

Number of Homes for Sale by Largest Housing Markets ²

Location	Single Family	Townhome/ Condo	\$100,000 - \$149,999		\$150,000 - \$199,999		\$200,000 - \$249,999		\$250,000 - \$299,999		\$300,000 - \$349,999		\$350,000 +	
			SF	All	SF	All								
Bismarck/Mandan	243	116	2	20	6	20	16	49	30	47	37	52	152	171
Dickinson	146	15	5	5	9	10	28	34	26	29	23	28	55	55
Fargo/West Fargo	394	130	4	22	13	32	34	52	85	105	73	89	185	224
Grand Forks	153	44	8	21	9	23	26	26	25	27	23	30	62	70
Jamestown	68	1	5	5	13	13	14	15	13	13	5	5	18	18
Minot	154	42	11	17	19	30	21	33	25	33	22	23	56	60
Williston	159	9	4	4	7	8	18	22	22	25	28	28	80	81

^{*}Note SF is detached single-family homes and All is detached single-family homes, townhomes and condos. Pending sales were not counted.

² Realtor.com, September 1, 2020

While more than 80 percent of the state's population is employed, it is still challenging for many North Dakotans to be able to find an affordable house within their means. The following information is from Job Service of North Dakota's Labor Market Information Center, the top 10 industries in the state by total employment with a breakdown of average wages, affordable monthly housing costs and an affordable mortgage assumption.

Primary Industries by Number of Employees, Wages Earned and Affordable Housing Assumptions ³

Rank by Employment Numbers	Industry Sector	Average Hourly Wage	Average Weekly Wage	Average Annual Wage	30% of Their Income	Affordable Monthly Housing Costs	Affordable Mortgage Assumption
1	Healthcare and Social Assistance	\$24.95	\$998	\$51,896	\$15,569	\$1,297	\$240,000
2	Retail Trade	\$15.48	\$619	\$32,188	\$9,656	\$805	\$140,000
3	Education Services	\$21.62	\$865	\$44,980	\$13,494	\$1,125	\$205,000
4	Accommodation and Food Services	\$8.90	\$356	\$18,512	\$5,554	\$463	\$71,000
5	Manufacturing	\$26.93	\$1,077	\$56,004	\$16,801	\$1,400	\$260,500
6	Construction	\$30.53	\$1,221	\$63,492	\$19,048	\$1,587	\$298,000
7	Wholesale Trade	\$34.53	\$1,381	\$71,812	\$21,544	\$1,795	\$340,000
8	Public Administration	\$26.88	\$1,075	\$55,900	\$16,770	\$1,398	\$260,000
9	Mining, Quarrying, and Oil and Gas Extraction	\$55.38	\$2,215	\$115,180	\$34,554	\$2,880	\$559,500
10	Transportation and Warehouse	\$31.93	\$1,277	\$66,404	\$19,921	\$1,660	\$313,000

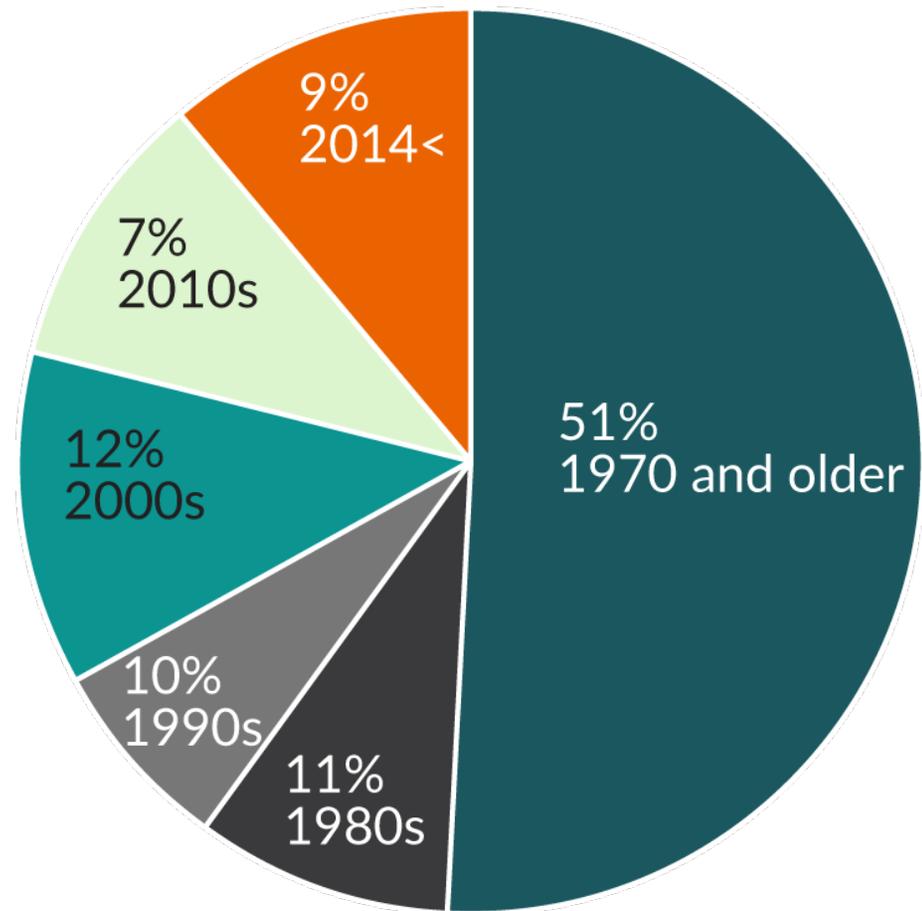
³ Labor Market Information Center, Job Service North Dakota, QCEW Unit, September 2020

*Note: Assumptions for mortgage affordability were based on the following criteria: 1) Bankrate.com mortgage calculator, 2) Monthly mortgage payments includes principal, interest, taxes and insurance, 3) 3% interest rate, 4) 3.5% down payment as recommended by the Federal Housing Administration, 5) Zero debt ratio, i.e. no vehicle, student loan or credit card debt.

Impacting accessibility and desirability is the age of North Dakota's housing stock. More than 50 percent of the houses in the state were built before the 1970s. While the number of housing units lacking basic amenities is low, there are still 1,123 without adequate plumbing and 2,449 do not have a complete kitchen.⁴ Households must have the following functioning components to have a completed kitchen: kitchen sink; burners, cook stove or microwave oven; and a refrigerator. Adequate plumbing encompasses hot and cold running water, a tub or shower and a flushing toilet.

New construction is not alleviating North Dakota's tight housing market. The number of single-family housing building permits issued in 2019 was 1,790, 7 percent less than in 2018. As of June 2020, building permits issued were up 8 percent from the same time in 2019. Once all the necessary permits are secured, it takes approximately 8.2 months to construct a new house.⁵ Material, labor, land and utility costs for a new build restrict the ability to list a home for under \$250,000.

Year Housing Structures Built ⁴



⁴ American Community Survey One Year Estimates, Table CP04

⁵ National Association of Home Builders, 2020



FirstHome™

provides affordable mortgage loans to low- to moderate-income first-time buyers

Average Age: 32
 Average Income: \$60,061
 Average Purchase Price: \$176,930



North Dakota Roots

provides affordable mortgage loans to moderate-income buyers who have previously owned a home

Average Age: 35
 Average Income: \$93,500
 Average Purchase Price: \$242,337



HomeAccess

provides affordable mortgage loans to moderate-income buyers who are or who have single parent, veteran, disabled or elderly household members. The highest program users are single parents at 79.6 percent

Average Age: 42
 Average Income: \$56,807
 Average Purchase Price: \$196,033

The North Dakota Housing Finance Agency (NDHFA) offers three affordable housing mortgage programs including down payment and closing cost assistance. Borrowers are qualified based on income, loan amount, family size, previous ownership status and personal identifiers such as veteran status, single parent, age and disability.

The following provides an overview of the typical NDHFA customer. Data for the private market will vary as those mortgage holders did not need to or did not qualify for the affordable housing parameters required for NDHFA's programs.

North Dakota is currently ranked first in the nation for homeowners that are housing stable. However, almost a third of this population faces economic hardships every month. Of the state's homeowners who have an active home mortgage, 17.5 percent are considered "housing cost burdened." Additionally, 10 percent of North Dakotans who own their home outright (i.e., no mortgage) are housing cost burdened, which means they pay more than 30 percent of their income for housing expenses which for them would include utilities, insurance and property taxes.¹ While the delinquency rate on NDHFA's mortgages is currently 3.61 percent compared to 4.78 percent in 2019, foreclosures have increased slightly from 0.66 percent in 2019 to 0.75 percent in 2020.⁶

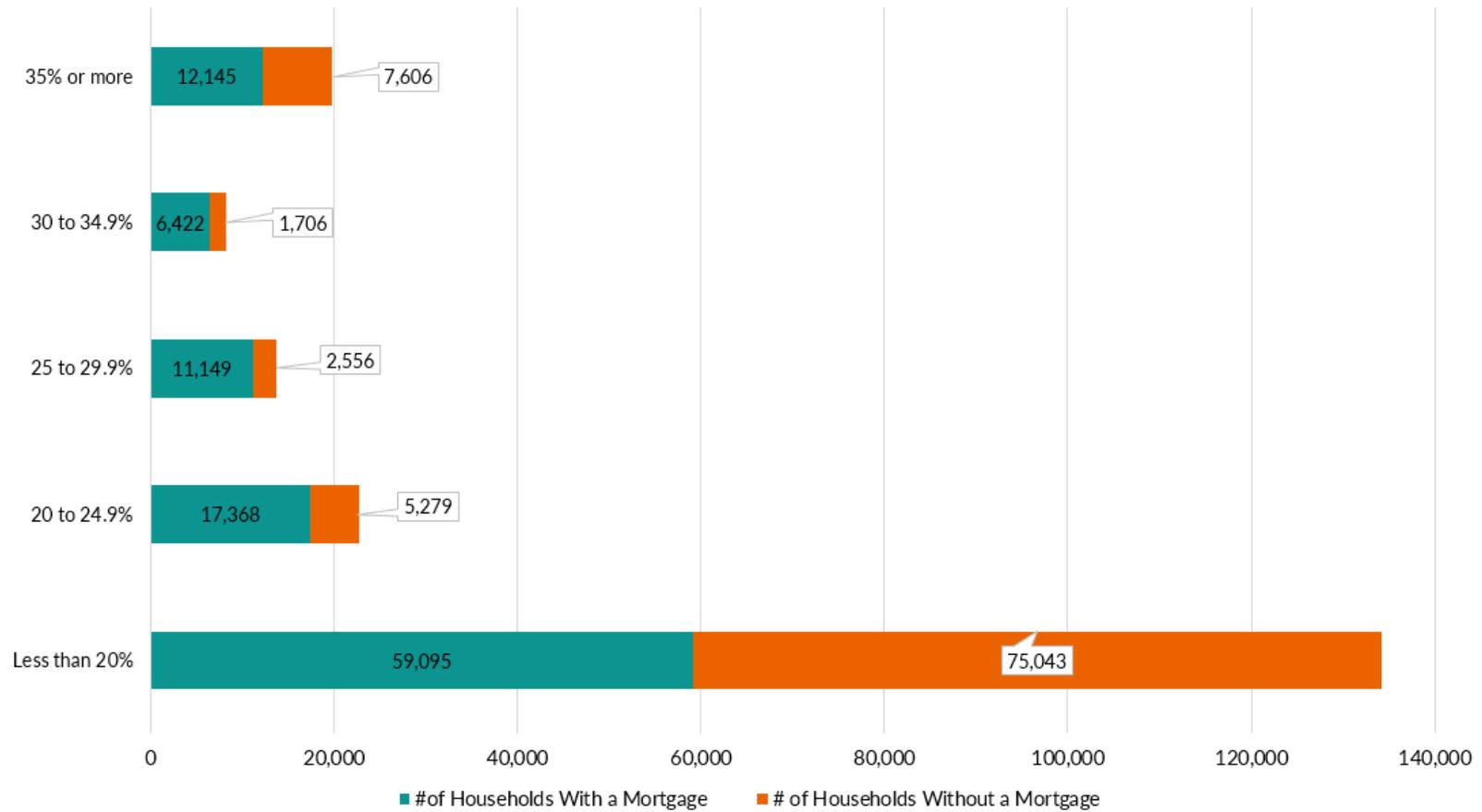


¹ American Community Survey One Year Estimates, Table DP04

⁶ North Dakota Housing Finance Agency, August 2020

In 2018, 14 percent of North Dakota homeowners, 27,879 households with and without a mortgage, paid more than 30 percent of their gross household income for housing expenses.

Percentages of Income Spent on Monthly Household Expenses ⁷



⁷American Community Survey One Year Estimates, Table B25091

rental housing overview

Even though North Dakota is ranked first in the country for having the lowest percentage of homeowners who are cost burdened, the rate of cost burden is much higher for North Dakota renters. In 2018, 39 percent of North Dakota's renters were spending more than 30 percent of their income on housing expenses.

In 2018, 30 percent of all North Dakota housing units were renter-occupied. These 113,486 units housed 37 percent of the state's population. Multifamily housing vacancy rates averaged 9.4 percent over the past five years. When the rental market is below 5 percent, monthly rental costs increase due to high demand. Once a market reaches 8 percent vacancy rate, rental costs are more stable and property owners are more willing to work with households.⁴

In North Dakota, the Fair Market Rent (FMR) as published by the U.S. Department of Housing and Urban Development (HUD), for a two-bedroom apartment is \$841. In order to afford this level of rent and utilities, without paying more than 30 percent of income on housing, a household must earn \$2,804 a month or \$33,647 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates to an hourly wage of \$16.18 per hour.⁸

FMR rates vary by county. The following page shows the 2020 breakdown by county and metro area for the state detailing the rate based on the number of bedrooms in the housing unit.



⁴ American Community Survey One Year Estimates, Table CP04

⁸ www.huduser.gov/portal/datasets/fmr/fmrs/FY2020_code/2020state_summary.odn

FY2020 North Dakota Fair Market Rates Local Area Summary ⁸

Area	Efficiency	Number of Bedrooms			
		1	2	3	4
Adams	\$609	\$627	\$714	\$1033	\$1254
Barnes	\$542	\$545	\$718	\$999	\$1017
Benson	\$609	\$627	\$714	\$890	\$1170
Billings	\$560	\$563	\$742	\$1070	\$1127
Bottineau	\$539	\$542	\$714	\$890	\$1120
Bowman	\$539	\$542	\$714	\$1007	\$1011
Burke	\$648	\$651	\$862	\$1080	\$1292
Bismarck Metro	\$694	\$698	\$892	\$1242	\$1475
Fargo Metro	\$555	\$678	\$834	\$1203	\$1494
Cavalier	\$609	\$627	\$714	\$1030	\$1085
Dickey	\$552	\$555	\$714	\$890	\$1174
Divide	\$539	\$542	\$714	\$1030	\$1085
Dunn	\$846	\$852	\$1127	\$1434	\$1980
Eddy	\$609	\$627	\$714	\$1030	\$1085
Emmons	\$579	\$583	\$714	\$1030	\$1085
Foster	\$609	\$627	\$714	\$1030	\$1085
Golden Valley	\$648	\$653	\$864	\$1089	\$1295
Grand Forks Metro	\$570	\$650	\$832	\$1200	\$1461
Grant	\$593	\$596	\$714	\$1030	\$1085
Griggs	\$539	\$542	\$714	\$1030	\$1085
Hettinger	\$560	\$563	\$742	\$1070	\$1127
Kidder	\$609	\$627	\$714	\$1030	\$1085
LaMoure	\$539	\$543	\$714	\$890	\$1171
Logan	\$609	\$627	\$714	\$955	\$1019
McHenry	\$609	\$627	\$714	\$994	\$1085
McIntosh	\$609	\$627	\$714	\$932	\$982

Area	Efficiency	Number of Bedrooms			
		1	2	3	4
McKenzie	\$778	\$784	\$1032	\$1286	\$1568
McLean	\$572	\$576	\$714	\$962	\$1104
Mercer	\$602	\$605	\$764	\$1102	\$1259
Morton	\$694	\$698	\$892	\$1242	\$1475
Mountrail	\$621	\$678	\$829	\$1037	\$1406
Nelson	\$609	\$627	\$714	\$1030	\$1085
Oliver Metro	\$689	\$693	\$887	\$1203	\$1442
Pembina	\$609	\$627	\$714	\$1012	\$1224
Pierce	\$539	\$542	\$714	\$890	\$1085
Ramsey	\$609	\$627	\$714	\$1030	\$1254
Ransom	\$539	\$542	\$714	\$948	\$1085
Renville	\$539	\$542	\$714	\$983	\$1254
Richland	\$539	\$542	\$714	\$1030	\$1098
Rolette	\$609	\$627	\$714	\$1030	\$1085
Sargent	\$601	\$605	\$714	\$1030	\$1150
Sheridan	\$560	\$563	\$742	\$1070	\$1127
Sioux Metro	\$539	\$542	\$714	\$890	\$1108
Slope	\$560	\$563	\$742	\$1070	\$1127
Stark	\$694	\$699	\$920	\$1242	\$1246
Steele	\$539	\$542	\$714	\$1030	\$1085
Stutsman	\$539	\$542	\$714	\$985	\$1058
Towner	\$578	\$582	\$714	\$1030	\$1085
Traill	\$499	\$589	\$714	\$1030	\$1254
Walsh	\$591	\$594	\$714	\$932	\$1035
Ward	\$629	\$747	\$972	\$1404	\$1706
Wells	\$609	\$627	\$714	\$1000	\$1143
Williams	\$592	\$695	\$909	\$1227	\$1231

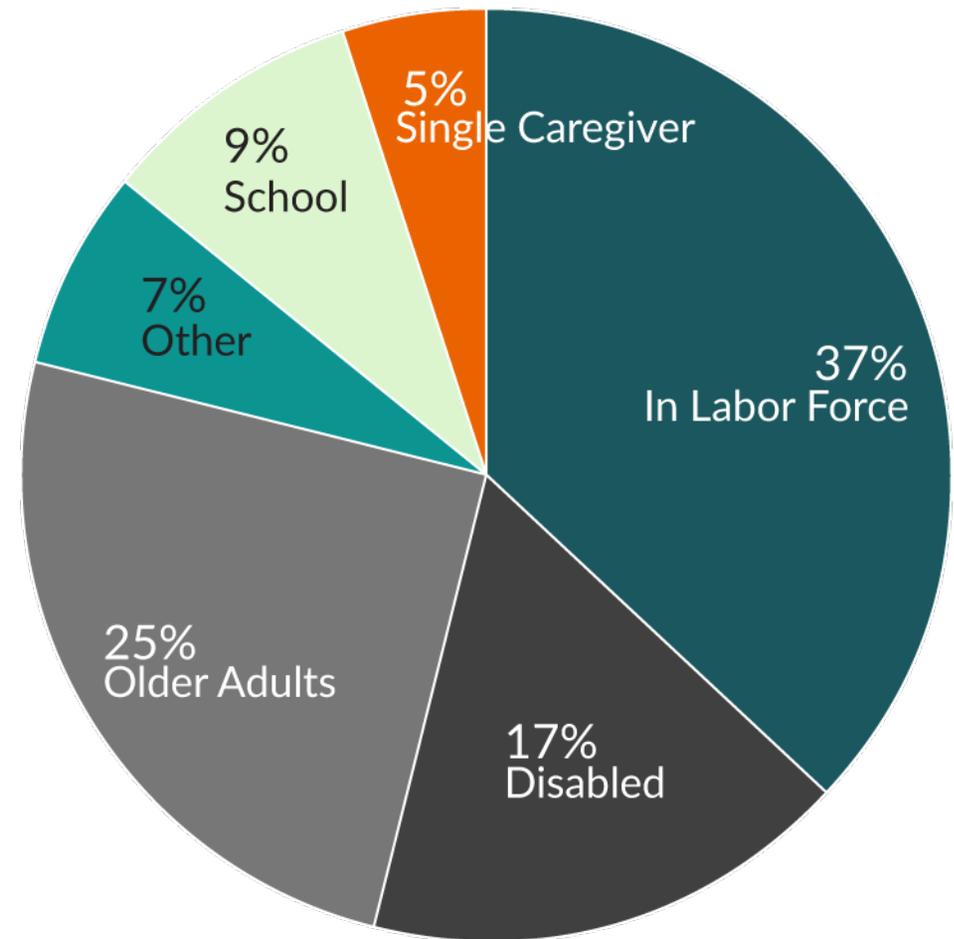
⁸ www.huduser.gov/portal/datasets/fmr/fmrs/FY2020_code/2020state_summary.odn

For 3 percent of the renters across the state, FMR rents will never be affordable. Currently, there are 26,485 renter households that are considered extremely low income (ELI), and 37 percent are in the labor force. Physical abilities and age are factors impacting an ELI renter's ability to earn a higher income or work full-time.⁹

The average renter's wage is \$17.12 per hour and is not considered housing cost burdened if they can find the average FMR two-bedroom apartment for \$841 per month. However, for renters earning minimum wage, or \$7.25 per hour, they would have to work 89 hours per week to afford that same apartment. The majority of residents earning minimum wage are employed in North Dakota's fourth largest industry, Accommodations and Food Services.

Statewide, it is estimated that there is a shortage of 13,000 affordable rental units for ELI households, especially for households with larger families.¹⁰

Extremely Low Income Renter Households⁹



89

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)

2.2

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)

⁹National Low Income Housing Coalition

¹⁰Out of Reach 2020: North Dakota

Over the past five years, monetary judgments consisted of 86 percent of all eviction judgments. Five counties accounted for 79 percent of all evictions in 2018; these same counties contain 68 percent of the state's occupied rental units.

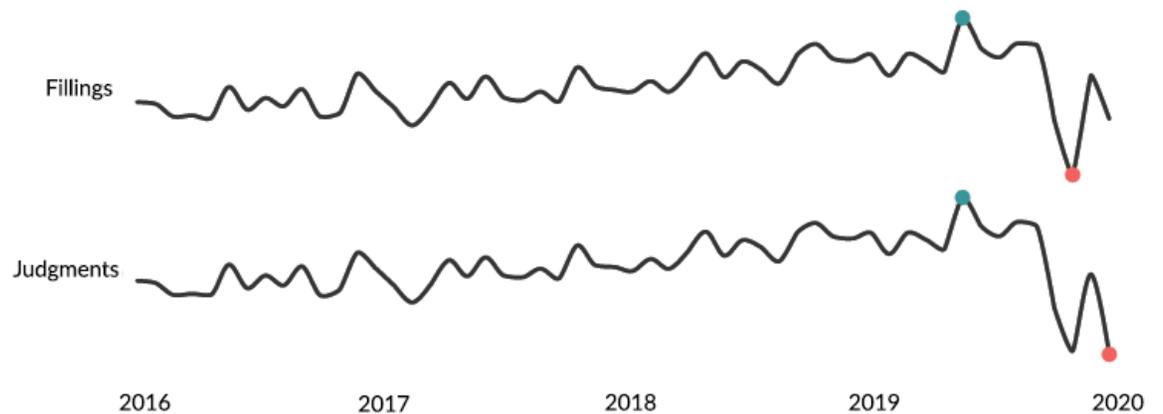
The number of eviction judgments in North Dakota have increased by 15 percent year over year since 2016. If a property manager uses the court to evict a tenant and obtains a judgment, the resulting judgment is placed on the individual's credit report. The judgment and credit report can negatively impact housing stability for up to seven years and hinder their ability to be approved for a credit card or loan.

Beginning in April 2020, state and federal moratoriums were put in place because of a new coronavirus (COVID-19) significantly decreased North Dakota's eviction numbers.

Highest Eviction Counties ¹¹

County	Evictions	Rental Units
Cass	609	34,998
Williams	260	6,394
Ward	232	10,996
Burleigh	162	12,456
Grand Forks	117	15,540

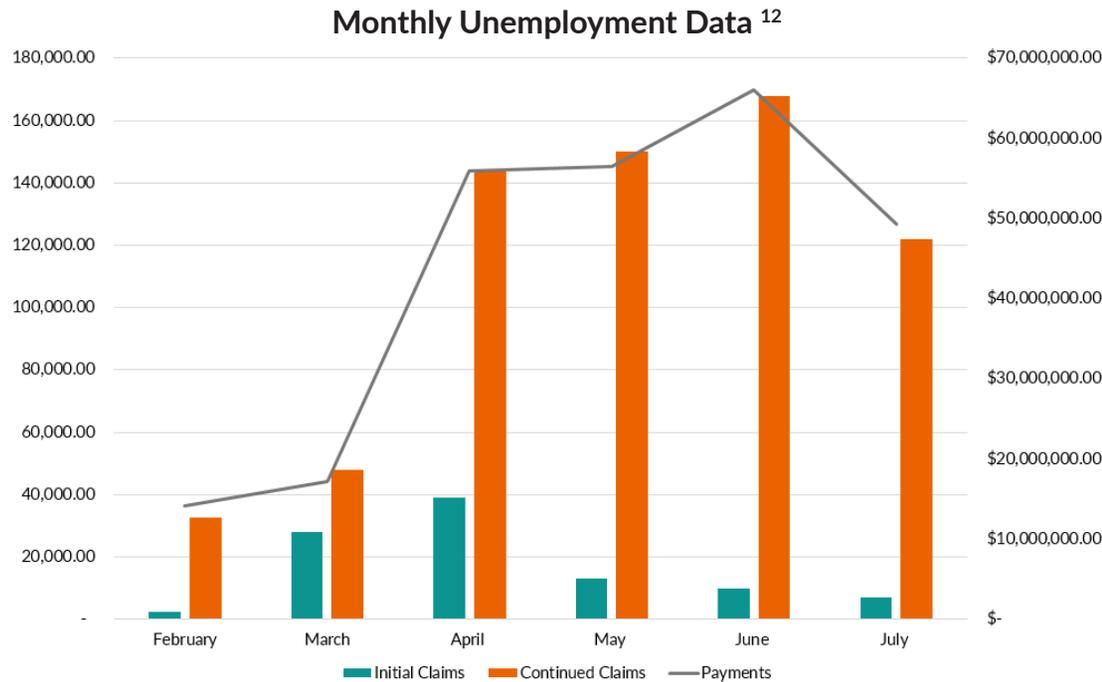
Evictions Trended Upward Until COVID Decline ¹¹



¹¹ North Dakota Eviction Data, North Dakota Supreme Court, January 2016-June 2020

covid-19 impacts on housing stability

Impacts of COVID-19 were felt across the state in 2020. The first was the loss of employment in many industries. The chart below depicts these losses in relation to the number of initial and continued unemployment claims.



To ensure that renters impacted by job loss and reduced hours remained housing stable, the state of North Dakota created the Emergency Rent Bridge (ERB). Administered by the Department of Human Services (DHS), the program assists income-qualified residents with limited resources who are experiencing economic hardship by making rent payments directly to the property owner. As of September 2020, payments were issued for 539 rental households. The average payment amount was \$601.85 with more than \$1.1 million dispersed among 17 counties.¹³

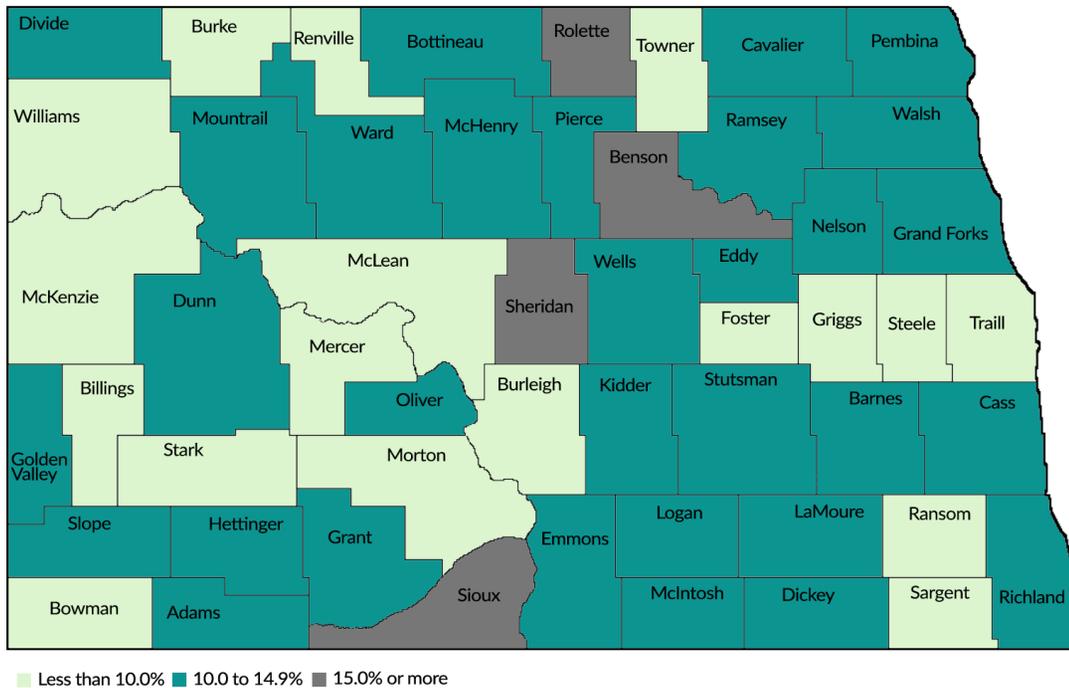
The Centers for Disease Control and Prevention (CDC) states socioeconomic and environmental factors such as poverty, housing instability, food insecurity and lack of access to healthcare, medical insurance and transportation further compound the livelihood and well-being of households living in poverty during the pandemic. Prior to COVID-19, 1 in 10 people in North Dakota were considered to live below the poverty level, based on income threshold, family size and changes in the cost of living. By county, poverty rates in the state range from 6.5 percent in Williams County to 32.9 percent in Sioux County with eight counties having a poverty range above the national average of 13.1 percent.¹⁴

¹² Job Service North Dakota, September 2020

¹³ North Dakota Human Services, September 2020

¹⁴ Individuals below the poverty line, Rank by Counties, North Dakota, 2018

Individuals Below the Poverty Level Prior to COVID-19 ¹⁴



Disclaimer: The information contained in this section COVID-19 Impacts on Housing Stability was reported from March through September 2020. The evolving COVID-19 situation may impact North Dakotans' ability to pay future mortgages and rents.

* The HUD funded CoC program is designed to promote a community wide commitment to the goal of ending homelessness, providing funding for efforts to rehouse homeless individuals and families, promote access to and effective utilization of mainstream programs, and optimize self-sufficiency among individuals and families experiencing homelessness.

¹⁴ Individuals below the poverty line, Rank by Counties, North Dakota, 2018

¹⁵ North Dakota Continuum of Care, received September 2020

¹⁶ [Phase 1 Household Pulse Survey Data Tables](#)

¹⁷ [Phase 2 Household Pulse Survey Data Tables](#)

The agencies that comprise the North Dakota Continuum of Care (CoC)* together reported assisting 1,697 individuals at risk of homelessness or experiencing homelessness from March 21 to Sept. 1, 2020, the time of this study. Of the individuals assisted, 337 individuals or 22 percent of the total reported needing services specifically because of COVID-19 impacts. It is important to note that these numbers do not include non-CoC member service providers who also assist such individuals. ¹⁵

To provide greater understanding as to how citizens were withstanding COVID-19, the U.S. Census Bureau collaborated with multiple federal agencies to produce a Household Pulse Survey identifying self-reported social and economic effects. The survey collected insight from a randomly selected set of North Dakota households to gather insight on their employment status, food security, housing, physical and mental health, access to health care, education disruption, capacity to telework and travel practices.

Data was first collected on April 23, 2020. During that week, 38.9 percent of the state's represented population experienced a loss of employment income and 11.5 percent stated they had either missed March's rent or mortgage payment and had slight or no confidence that they would be able to make the next payment on time. After 12 weeks, loss of employment income had dropped to 21.5 percent of the population. However, concerns about housing insecurity had risen to 15.3 percent.¹⁶ During week 13 of the Household Pulse Survey, North Dakotans surveyed were asked about the likelihood of eviction or foreclosure. Renters and homeowners were lumped together with 33.4 percent concerned about losing their homes. Expected loss of income continued to trend downward at 18.2 percent.¹⁷

While Pulse Survey data has a higher-than-normal margin of error compared to traditional Census Bureau data due to sample size, collection methods, trends represented by Pulse Data are important to understand how residents are being impacted during COVID-19.

housing vulnerable populations

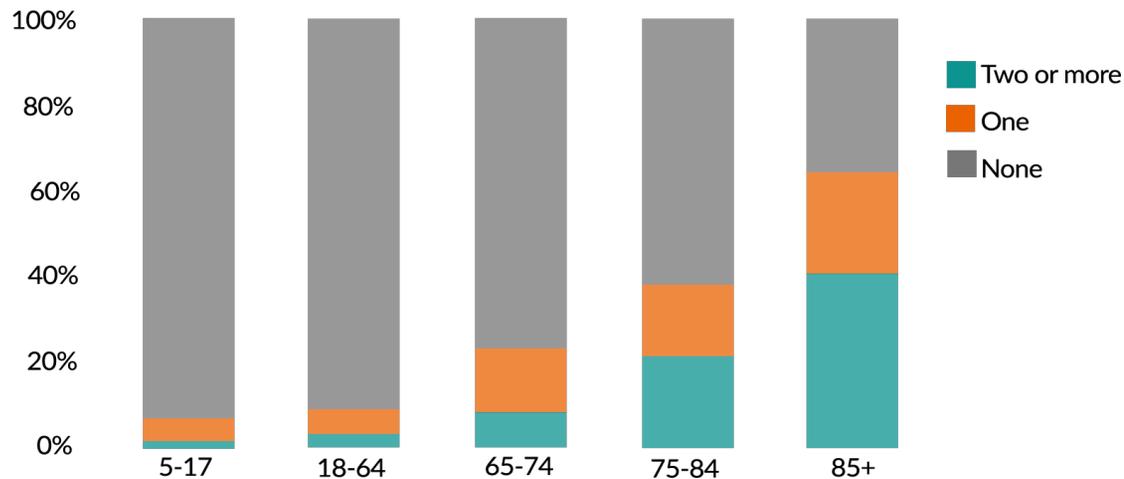
Having safe and well-maintained affordable housing can be transformative for low- to moderate-income households. Yet, there are harder to house individuals that need customized approaches to ensure that everyone can have access to a home.

Older Adults and People with Physical Disabilities

More than three-fourths of North Dakotans age 65 or older live in a single-family home. Between age 65 and 85, the likelihood of developing at least one health-related disabling condition increases significantly; more than 65 percent of individuals age 85 or older have a disabling condition.

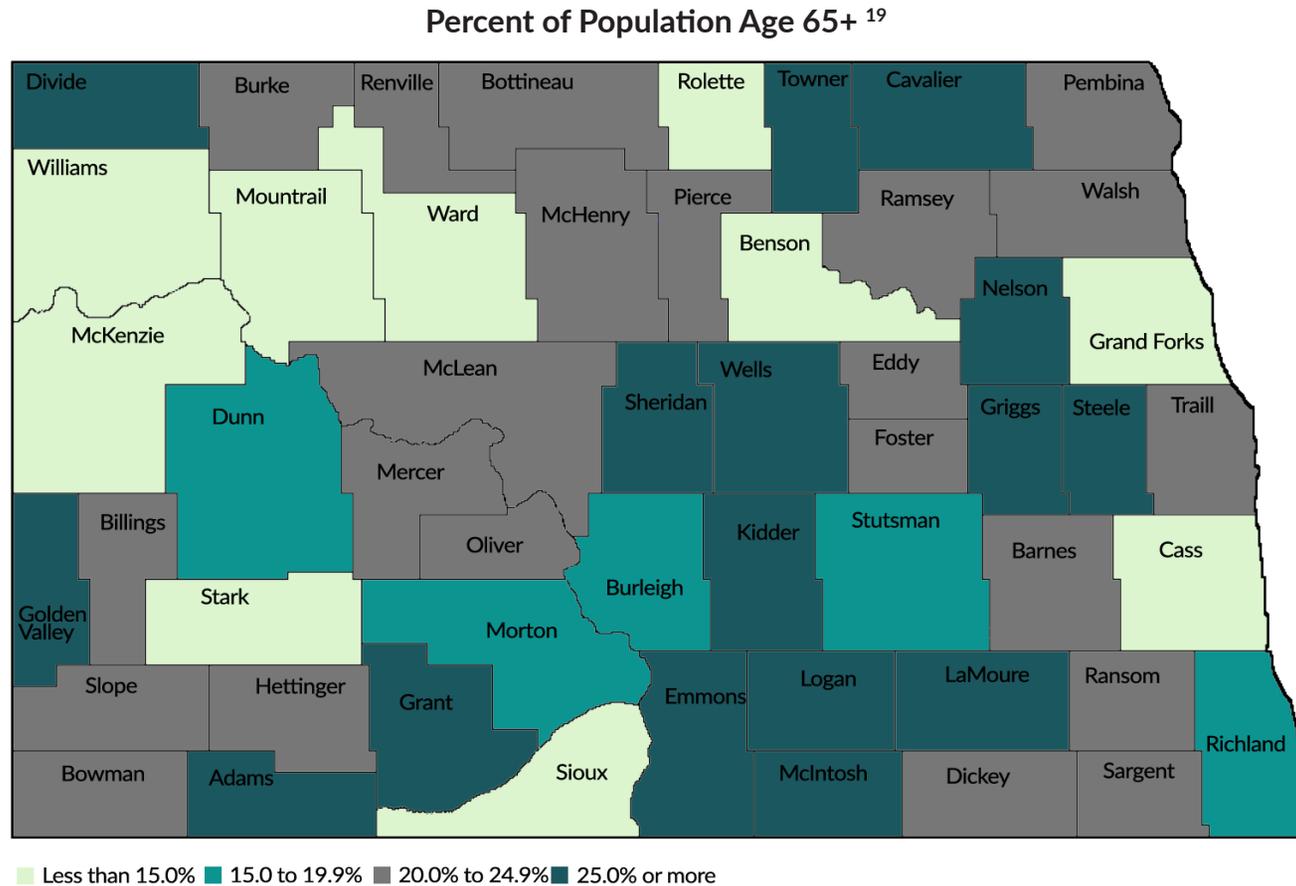
This change in personal health often necessitates a change in thinking about housing needs, causing the person to ask questions about accessibility of their current home, as well as how they might be able to access the supportive services they need to appropriately accommodate their health status.

Individuals by Detailed Age and Number of Disabilities ¹⁸



¹⁸ Individuals by Detailed Age and Number of Disabilities, downloaded from ndcompass.org on 9/20/2020

North Dakota ranks seventh in the nation for the highest proportion of individuals age 85 years and older. Across the state 18 counties have 25 percent of their population as 65 years and older. The four counties with the oldest populations are Sheridan, McIntosh, Grant and Griggs.¹⁹

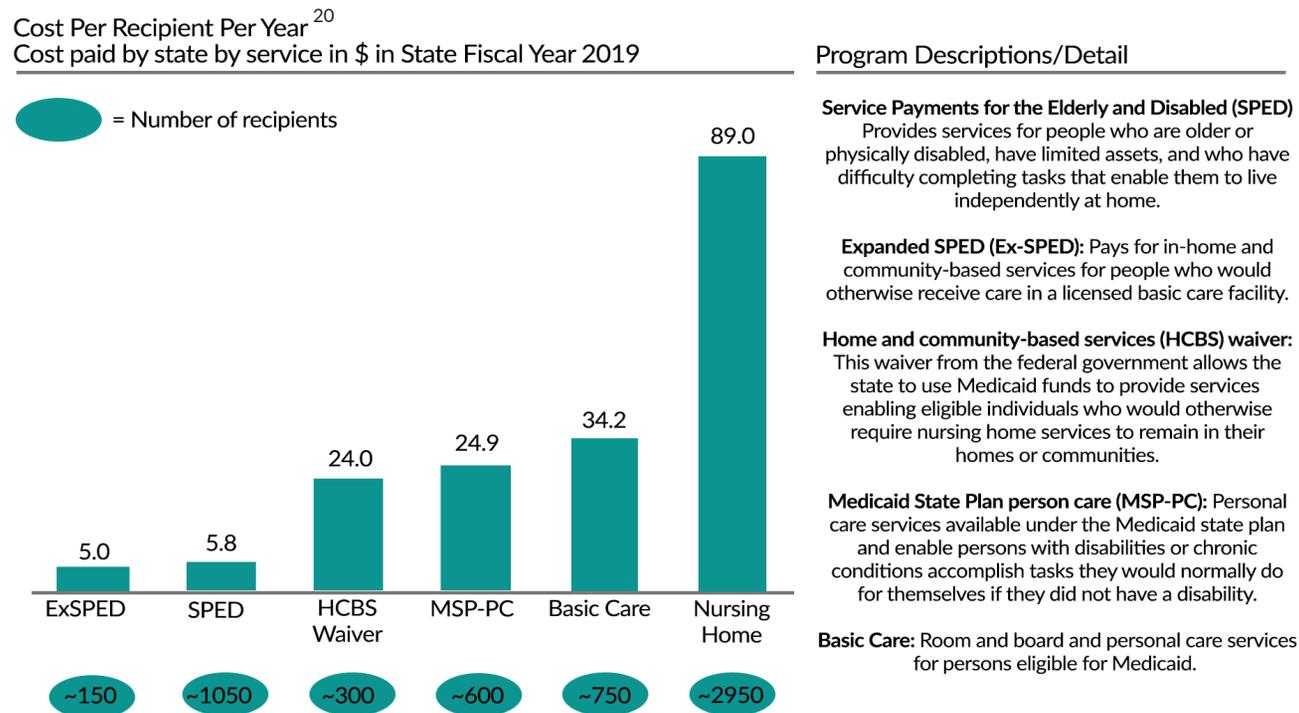


Based on the size of the state’s aging population, it is anticipated that 50 percent of North Dakotans will need to seek some type of service-enhanced living arrangement in their lifetime. This may include facility-based care, like a skilled nursing facility or basic care; an age-segregated living community, like assisted living or housing designated for older adults; or some type of supportive service delivered in a person’s home, whether they live in a rental housing unit or a single-family home.

¹⁹ Percent of Population Age 65+ 2019, downloaded from ndcompass.org on 9/13/2020

How people access and pay for the services they need to continue living independently will vary based on their household income and the type of care needed. For lower income North Dakotans who have limited assets, Medicaid may help pay for all or a portion of either the cost of home- and community-based services or facility-based care. Understanding how services are delivered and paid for is an important part of understanding the housing needs and options provided for older adults and people with disabilities.

The graphic below shows the average per person cost of various types of Medicaid-funded long-term care.



Home- and community-based services, including the state-funded Service Payments for Elderly and Disabled (SPED and ExSPED), Medicaid waiver-defined services (HCBS Waiver) and Medicaid-funded Personal Care (MSP-PC), can be delivered in a variety of home settings at much lower cost than facility-based care (basic care and nursing home).

In 2019, half of the approximately 5,800 older adults or people with physical disabilities who were receiving long-term care of some kind, were utilizing nursing home care at an average cost to ND Medicaid of \$89,000 per person per year.²⁰

²⁰ North Dakota Department of Human Services Data received, September 2020

While the general housing market has a healthy vacancy rate, rental housing specifically set aside for older adults tends to have a vacancy rate between 0 and 2 percent. Community building codes require new construction projects to comply with Americans with Disabilities Act (ADA) requirements, however, older housing which tends to be more affordable, may not be ADA compliant and therefore not accessible to many individuals.

For people to be able to choose where and how they live, it is also important to understand North Dakota's housing inventory in terms of accessibility features. Having access to housing that is designed to meet people's changing physical needs allows greater personal choice in how support services are received (i.e., in a person's own home or in a facility).



Justice Involved Adults and Youth

The Department of Corrections and Rehabilitation (DOCR) works with justice involved residents in urban and rural that have an active case. While no inmate is released into homelessness, there are situational circumstances, such as overcrowded housing, employment insecurity and treatment needs that make it difficult for many individuals to remain steadily housed. The Total Active Homeless adults on supervision in the community on July 14, 2020, totaled 269. The largest group was males ages 25-34 in the communities of Fargo and Bismarck.²¹

People who have committed a sex offense only represent 7 percent of the homeless population, however, individuals with this felony charge have the most difficulty securing housing. To date, DOCR supervises 638 people convicted of sexual offenses. Due to their criminal history and needing to register as a person who has committed a sex offense, federal regulations ban these individuals from public housing or vouchers for subsidized housing. Additionally, homeless shelters in North Dakota do not accept people who have committed a sex offense and hotels, which are often used as transitional living facilities, do not allow people on the high-risk sex offense registry.²¹

People designated as high-risk on the registry and people who have committed violent offenses are excluded from major rental companies and must therefore find options from private individuals with rental housing; however, most will only rent to low- or moderate-risk offenders. State and federal regulations restrict proximity to schools and victims, and other community residents may also hinder where such individuals can reside. Local nonprofits provide short-term solutions; however, limited resources typically prohibits the establishment of a more stable housing placement.

Without housing for people who have committed a sex offense, specifically those who are considered high-risk and violent increases the likelihood of them becoming homeless.

At-Risk Youth

In 2018, more than 17,000 children ages 0-17 years old lived in poverty. Poverty elevates a child's risk of experiencing behavioral, social and emotional health challenges. Family income is only one factor of financial security; the cost of basic expenses also matters. Housing is typically one the largest expenses for families, and 31,000 children are living in households with a high housing cost burden. The risk of losing housing or becoming homeless can impact a child's education, health, sense of safety and overall development. The number of school-age homeless children in 2018 was 2,559 or 2 percent. The North Dakota Department of Public Instruction, homeless liaisons worked with 2,658 homeless and at risk of homelessness youth during the 2019-2020 academic year.^{22,23}

Young adults, ages 18-24 years old, are among the highest for any age group. Reasons for increased poverty is likely due to the fact that many young adults move out of their childhood home, are less eligible for public benefits and work in the lowest wage job sector. Data from 2014 to 2018 documented 67.5 percent of individuals ages 16 to 24 as employed, totaling more than 71,000. In 2018, 27 percent of the state's young adults, or 19,000 were living in poverty. The share of young adults in full-time university and college programs and poverty has increased but have always been considered more of a poverty-prone group.²²

North Dakota youth in the foster care system face additional challenges including higher rates of incarceration, early parenting, homelessness, unemployment and lack of access to mental and physical health care. In 2019, there were 2,538 youth in the state foster care system, a 33 percent increase from 2010. Every year, approximately 1,000 youth leave through reunification with family, adoption or aging out of the system. Over the past decade, DHS has tracked 17-year-old foster youth who are aging out of the foster care system and then follows up with them at ages 19 and 21. At one point, 40 percent of the respondents stated they had experienced homelessness and had to live in their car, on the street or in a homeless or temporary shelter, despite over 60 percent stating that they were employed.²⁰

²⁰ North Dakota Department of Human Services data received September 2020

²¹ North Dakota Department of Corrections and Rehabilitation, received July 2020

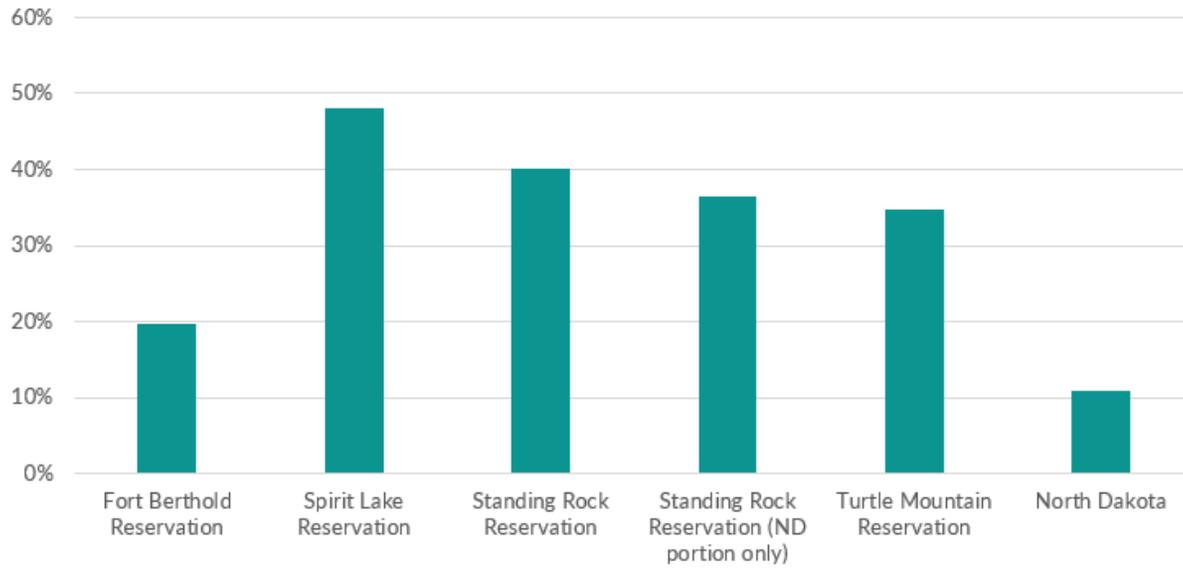
²² The Annie E. Casey Foundation, Kids County Data Center, North Dakota Indicators

²³ North Dakota Department of Public Instruction, Nine Year Comparison of Number of Students Experiencing Homelessness by District, September 2020

Native Americans

The largest minority group in North Dakota is Native Americans at 5.4 percent of the total population. In 2019, 30 percent of the state's homeless population was Native American. The number of Native Americans experiencing homelessness is probably greater than the numbers reported during the HUD Point-In-Time Count due to the constraints of HUD's definition of homelessness and migration both on and off tribal land. Native Americans are also more likely to live in overcrowded and/or experience poor housing conditions than their non-Native peers.¹⁵

**Individuals Below the Poverty Level by Native American Reservation Area²⁴
2014-2018**



Both on and off of tribal land, only 40 percent of Native Americans are homeowners. Mortgage lending on tribal land is an underserved market with unique challenges such as trust land regulations, fractioned land ownership and limited access to financial institutions. While tribal trust land status is no longer considered a major barrier because of the implementation of Section 184 of the Indian Home Loan Guarantee Program, the lending volume on such land is still quite low.

Native Americans transitioning into urban communities face challenges securing affordable housing with enough space to accommodate large families when navigating unfamiliar urban and non-tribal housing markets. The primary barriers to achieving housing stability including race-based discrimination, limited housing stock due to lack of rental or credit history, and variable employment prospects.²⁵

¹⁵ North Dakota Continuum of Care, received September 2020

²⁴ Disparities: Native American Reservation Area, downloaded from ndcompass.org on 9/13/2020

²⁵ Housing Needs of American Indians and Alaska Natives in Urban Areas: A Report from the Assessment of American Indian, Alaska Native, and Native Hawaiian Housing Needs, U.S. Dept. of Housing and Urban Development, 2017

Homeless

Persons experiencing homelessness and who are at risk of homelessness require different approaches to help them achieve housing stability. Some individuals and families may only need short-term economic assistance to weather unforeseen bills or disruption in employment. Chronically homeless individuals require intensive case management as soon as they enter a homeless shelter or multifamily complex utilizing a rapid rehousing model.

CoC members worked with 4,294 individuals experiencing homelessness in 2019. The majority of these people had no income, but their ages were across the spectrum from under 5 years old to older than 62 years. Fifty-four percent of these individuals requested assistance for less than 30 days. However, 3.6 percent have been seeking help for more than 3 years. Tracked in a separate group are domestic violence survivors, which totaled 2,648, primarily women and children needing emergency, transitional, short- and long-term housing.¹⁵

Affordable housing can mean different things when working with people at risk of homeless, experiencing short-term homelessness and those who are considered chronically homeless. Housing chronically homeless individuals is extremely challenging, and there is no one size fits all solution. Across the state, numerous partnerships have formed between federal and state agencies and local service providers to develop housing models that best serve each community. Housing First is a rapid housing approach; homeless shelters are a temporary solution; and “harm reduction” shelters where some substances can be used on site have been discussed in numerous circumstances as an alternative to dry shelters that are more prevalent and accepted by the general public. That said, these housing models benefit urban areas and not rural communities. Individuals and families experiencing homelessness in rural communities are more “hidden” as they occupy tents, campers, abandoned houses, barns and ice fishing houses, and they have a more difficult time accessing services provided in urban communities.



¹⁵ North Dakota Continuum of Care, received September 2020



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