

# LEADERSHIP CIRCLE LLC

REAL ESTATE DEVELOPMENT

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**28 May 2010**

**Honorable Kent Conrad**

**United States Senate  
Committee on the Budget  
Washington, DC 20510-6100**

**RE: June 1, 2010 Senate Budget Committee Field Hearing  
“The Energy Industry’s Impact on Housing in North Dakota”**

Dear Senator Conrad,

I have spent 2 years looking at the Williston, ND housing market, and currently my company is underway with a 130 unit single-family housing subdivision inside the city limits. I appreciate you giving me the opportunity to express my thoughts on the current issues facing housing availability.

I believe housing shortages, in general, should be solved by the private sector. Demand followed by supply is the best way to build a healthy market for all involved. Subsidized housing in most cases, I have observed, is just a way to keep businesses from paying their employees enough to afford to live. This said, there are always people on the margins that may need help; in these comments I am discussing “boom town” impacts specific to energy industry workers.

Home ownership is the backbone of any community. If home ownership opportunities exist, the most important thing then is to assure people can finance the purchase of their homes.

Due to the changes in underwriting standards over the last two years, and a perception that there is additional risk in lending in a local economy fueled by an energy boom, a program to assist buyers in obtaining mortgages for the purchase of permanent housing would be helpful. The Bank of North Dakota and the City of Williston have expressed interest in helping developers offset or defer some of their building costs; I think the effort would be better placed helping people purchase homes.

Also, it is currently very economical to own or build a home in Williston because the City does not assess impact fees. As the area continues to grow, city infrastructure will be stressed. Making sure the City has funds for water, sewer, and major transportation routes for future growth would help to assure long term affordability.

To restate the specific things I believe that are necessary to create home ownership opportunities:

- Promote home ownership and long term community stability by providing some vehicle to offset risk to mortgage lenders in this “boom town” environment and thus providing a long term permanent workforce base. Allowing “gifting” of down payments by employers is one idea.
- Financially support infrastructure projects now to provide a long term affordable building environment in the area.

The helpful attitude and actions of both Williston and the State of North Dakota create an inviting atmosphere for real estate developers and is very appreciated. Directly helping prospective home owners in the short term with mortgages and in the long term with sustainable low housing costs seems to be the best plan.

Thank you for your consideration in these matters.

Sincerely,



Matt Miles