

News Release

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For Immediate Release

HOUSING CREDITS AWARDED FOR AFFORDABLE RENTAL DEVELOPMENT

Bismarck – The North Dakota Industrial Commission has awarded \$1,838,743 in federal housing credits to finance the construction or rehabilitation of nine properties, creating 221 affordable rental units.

“Housing credits are the primary federal-state tool for developing affordable rental housing for our citizens,” said Gov. John Hoeven. “The credits enable developers to reduce the amount of debt financed and the benefits are lower rental rates and affordable housing for low income families.”

The North Dakota Housing Finance Agency (NDHFA) allocates the housing credits, also known as Low Income Housing Tax Credits (LIHTC), through a competitive process to for-profit and non-profit developers. The credits, awarded for a period of 10 years, provide access to equity capital.

“Since the program was created 15 years ago, the NDHFA has allocated \$14 million in housing credits for the production or rehabilitation of 134 projects in 38 cities statewide. This represents a private capital investment of \$218 million,” said Attorney General Wayne Stenehjem. “The credits allocated have created 3,734 rental units dedicated to low-income renters.”

Housing credits can be used as a financing tool for new construction, acquisition and rehabilitation, or rehabilitation only of affordable residential rental housing units. Preference is given to developments that serve the lowest income families and those serving low-income families for the longest periods of time.

"In many cases, without this program affordable housing would not be available for qualifying lower income North Dakotans," said Agriculture Commissioner Roger Johnson. “As a condition of these awards, rental units created using the housing credits must be rented for at least 15 years to persons who earn less than 60 percent of the area median income.”

The average housing credit apartment renters earns only 37 percent of the area median income. Many earn less than 30 percent.

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The 2002 housing credit awards include:

- Milnor – \$43,256 awarded to the Region V CDC., a Fargo-based non-profit, for the construction of Heritage Village, six units of affordable housing.
- Devils Lake – \$67,380 awarded to MetroPlains Properties, Inc., for the acquisition and rehabilitation of the Opera House, 20 units of affordable housing.
- Grand Forks – \$528,787 awarded to the Gandolf Group, LLC., for the construction of West Gate Village, 60 units of affordable housing.
- Ft. Yates – \$164,288 awarded to Sitting Bull College for the construction of 16 units of affordable housing.
- Ft. Yates – \$390,061 awarded to the Standing Rock Housing Authority for the construction of 30 units of affordable housing.
- Ft. Totten – \$105,147 awarded to the Spirit Lake Housing Authority for the construction of 17 units of affordable housing for the elderly.
- Mandan – \$245,992 awarded to the Gandolf Group, LLC., for the construction of Evergreen Heights, 36 units of affordable housing.
- Bismarck – \$236,179 awarded to the Gandolf Group, LLC., for the construction of Brandon Heights Phase Two, 36 units of affordable housing.

Housing credits were also awarded to finalize the construction of the following projects:

- Bismarck – An additional \$6,684 awarded to the Gandolf Group, LLC., for the construction of Brandon Heights Village.
- Mandan – An additional \$50,969 awarded to the MetroPlains Properties, Inc., and Lewis & Clark CommunityWorks partnership for the construction of Library Square.

Approximately \$170,000 in housing credits remains available for distribution this year. A housing credit application and the allocation plan are available on the NDHFA website, www.ndhfa.org, or by calling (701) 328-8080, (800) 292-8621, (800) 366-6888 (TTY).

The Industrial Commission of North Dakota, consisting of Governor John Hoeven, as chairman, Agriculture Commissioner Roger Johnson and Attorney General Wayne Stenehjem, oversees the North Dakota Housing Finance Agency.