



# INDUSTRIAL COMMISSION OF NORTH DAKOTA

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## HOUSING AGENCY ALLOCATES FEDERAL TAX CREDITS Commission Says More Resources Are Needed

BISMARCK, ND - The Industrial Commission announced today that the North Dakota Housing Finance Agency (NDHFA) has made conditional commitments to five multifamily housing developers for \$2.61 million in federal Low Income Housing Tax Credits (LIHTC).

The federal tax credits will create an additional 142 affordable housing units.

"These federal low income housing tax credits are part of a larger strategy to increase the development of affordable housing in communities across North Dakota," members of the Industrial Commission said in a joint statement. "We will continue to support the development of additional affordable housing to help meet the needs of our growing state."

The 2013 credits were awarded as follows:

- Bismarck – \$159,809 to Pride, Inc., for the construction of Independence Pointe, creating 23 units for special needs households.
- Belcourt - \$485,571 to Turtle Mountain Housing Authority for the construction of Turtle Mountain Homes #8, 24 units.
- Dickinson - \$657,500 to Beyond Shelter, Inc. for the construction of Heritage Hills, 42 units.
- Minot - \$657,500 to Beyond Shelter, Inc. for the construction of Washington Townhomes II, 32 units.
- Minot – An additional \$33,888 was awarded to Metroplains LLC/Community North Dakota to complete construction of Minot Place Rowhomes.

Williston - \$431,484 to GA Haan Development LLC for the construction of Williston Senior Apartments II, 21 units serving elderly households.

Through the LIHTC program, property owners receive an annual tax credit from the federal government for up to 10 years bringing equity to the projects to lower rents. LIHTC projects are required to be affordable for households at or below 60 percent of Area Median Income for at least 15 years.

The Housing Finance Agency administers the program in North Dakota.

A Statewide Housing Needs Assessment conducted by the Center for Social Research at North Dakota State University projects that the state will add 83,429 new permanent households between 2010 and 2025 with 55 percent of the growth expected to be low-income households. While more than 3,000 housing units affordable to this sector need to be created each year, data shows that an average of a little more than 500 units of affordable housing per year has been approved since 2010.

One way to help accelerate affordable multifamily housing development has been through the North Dakota Housing Incentive Fund (HIF). Capitalized by contributions from state income and financial institution taxpayers, HIF is helping to create more than 700 additional housing units in 16 communities. The State Legislature is currently considering several bills that will reauthorize and fund HIF. Senate Bill 2014 transfers

\$30 million from the state general fund for direct investment in HIF for the 2013-15 biennium. An additional \$20 million in state tax credits proposed in House Bill 1029 would bring the total fund to \$50 million.

“If this legislation is adopted, North Dakota Housing will be able to encourage even greater affordable housing development in the state,” said Mike Anderson, NDHFA executive director.

The Industrial Commission of North Dakota, consisting of Governor Jack Dalrymple as chairman, Agriculture Commissioner Doug Goehring and Attorney General Wayne Stenehjem, oversees NDHFA.

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