

Low Income Housing Tax Credits Available

BISMARCK – The North Dakota Industrial Commission recently approved the 2000 Low Income Housing Tax Credit Allocation Plan. Copies of the Allocation Plan and Application are now available from the North Dakota Housing Finance Agency (NDHFA). April 28 is the deadline to apply for the first round of Housing Credits, with approximately \$650,000 in Housing Credits available. The deadline for the second round of applications is set for July 14 when the balance of this year's total \$1.3 million in Housing Tax Credits will be available.

"Congress created the Low Income Housing Tax Credit (Housing Credit) in 1986 to encourage the development of affordable rental housing," explained Gov. Ed Schafer. "The Housing Credit is the primary federal-state tool for developing affordable rental housing in North Dakota and all across the country."

"The Housing Credit program provides incentives for the production and rehabilitation of rental housing," said Commissioner of Agriculture Roger Johnson. "This program allows owners who invest in low-income housing and accept rental restrictions to receive federal tax credits."

"In North Dakota, on average, about 150 low-income apartments are created each year through the Housing Credit program," said Attorney General Heidi Heitkamp. "This program helps provide more affordable housing units to qualifying lower income North Dakotans."

Under this 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, based on HUD-published median income limits, qualify them as low-income. The Housing Credit program is designed to compensate the property owner for charging rents that are generally lower than would be feasible without the credits.

"Since the program was created, in 1986, \$8.3 million in Housing Credits have been allocated in North Dakota for the production or rehabilitation of 111 projects in 28 cities, creating 2,884 rental units dedicated to low-income renters, which represents \$148 million in private capital investment," said Pat S. Fricke, North Dakota Housing Finance Agency Executive Director.

For more information about the Low Income Housing Tax Credit program or to request an application, contact the Housing Finance Agency directly at (701) 328-8080 or 1-800-292-8621, through Relay North Dakota at 1-800-366-6888 (TTY), or through the Internet at www.ndhfa.state.nd.us.

The North Dakota Housing Finance Agency is overseen by the Industrial Commission of North Dakota consisting of Gov. Edward T. Schafer, as Chairman, Attorney General Heidi Heitkamp, and Commissioner of Agriculture Roger Johnson.