

January 15, 2025

Honorable Representative Steve Swiontek State Representative 600 East Boulevard Avenue Bismarck, ND 58505

RE:

HB 1020

Dear Representative Swiontek:

This is a formal request to amend HB 1020 and include an appropriation to establish a sanitary sewer program that provides funding for 60% of the cost of a mainline extension. The program would mirror the State Water Commission's program for water mainline extensions where 60% of the cost is covered.

This program is critical to reduce the cost to the homeowner, hold the line on special assessments, increase home ownership, increase housing inventory, and increase population.

Infrastructure costs are the greatest barrier to home ownership especially in communities under 10,000 population. Communities of 10,000 population and under are at a major disadvantage because of their size and they pay premiums for such items as concrete and all infrastructure development.

In Valley City, we have two smaller housing projects where the mainlines of the water and sanitary sewer are in the street in front of the development; however, to extend the mainlines (water and sanitary sewer), is extremely costly and pushes home ownership out of reach.

In Barnes County, our median household income is slightly over \$70,000. The "missing middle" in housing is \$250,000 to \$300,000. A recent study documented 86% of the respondents were comfortable with a home that cost under \$300,000 at their current household income. The respondents indicated they want to purchase or build a home within the next 24 months.

A sanitary sewer mainline extension fund would make a significant difference to encourage single family housing construction and increase home ownership.

We are working extremely hard to ensure companies such as John Deere Seeding, Malach USA, Eagle Creek Software (an Eviden business) and others can continue to grow and provide quality jobs. Job creation is the first step. Employers such as CHI Mercy Hospital, Valley City State University, SMP Health-St. Raphael, and others must be able to secure the workforce they need. We need housing to capture the benefits of our investments.

Please amend HB 1020 and include an appropriation to create a sanitary sewer mainline extension program that provides funding for 60% of the cost. Thank you.

Respectfully

Jennifer Feist, Director of Development