

Grand Forks, North Dakota

After devastating floods in 1997, in which over 800 homes were lost, Grand Forks undertook a rebuilding program focused on affordable housing. Recognizing there was no single solution, the city created a “toolbox” of incentives to stimulate the construction of affordable homes. Tools included an affordable housing “infill” program and the establishment of “Affordable Housing Districts.” In exchange for special concessions on assessments and land standards, developers in these districts agree to build higher density, small, entry-level homes. In the year prior to the reforms, only 14 affordable units were built in the entire city. Since 2002, over 57 percent of the 106 homes built in the affordable housing districts meet affordable housing target prices.

Specific Actions Taken:

- **Waives required 50 percent developer’s contribution for infrastructure.**
- **Defers special assessments imposed on buyers of affordable housing.**
- **Provides a two-year property tax exemption for the first \$75,000 of value.**
- **Provides a three-year property tax exemption for increased values from rehabilitation.**
- **Reduces special assessment rates.**
- **Relaxes land development requirements (i.e., narrower road widths) and reduced right-of-ways.**
- **Reduces maximum lot size.**
- **Offers flexible, easy-to-obtain zoning variances.**