

THRESHOLDS

A Publication of the North Dakota Housing Finance Agency

ND Real Estate Agents are Champions

Two real estate agents were honored by the North Dakota Housing Finance Agency (NDHFA)



Dave Flohr presents Karen Fleck with a 2009 Champion of Affordable Housing Real Estate Award.

with Champion of Affordable Housing Awards in September.

"Homeownership is one of the greatest financial investments most households will ever make," said Mike Anderson, NDHFA executive

director. "Therefore, we are pleased to have such outstanding real estate agents representing North Dakota families, offering them the

invaluable support needed to take that first step into homeownership."

The Agency recognized Terry Stevahn of Century 21 Morrison Realty in Bismarck and Karen Fleck of Oaktree Realtors in Mandan.

"My favorite thing about being a realtor would have to be the part when I turn over the keys to the new homebuyer and they are so excited they just give you a hug," said Fleck. "To work with first-time buyers is a lot of fun just because you know how excited they are to be taking one of the biggest steps of their lives, and they have trusted you to be a part of that process. When you open the door for them on the 'house of their dreams' you can tell immediately this is the one just by their reactions."

"I love to sit down with first-time buyers and explain the process and show them why owning

(Continued on page 5)

Tax Credits Awarded, Stimulus Dollars Aid

Conditional commitments for \$2.7 million in Low Income Housing Tax Credits (LIHTC) have been awarded to support construction or rehabilitation of approximately 300 housing units statewide.

"Affordable housing is one of the most basic needs a family or individual has, and the LIHTC program helps to provide quality housing for those in need," said Gov. John Hoeven. "The program ensures the continued availability of affordable homes for lower-income families."

"Economic growth in North Dakota has affected the housing supply in many communities," said Attorney General Wayne Stenehjem. "This

development program enables communities to provide much needed affordable rental housing for our aging population and workforce,"

"Without the funding assistance that comes from programs like the LIHTC, it would be very difficult to build new housing or repair existing properties," said Agriculture Commissioner Doug Goehring. "Working with the private sector, these funds directly benefit individuals in need of an affordable home."

The 2009 housing credit awards include:

(Continued on page 4)

From the Desk of Mike Anderson:

The last time we met on this page, I touched on the high level of FirstHome™ activity North Dakota Housing has been experiencing thus far this year. To be specific, through October the Agency has accepted loan reservations totaling \$190 million. This compares to \$169 million in all of 2008, and equals a 41 percent increase above the ten-month average in recent years.



Executive Director Mike Anderson

This can be attributed to a number of factors. North Dakota's economy, including employment, continues to be strong such that optimism is high. Mortgage rates are low, thus making the home purchase affordable. Now that I have inventoried the reasons you would typically expect to hear in this conversation, we cannot forget the federal first-time homebuyer tax credit that has been the buzz of the housing industry.

The tax credit is enticing first-time buyers in North Dakota to purchase homes in record numbers. This is good. They are investing in their future. They are investing in their communities. And, they are doing it in a safe and affordable way by using the FirstHome program.

This surge in activity has not come without its challenges for the Agency. Our ability to raise the capital necessary to keep the FirstHome program going has been hampered by the state of the national

economy and financial markets crisis. North Dakota Housing has been more fortunate than some state Housing Finance Agencies (HFAs) that were forced to sharply curtail activity or shut programs down completely. North Dakota Housing has been able to issue bonds, but using a structure and at a cost that is not sustainable long-term.

The good news is the Obama Administration has announced an HFA Initiative that is intended to reinvigorate and maintain the viability of HFA lending programs. Under the Initiative, the US Dept. of Treasury will, working through Fannie Mae and Freddie Mac, purchase up to 60 percent of a bond issue. The bonds will be long-term and at a fixed rate. There has been little or no private market for these bonds, unless offered at a variable rate, since the financial crisis began. The other 40 percent of the bond issue will be shorter-term bonds and must be sold to the private market.

We are excited about the opportunity the Administration's HFA Initiative offers North Dakota Housing. Although it is a temporary fix, it is expected to provide low-cost funding for the FirstHome program well into 2011.

With respect to the aforementioned federal first-time homebuyer tax credit, it is due to expire on Nov. 30 of this year. There appears to be strong support in Washington to extend the credit. As of this writing, the Senate appears ready to approve an extension to April 30, 2010, along with other adjustments to the program. If it passes, we expect a busy winter and spring for the Agency and the FirstHome program.

North Dakota Housing Happenings

United Way

North Dakota Housing employee participation in the Missouri Slope Area United Way's 2009 campaign was 100 percent with \$1457 in contributions made by the Bismarck office.

Farewell

Jane Martin, Native American Housing Coordinator

Receive Thresholds via Email

To subscribe, send a message to info@ndhfa.org, reference "Thresholds" in the subject line.

The Industrial Commission of North Dakota oversees North Dakota Housing with advice from a citizen advisory board.

Industrial Commission

John Hoeven, Governor
Doug Goehring, Agriculture Commissioner
Wayne Stenehjem, Attorney General

Citizen Advisory Board

Gerald Eid, Chairman
Ron Jordan, Vice Chairman
Becky Knight
Michael Orness
Lisa Rotvold
Ninetta Wandler

Thresholds is produced by:

Michael A. Anderson, Executive Director
Sarah Mudder, Communications Coordinator
Amber Schmalz, Communications Specialist

North Dakota Housing Finance Agency
2624 Vermont Ave., PO Box 1535
Bismarck, ND 58502-1535

Phone: 701/328-8080 or 800/292-8621
Fax: 701/328-8090 TTY: 800/366-6888
Email: info@ndhfa.org Website: www.ndhfa.org

No state tax dollars are used to produce or print this newsletter. Alternative forms of this document are available upon request.

©2009, NDHFA

Events Connect Homeless to Services

Through Project Homeless Connect (PHC), a one-day, one-stop event that provides a wide range of services to those experiencing homelessness, community advocates statewide have committed to creating increased awareness in hope of ending the cycle of homelessness.

At a recent PHC event in Bismarck, 476 individuals were served. Approximately 56 percent of those people indicated that they were currently experiencing homelessness, and 44 percent stated that they were at risk to be homeless. Those numbers demonstrate the rising issue of homelessness in the state of North Dakota.

"PHC is one piece of local communities' 10-year plans to end long-term homelessness," said Mike Anderson, North Dakota Housing Finance Agency executive director. "Through the events, volunteers are able to make personal connections with people in need, build awareness and community involvement." Anderson chairs the state's Interagency Council on Homelessness.

"It is incredibly important to hold a PHC event. It allows those who are homeless or imminently homeless to reach a wide variety of services on one day, in one place," said Rebekah Krueger of



the Fargo/Moorhead Coalition for Homeless Persons. "Too often people are shuffled from place to place throughout our community. This can prove quite difficult and taxing."

While Fargo/Moorhead recently hosted their fifth event, PHC gatherings organized by the Bismarck/Mandan and Minot homeless coalitions are much newer to the communities. In Bismarck/Mandan, the coalition collaborated with the already established Central Dakota Veterans Stand Down. Minot held a solo gathering, the first such event in the area. Services provided free of charge at local PHC events

include a meal, housing applications, health care, blankets, haircuts, employment and education assistance, and food and hygiene products.

"The contributions from volunteers certainly had an impact on attending individuals," said Tina Grumbo of the Missouri Valley Coalition for Homeless People in Bismarck/Mandan. "They are being recognized, they are being treated as welcomed guests."

Organizations such as housing authorities, county social service workers, mental health workers, food pantries and soup kitchens are all present at PHCs to provide vital services to those in need.

Housing Market Survey Grants Available

The Industrial Commission recently approved \$50,000 of additional funding for the North Dakota Housing Finance Agency's (NDHFA) Housing Market Survey Grant program.

"Economic growth and a growing population have put a strain on the availability of housing in some of our communities and rural areas," said Gov. John Hoeven.

The Housing Market Survey Grant dollars help rural communities fund a study of current and future housing needs.

"The housing studies identify true needs and provide communities with knowledge to make informed decisions," said Attorney General Wayne Stenehjem.

"Every household lost to a small community

negatively affects Main Street businesses," said Agriculture Commissioner Doug Goehring.

"Economic development can only occur if there is an adequate workforce and housing."

Starting in 2007, Williston was the first community to receive survey support. To date, the NDHFA has provided more than \$82,000 to help rural communities complete surveys.

Eligible applicants are communities of 20,000 or less or non-profit organizations representing or partnering with such communities. Grants cover up to 50 percent of out-of-pocket costs of the survey, not to exceed \$5,000.

For more information on the grant program, contact Jolene Kline at 701/328-8080, 800/292-8621, 800/366-6888 (TTY) or info@ndhfa.org.

Leadership & Housing Production Awards

The North Dakota Housing Finance Agency (NDHFA) is seeking nominations for the 2009 Champion of Affordable Housing Leadership and Housing Production Awards.

"Champion awards recognize and celebrate exceptional contributions to North Dakota's affordable housing industry," said Mike Anderson, NDHFA executive director.

The leadership award honors an individual or entity who has demonstrated outstanding efforts at advocating for or providing affordable housing or related services. The impact of those results, and the obstacles overcome to provide the housing or services is considered.

The housing production award recognizes the development, preservation of or conversion to affordable housing, innovative construction or financing techniques, responses to the unique needs of special populations, or the ability to provide information to the public about affordable housing options. Housing production award nominees must be occupied, placed in service or

active during the one-year period prior to Nov. 1, 2009.

Nominations for both categories are open to individuals, organizations, affordable housing programs or developments within the state of North Dakota.

Individuals or entities may be nominated in both categories in the same year. Award recipients are ineligible to receive the same award within a succeeding five-year period. Current NDHFA staff and advisory board members cannot be nominated.

The leadership and housing production awards will be presented during the closing luncheon at the statewide housing conference on Feb. 24, 2010. NDHFA will also recognize its outstanding lending partners at that time.

Forms and the selection criteria are available online at www.ndhfa.org. Nominations must be received by Jan. 8, 2010. For more information, contact Sarah Mudder at 701/328-8080, 800/292-8621 or info@ndhfa.org.

Tax Credits Awarded, Stimulus Dollars Aid

(Continued from page 1)

- Fargo - \$681,631 to Beyond Shelter, Inc., for construction of the 81-unit Crossroads Senior Living Community.
- Fort Berthold Reservation - \$540,735 to the Fort Berthold Housing Authority for construction of Arikara Homes, 24 units to be built at scattered sites.
- Jamestown - \$314,183 to GLS Development, LLC, to buy and rehabilitate the Jameshouse/Posthouse, preserving 106 units.
- Mandan - \$456,578 to MetroPlains, LLC, for construction of the 24-unit Lakewood Townhomes.
- West Fargo - \$387,970 to Southhill Properties, LLC, for construction of the 30-unit Charleston II.
- Williston - \$434,752 to GA Haan Development, LLC, for construction of the



NDHFA Planning and Housing Development Division Director Jolene Kline addresses the audience at the opening of Library Square II, a LIHTC project funded in 2007.

40-unit Williston Senior Apartment Homes.

The American Recovery and Reinvestment Act of 2009 addressed a weak investor market for the credits with a Tax Credit Exchange Program (TCEP) and a Tax Credit Assistance Program (TCAP). TCEP allows an administering agency to apply for stimulus dollars, converting the credits to cash if a development is unable to find investors.

In September, the North Dakota Housing Finance Agency (NDHFA) received notice that Williston's Waters Edge, a development originally awarded credits in 2008, was among the first projects nationally selected to receive a TCEP grant. The exchange is valued at \$3.6 million.

NDHFA is currently working with several developments to apply for TCAP dollars to fill their funding gaps. These awards are expected to be made before year-end.

Federal Stabilization Funds Released

The North Dakota Housing Finance Agency (NDHFA) has awarded more than \$6.5 million to cities and non-profit organizations through the federal Neighborhood Stabilization Program (NSP).

"We are very fortunate that our foreclosure numbers in North Dakota are low; therefore, many communities do not have an urgent need to redevelop such properties," said Jolene Kline, NDHFA planning and housing development division director. "However, we do have a significant demand for affordable housing, and the NSP program is helping us address that need."

Funds disbursed include:

- Minot Vocational Adjustment Workshop - \$695,800 to build eight rental units in Belcourt for special needs households.
- Turtle Mountain Housing Authority - \$1,529,220 to build 24 rental units in Belcourt to address long-term homelessness, and \$60,500 to buy a foreclosed single-family home in Belcourt.
- Lake Agassiz Habitat for Humanity - \$395,500 to redevelop four abandoned or foreclosed single-family properties in Cass County.
- CommunityWorks North Dakota - \$537,100 to buy and redevelop 5 single-family homes in eligible communities statewide, and \$400,000

to build a 28-unit multi-family housing project in Mandan.



In October, Lutheran Social Services Housing, Inc., held a ribbon cutting for Creekside Cottages, a 24-unit rental development in Watford City, ND.

- Lutheran Social Services Housing, Inc. - \$193,000 to build 8 rental units in Parshall, and \$450,000 to build 24 rental units in Watford City.
- City of West Fargo - \$780,000 to build 28 units of affordable rental housing for seniors.
- City of Williston - \$1.5 million to build 51 units of affordable rental housing.

NSP regulations require that at least 25 percent of the allocated funds involve the purchase, rehabilitation and resale of foreclosed or abandoned property; or the redevelopment of foreclosed or abandoned property and that serve households at or below 50 percent of area median income.

ND Real Estate Agents are Champions

(Continued from page 1)

property is beneficial. They ask a lot of great questions and I am able to help educate them about escrows, inspections, and what to expect until the day of closing," said Terry Stevahn.

The Champion of Affordable Housing Award recipients are judged on their participation in NDHFA homeownership programs, and their involvement in locally sponsored affordable housing projects and events.

"Homeownership is to be taken seriously, but it should also be one of the most exciting things they do, and it is up to the realtor to make sure things go smoothly and stay exciting," said Fleck.

"It is a pleasure to partner with North Dakota Housing to help people achieve the American

dream," said Stevahn.

In fiscal year 2009, NDHFA's mortgage loan activity exceeded \$159 million. These sales numbers represent more than 1,400 home purchases statewide. The majority of the borrowers used the Agency's down payment and closing costs assistance programs, receiving additional support with a combined value of more than \$3.5 million.

"Local real estate agents are the best resource for information on our affordable loan programs," said Dave Flohr, NDHFA homeownership division director. "Without the guidance offered by these agents, many households would not be aware of the below-market interest rate loans and down payment assistance offered."

PO Box 1535
 Bismarck, ND 58502-1535

RETURN SERVICE REQUESTED

Calendar of Events

November

- 11 Veterans Day Holiday, NDHFA closed**
- 13 Advisory Board Meeting, Bismarck**
- 15-21 National Hunger and Homelessness Awareness Week
- 20 ND Association of Builders Annual Board Meeting and Banquet, Dickinson. Contact NDAB at 800/326-4746
- 26 Thanksgiving Day, NDHFA closed**

December

- 7 LIHTC Program's Qualified Allocation Plan Hearing, Bismarck**
- 18 Advisory Board Meeting, Bismarck**
- 24 Christmas Eve, NDHFA closes at Noon**
- 25 Christmas Day, NDHFA closed**

January

- 1 New Year's Day, NDHFA closed**
- 13-14 ND Manufactured Housing Association's Annual Meeting, Bismarck. Contact the NDMHA at 701/223-6671
- 15 Advisory Board Meeting, Bismarck**
- 18 Martin Luther King, Jr.'s Birthday, NDHFA closed**

February

- 12 Advisory Board Meeting, Bismarck**
- 15 Presidents Day, NDHFA closed**
- 23-24 Statewide Housing Conference, Bismarck**
- 24 Access to Affordable Housing, FHLB Des Moines AHP Training Session, Bismarck. Contact Megan at 515/281-1159

North Dakota Housing's activities are in **BOLD** print. If you would like more information on these events, contact the Agency at 800/292-8621, 701/328-8080 or info@ndhfa.org.