

**PROGRAM NARRATIVE****Date:** 12/07/2012**473 ND Housing Finance Agency****Time:** 14:48:23**Program:** ND Housing Finance Agency**Reporting level:** 00-473-101-00-00-00-00000000**Program Performance Measures**

HUD performs routine management reviews of the NDHFA Property Management Division as it pertains to the administration of HUD rental assistance contracts. The NDHFA has received "Superior" ratings in these reviews, the highest rating given by HUD.

The Homeownership Division is audited by HUD FHA with regard to single family insurance claims, on-site servicing procedures review and FHA tier-ranking system on loan loss mitigation.

The Department of Commerce, Division of Community Services, audits the Agency's compliance with regard to our administration of the HOME Program funds.

NDHFA is also examined by various entities for the compliance and administration of other programs at random, non-scheduled intervals.

**Program Statistical Data**

Single Family Mortgages Purchased (cumulative as of 5/31/2012)	37,006	\$2,604,285,318
Single Family Current Outstanding Mortgages (as of 5/31/2012)	11,730	876,228,221
Single Family Mortgages Purchased (Calendar Year 2011)	1,081	127,540,549
Single Family Direct Serviced Mortgages (as of 5/31/2012)	8,886	725,042,585
Single Family Serviced Mortgages for Other Organizations (Fannie Mae, Habitat, CWND) (as of 5/31/2012)	214	5,064,327
Single Family Bond Issues Outstanding (as of 5/31/2012)	18	\$848,815,000
8 of these transactions have swap contracts totaling 186,480,000 and 3 transactions have unhedged debt totaling 51,265,000		
Start Assistance Provided (Cumulative as of 5/31/2012)	9,388	\$25,532,779

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Start Assistance Provided (Calendar Year 2011)	701	2,548,212
Down Payment and Closing Cost Assistance (DCA) Projects (cumulative as of 5/31/2012)	1,819	\$3,791,212
DCA Projects (Calendar Year 2011 )	71	262,473
Tax Credit Units allocated in 2011	258	\$2,965,067
Total Tax Credit Units Allocated (cumulative as of 12/31/2011)	6,256	34,686,801
Rental Assistance Projects (as of 05/31/2012)	137	
Rental Assistance Units (as of 05/31/2012)	3,433	
Rental Assistance Payments (Fiscal Year 2012)		\$11,717,094
Resolution Trust Projects (as of 05/31/2012)	9	
RAP Grants (cumulative as of 5/31/2012)	216	\$821,128
Helping HAND Grants (cumulative as of 5/31/2012)		\$4,917,333
Rural Rehab Loans (cumulative as of 5/31/2012)	4	\$199,095
Rural Housing Development Loans (cumulative as of 5/31/2012)	2	345,000
Construction Loan Guarantees (cumulative as of 5/31/2012)	21	\$1,925,861

**PROGRAM NARRATIVE****Date:** 12/07/2012**473 ND Housing Finance Agency****Time:** 14:48:23**Program:** ND Housing Finance Agency**Reporting level:** 00-473-101-00-00-00-00000000Rural Housing Investment Incentive Pilot Program Loans  
(cumulative as of 5/31/2012)

6

356,366

Housing Incentive Fund Conditional Commitments (cumulative as  
of 5/31/2012)

20

\$10,630,098

Housing Market Survey Grant Program Studies (cumulative as of  
5/31/2012)

27

\$181,820

**PROGRAM NARRATIVE**

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**PROGRAM NARRATIVE**

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NDHFA's budget consists of grants to beneficiaries and operating expenses associated with administering programs fully funded through federal and agency generated revenue.

Included in Operating Fees and Services, object 621000, are servicing release premiums paid to participating lenders.

Professional services includes legal, financial advisor, and audit expenses

**PROGRAM NARRATIVE****Date:** 12/07/2012**473 ND Housing Finance Agency****Time:** 14:48:23**Program:** ND Housing Finance Agency**Reporting level:** 00-473-101-00-00-00-00000000**Program Goals and Objectives**

Provide affordable housing for low to moderate-income North Dakotans by offering eligible homebuyers and homeowners the opportunity to acquire financing at a lower than market rate, thus enhancing affordability.

Provide information to new home buyers, current homeowners, rental households, and homeless households across the state through the support of homebuyer education and housing counseling.

Administer HUD Rental Housing Assistance contracts in providing financial assistance for the benefit of low-income, elderly, and special needs eligible tenants.

Preservation of North Dakota's aging affordable rental housing inventory is paramount to sustaining a vital program for eligible tenants.

To ensure that the state's allocation of the low-income housing tax credits is used efficiently and effectively, and to administer the program in accordance with Internal Revenue Service regulations.

Administer multi-family housing finance programs through the issuance of bonds or other methods of providing lower cost financing alternatives.

Continue efforts to find external sources of capital to allow for expansion of existing Agency financing programs targeted to rural communities.

Lead Agency and primary point of contact for the Statewide Technical Assistance Team (STAT); a collaboration of public and non-profit agencies that assists rural communities to develop a housing strategy and offers continued education and support to meet their housing goals.

Continue to be an active member on the North Dakota Housing Task Force for Disaster Recovery addressing housing issues following a natural disaster such as flooding or tornadoes.

Provide technical assistance and low cost funds to communities and Indian Reservations to facilitate the development of additional affordable housing.

Provide grants and low cost financing for the rehabilitation and revitalization of the state's aging housing stock.

Facilitate the development of alternative housing for the state's special needs populations.

**REQUEST DETAIL BY PROGRAM**

473 ND Housing Finance Agency

Bill#: SB2014

Date: 12/07/2012

Biennium: 2013-2015

Time: 14:48:23

Program: ND Housing Finance Agency	Reporting Level: 00-473-101-00-00-00-00000000
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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Request 2013-2015
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**Salaries and Wages**

Salaries - Permanent	3,997,017	4,664,936	223,336	4,888,272	0
Overtime	0	19,200	720	19,920	0
Fringe Benefits	1,489,472	1,832,141	72,332	1,904,473	0
<b>Total</b>	<b>5,486,489</b>	<b>6,516,277</b>	<b>296,388</b>	<b>6,812,665</b>	<b>0</b>

**Salaries and Wages**

General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	5,486,489	6,516,277	296,388	6,812,665	0
<b>Total</b>	<b>5,486,489</b>	<b>6,516,277</b>	<b>296,388</b>	<b>6,812,665</b>	<b>0</b>

**Operating Expenses**

Travel	135,191	180,800	(14,950)	165,850	0
Supplies - IT Software	23,330	20,200	1,800	22,000	0
Office Supplies	51,735	46,240	(5,350)	40,890	0
Postage	101,585	121,350	(15,700)	105,650	0
Printing	21,848	48,910	(21,670)	27,240	0
IT Equip Under \$5,000	25,014	48,500	(33,300)	15,200	0
Other Equip Under \$5,000	31,250	2,000	0	2,000	0
Insurance	3,338	3,750	850	4,600	0
Rentals/Leases-Equip & Other	5,811	5,040	1,400	6,440	0
Rentals/Leases - Bldg/Land	448,080	469,420	(20,882)	448,538	0
IT - Data Processing	107,473	133,820	(15,220)	118,600	0
IT - Communications	63,429	69,680	(7,020)	62,660	0
IT Contractual Svcs and Rprs	48,274	59,750	4,550	64,300	0
Professional Development	85,539	107,019	(10,569)	96,450	0
Operating Fees and Services	2,256,445	3,055,135	(1,307,235)	1,747,900	0
Fees - Professional Services	308,751	383,235	120,205	503,440	0
Interest Expense	342,970	360,000	0	360,000	0
<b>Total</b>	<b>4,060,063</b>	<b>5,114,849</b>	<b>(1,323,091)</b>	<b>3,791,758</b>	<b>0</b>

**Operating Expenses**

General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	4,060,063	5,114,849	(1,323,091)	3,791,758	0
<b>Total</b>	<b>4,060,063</b>	<b>5,114,849</b>	<b>(1,323,091)</b>	<b>3,791,758</b>	<b>0</b>

**Grants**

**REQUEST DETAIL BY PROGRAM**

473 ND Housing Finance Agency

Bill#: SB2014

Date: 12/07/2012

Biennium: 2013-2015

Time: 14:48:23

<b>Program:</b> ND Housing Finance Agency	<b>Reporting Level:</b> 00-473-101-00-00-00-00000000
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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Request 2013-2015
Grants, Benefits & Claims	32,270,291	33,799,920	(4,266,870)	29,533,050	0
<b>Total</b>	<b>32,270,291</b>	<b>33,799,920</b>	<b>(4,266,870)</b>	<b>29,533,050</b>	<b>0</b>
<b>Grants</b>					
General Fund	0	0	0	0	0
Federal Funds	31,031,475	30,174,920	(2,709,120)	27,465,800	0
Special Funds	1,238,816	3,625,000	(1,557,750)	2,067,250	0
<b>Total</b>	<b>32,270,291</b>	<b>33,799,920</b>	<b>(4,266,870)</b>	<b>29,533,050</b>	<b>0</b>
<b>HFA Contingency</b>					
Other Expenses	14,602	100,000	0	100,000	0
<b>Total</b>	<b>14,602</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>	<b>0</b>
<b>HFA Contingency</b>					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	14,602	100,000	0	100,000	0
<b>Total</b>	<b>14,602</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>	<b>0</b>
<b>Federal Stimulus Funds 2009</b>					
Grants, Benefits & Claims	10,698,972	991,400	(991,400)	0	0
<b>Total</b>	<b>10,698,972</b>	<b>991,400</b>	<b>(991,400)</b>	<b>0</b>	<b>0</b>
<b>Federal Stimulus Funds 2009</b>					
General Fund	0	0	0	0	0
Federal Funds	10,698,972	991,400	(991,400)	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>10,698,972</b>	<b>991,400</b>	<b>(991,400)</b>	<b>0</b>	<b>0</b>
<b>Total Expenditures</b>	<b>52,530,417</b>	<b>46,522,446</b>	<b>(6,284,973)</b>	<b>40,237,473</b>	<b>0</b>

**Funding Sources****Federal Funds**

X4730 Home Investments Partnership Prog	569,277	795,000	5,000	800,000	0
X4731 Lower Inc Housing Assist Prog Sec 8	1,773,129	1,426,040	14,560	1,440,600	0
X4732 Rent Supplements Contract Admin	21,611,643	22,661,880	2,413,320	25,075,200	0
X4733 Housing Counseling Assistance	308,817	168,000	(18,000)	150,000	0

**REQUEST DETAIL BY PROGRAM**

473 ND Housing Finance Agency  
 Biennium: 2013-2015

Bill#: SB2014

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Program: ND Housing Finance Agency		Reporting Level: 00-473-101-00-00-00-00000000			
Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Request 2013-2015
X4734 Neighborhood Stabilization Program	6,768,609	5,124,000	(5,124,000)	0	0
X4735 Tax Credit Exchange Program	6,877,186	566,700	(566,700)	0	0
X4736 Tax Credit Assistance Program	3,821,786	424,700	(424,700)	0	0
<b>Total</b>	<b>41,730,447</b>	<b>31,166,320</b>	<b>(3,700,520)</b>	<b>27,465,800</b>	<b>0</b>
<b>Special Funds</b>					
473 Housing Finance Agency-Fees	10,799,970	15,356,126	(2,584,453)	12,771,673	0
<b>Total</b>	<b>10,799,970</b>	<b>15,356,126</b>	<b>(2,584,453)</b>	<b>12,771,673</b>	<b>0</b>
<b>Total Funding Sources</b>	<b>52,530,417</b>	<b>46,522,446</b>	<b>(6,284,973)</b>	<b>40,237,473</b>	<b>0</b>
<b>FTE Employees</b>	<b>46.00</b>	<b>46.00</b>	<b>0.00</b>	<b>46.00</b>	<b>0.00</b>

**CHANGE PACKAGE DETAIL**

473 ND Housing Finance Agency

Biennium: 2013-2015

Bill#: SB2014

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Program: ND Housing Finance Agency			Reporting Level: 00-473-101-00-00-00-00000000			
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Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
<b>Base Budget Changes</b>						
<b>Ongoing Budget Changes</b>						
A-A 3 Rates and Usage		0.00	0	0	(29,546)	(29,546)
A-A 4 HUD Grants		0.00	0	(2,709,120)	1,261,250	(1,447,870)
A-A 5 Program Outreach		0.00	0	0	131,000	131,000
A-A 6 Agency Loans		0.00	0	0	(1,293,545)	(1,293,545)
A-A 7 Stimulus Funds - One Time		0.00	0	(991,400)	0	(991,400)
A-A 8 Law Enforcement Pilot Program - One Time		0.00	0	0	(2,950,000)	(2,950,000)
Base Payroll Change		0.00	0	0	296,388	296,388
<b>Total Ongoing Budget Changes</b>		<b>0.00</b>	<b>0</b>	<b>(3,700,520)</b>	<b>(2,584,453)</b>	<b>(6,284,973)</b>
<b>Total Base Budget Changes</b>		<b>0.00</b>	<b>0</b>	<b>(3,700,520)</b>	<b>(2,584,453)</b>	<b>(6,284,973)</b>