



INDUSTRIAL COMMISSION OF NORTH DAKOTA

John Hoeven
Governor

Wayne Stenehjem
Attorney General

Doug Goehring
Agriculture Commissioner

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For Immediate Release

Industrial Commission approves rural housing incentive

BISMARCK – The Industrial Commission of North Dakota has approved a Rural Housing Investment Incentive Pilot Program to help rural communities attract developers, make housing affordable, and bridge the financial gap between construction costs and property value. The North Dakota Housing Finance Agency (NDHFA) will administer the program.

“North Dakota’s economy is growing, attracting individuals and families to settle down in our small towns,” said Gov. John Hoeven. “These incentives are designed to help communities meet their increased demand for housing.”

“Adequate housing is essential to building a quality workforce and retaining population,” said Agriculture Commissioner Doug Goehring. “Every household retained or added to a small town helps its Main Street businesses.”

“NDHFA aims to demonstrate that private sector investment can spur housing development,” said Attorney General Wayne Stenehjem. “The agency hopes that the gap financing provided by the program will prove to be the missing piece of the rural development puzzle.”

The program supports development of single- or multi-family housing, or the substantial rehabilitation of existing structures in areas of the state that have proven difficult to develop by matching private sector investment. Eligible contributions include financial investments, donated property and infrastructure improvements.

“Applicants must demonstrate that the community has an unmet housing need or shortage, and that the proposed activity will make a positive impact,” said Mike Anderson, NDHFA executive director.

The match is limited to the combined total of the lesser of the gap between the cost of new construction and the appraised value of the completed property or 20 percent of the cost of new construction. Project costs for new single-family homes will be capped at \$190,000 and at \$125,000 per unit for new multi-family projects.

For substantial rehabilitation projects, NDHFA will match private investment up to a combined total of 50 percent of the hard construction cost of the rehabilitation, capping project costs at \$100,000 per either single- or multi-family unit.

The incentive can only be used in communities of 5,000 or less population. An applicant can receive up to \$100,000 towards the total costs of a project, and eligibility is limited to one award per community. NDHFA has committed up to \$400,000 for the pilot program.

Interested parties must submit a written proposal by Feb. 15, 2010. For more information on the Rural Housing Investment Incentive Pilot Program, contact Jolene Kline at (701) 328-8080, (800) 292-8621, (800) 366-6888 (TTY) or info@ndhfa.org.

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

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