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Tax credits OK'd for low-income apartments in Dickinson

A Michigan developer will get \$608,944 in tax credits to build Lincoln Park Townhomes in Dickinson for low-income renters and if all goes as anticipated there will be 40 rentable units by summer 2013, the developer and state officials said Wednesday.

By: Jennifer McBride, The Dickinson Press

A Michigan developer will get \$608,944 in tax credits to build Lincoln Park Townhomes in Dickinson for low-income renters and if all goes as anticipated there will be 40 rentable units by summer 2013, the developer and state officials said Wednesday.

Western North Dakota is experiencing a severe housing crunch and skyrocketing rent prices due to an oil boom. Rents in the new townhomes will range from about \$350 to \$900 per month for those who qualify.

GA Haan Development of Harbor Springs, Mich. will construct its \$6.9 million Dickinson project off of 18th Avenue East on 10 lots, development coordinator Ben Ide said Wednesday. The developer hasn't closed on the site, but plans to within 90 days, he added.

A report issued last week put Dickinson rental availability at .5 percent and there are no rentals available in some cities to the north, including Williston.

Ide said western North Dakota's housing needs are no secret.

"We knew what was going on out there," he said from Lower Michigan Wednesday. "It's kind of hard to miss. It's all over the news, there are articles in the newspaper all the time, it's on TV. There's just a buzz."

The developer is under a long-term agreement.

"They will lose their tax credit if they do not continue to rent at the federal low-income level," said Sarah Mudder, North Dakota Housing Finance Agency communications coordinator.

Residents must apply to live there and everyone is responsible for their rent. It is not paid through the government, Ide said.

The housing is not meant for high-income households, such as oil field workers, he added.

Rent is based on two income levels and renters are responsible for utilities. For example, one person with a yearly wage of \$13,500 or less would pay \$346 per month for a 1,100–square-foot two bedroom townhome with a garage, Ide said.

At 60 percent of median income, or less than \$27,000 a year for one person, rent is \$777 per month for a two-bedroom with garage.

A four-person household could earn up to \$38,000 and pay \$897 for a three-bedroom.

Residents must pass income verification and background checks.

Along with Lincoln Townhomes, the Housing Finance Agency granted conditional commitments to housing developments in Williston, Minot and on the Standing Rock Reservation for a total of \$2.1 million in federal tax credits, according to information released Wednesday.

Tags: north dakota, tax credits, low income apartments, news, dickinson, housing, oil, rent