

News Release

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For Immediate Release

Low Income Housing Tax Credits Available

BISMARCK – The North Dakota Industrial Commission approved the 2002 Low Income Housing Tax Credit (LIHTC) Allocation Plan today, making \$2 million in housing credits available.

The housing credits, administered by the North Dakota Housing Finance Agency (NDHFA), are the primary federal-state tool for developing affordable rental housing in North Dakota.

“Private sector participation is a key element in the Low Income Housing Tax Credit program’s runaway success,” Gov. John Hoeven said. “In 2001 Housing Finance Agency received applications requesting \$3,339,609 in annual tax credits with \$2,413,629 available.”

Under the LIHTC program, owners of low-income housing are entitled to receive an annual tax credit for up to 10 years based on various requirements such as the amount of capital invested and the level of commitment to low-income tenancy.

“In exchange for housing credits, owners must agree to rent the units to households whose incomes, are below the 60 percent HUD-published median income limits,” Attorney General Wayne Stenehjem said. “This year a portion of the credit allocation is set aside for non-profit sponsorship and for housing on Indian reservations.”

“The LIHTC program is designed to compensate the property owner for charging rents that are generally lower than would be feasible without the credits,” Agriculture Commissioner Roger Johnson said. “Preference will be given to properties that serve the very low income (below 50 percent of the median) for the longest period of time.”

The 2002 application and allocation plan are available by calling the NDHFA or visiting their web page at www.ndhfa.org. The deadline to apply for the first round of housing credits is April 30. A second round of applications may be held if insufficient applications are received during the first round. The application deadline for the second round would be June 28.

“Since the program was created in 1986, \$12.1 million in housing credits have been allocated for the production or rehabilitation of 125 projects in 38 North Dakota communities, creating 3,513 rental units dedicated to low income renters, representing \$187 million in private capital investment,” Pat S. Fricke, NDHFA executive director said.

For more information about the LIHTC program contact the Housing Finance Agency directly at (701) 328-8080, 1-800-292-8621, 1-800-366-6888 (TTY).

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

-30-

FURTHER INFORMATION: Pat Fricke (701) 328-8080