



**Testimony of Jennifer Greuel**  
**Economic Development Association of North Dakota**  
**In Support of SB 2127**  
**Jan. 29, 2021**

Chair 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 2127.

Workforce and affordable housing continue to be a priority for expansion of North Dakota's businesses and communities in all areas of North Dakota. Although North Dakota's unemployment rate has gone up slightly due to the pandemic (4.5 percent in Nov. 2020), the state's unemployment rate is still lower than 38 other states and attracting skilled workers is still a priority. The Housing Incentive Fund is a flexible gap financing tool leveraged to develop affordable multi-family housing for low-income service workers, fixed-income households, and older adults. A lack of affordable housing is a major stumbling block to attracting businesses, which would diversify the economy, or to attracting workers to fill the thousands of service jobs open in the state.

For every dollar of HIF funding provided by the state has leveraged an additional \$5.11. As the program has evolved, more private and federal funding is being leveraged and HIF has been used as an important gap financing tool to keep a project moving forward. Examples of the program's benefit include in Beulah/Hazen, where a housing study of the region identified a need for additional apartments. Using the program, an abandoned piece of land where mobile homes stood in the 1980s is now home to New Energy Apartments. Hazen used the funding to tear down an old, abandoned hospital and build a new, 18-unit senior facility. The City of Mandan used the program for the building of Collins Place apartments, which provides mixed-use space and low-income housing units. The City of Bismarck recently used HIF to address long-term homelessness through the Edwinton Place Apartments. The New Rockford community used HIF to transform the site of the city's former hospital into a townhome complex providing affordable housing for the workforce and elderly and disabled community members. These are just a few 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 2127 and for your continued commitment to keeping North Dakota globally competitive to recruit and retain the state's workforce.