

Housing Finance Agency
Budget 473
Senate Bill No. 2014; House Bill No. 1016

	FTE Positions	General Fund	Other Funds	Total
2013-15 legislative appropriation	46.00	\$15,400,000	\$42,507,491	\$57,907,491
2011-13 legislative appropriation	46.00	0	38,590,046	38,590,046
2013-15 appropriation increase (decrease) to 2011-13 appropriation	0.00	\$15,400,000	\$3,917,445	\$19,317,445

Item Description

Accrued leave payments - In Section 1 of Senate Bill No. 2014, the Legislative Assembly identified \$147,806 from the general fund for accrued leave payments.

One-time funding - The Legislative Assembly identified \$15.4 million of one-time funding from the general fund for the 2013-15 biennium for a transfer to the housing incentive fund.

Housing incentive fund - The Legislative Assembly in 2011 Senate Bill No. 2210 created a special revolving housing incentive fund, provided a continuing appropriation to the Housing Finance Agency for disbursements from the fund, and authorized a tax credit for income and financial institution tax purposes for contributions to the fund, not to exceed an aggregate amount of \$4 million per biennium for all eligible contributors. Senate Bill No. 2371 approved during the 2011 special session increased the aggregate tax credit to \$15 million per biennium.

The Legislative Assembly in 2013 Senate Bill No. 2014 provided for a one-time transfer of \$15.4 million from the general fund to the housing incentive fund. The bill amended North Dakota Century Code Section 57-38-01.32 to continue the housing incentive fund tax credit through the first two taxable years after December 31, 2012, and to increase the aggregate amount of tax credits allowed to all eligible contributors from \$15 million to \$20 million per biennium. Similar provisions are also included in 2013 House Bill No. 1029.

Flood-impacted housing assistance - In Section 4 of 2013 House Bill No. 1016, the Legislative Assembly provided \$1.5 million from the state disaster relief fund to political subdivisions or nonprofit entities in flood-impacted areas for grants to rehabilitate or replace flood-damaged homes, to retain homeowners, and to assist with transitional expenses.

Status/Result

The Housing Finance Agency has expended \$8,100 from the accrued leave payments line item related to retirements as of March 2014. The agency anticipates a transfer from the accrued leave payments line item to the salaries and wages line item will not be necessary.

See the **Housing incentive fund** section below.

In June 2013 the Housing Finance Agency awarded \$20.4 million to 18 projects, which will provide 494 housing units. Of the 494 housing units, 160 units are for essential service workers, and 168 units are for low-income households.

In September 2013 the Housing Finance Agency awarded \$16.5 million to 16 projects, which will provide 440 housing units. The \$16.5 million includes an award of \$1.5 million that was reallocated due to a project in Mandan being discontinued. Of the 440 housing units, 60 units are for essential service workers, and 313 units are for low-income households.

As of December 2013, the Housing Finance Agency received \$20 million for contributions to the Housing Incentive Fund, resulting in a corresponding reduction to general fund revenue.

The funds are expended as projects are completed. Of the \$35.4 million provided by the Legislative Assembly for the 2013-15 biennium, all of the funds have been awarded, and approximately \$6.2 million has been expended through April 15, 2014.

The Housing Finance Agency awarded \$1.5 million to the Minot Housing Authority in June 2013. However, residents were relocated more rapidly than anticipated; therefore, in September 2013 the Minot Housing Authority reduced its request to \$20,000.

Through April 2014, \$5,515 has been expended. The Housing Finance Agency does not anticipate expending any more funds for flood-impacted housing assistance. The agency anticipates general fund turnback of \$1,494,485.