



TO: Region 4 City Councils, Auditors, Economic Development Leaders, Chambers of Commerce, and Major Employers
FROM: Lisa Rotvold, Red River CHDO
RE: Spark Build 2026 – Seeking Communities

Red River Community Housing Development Organization (CHDO) is seeking communities interested in participating in Spark Build 2026. The objective of the Spark Build initiative is to jump start new home construction in small towns by building local partnerships and managing risk.

In 2024, Red River CHDO piloted the Spark Build initiative. Two single-family homes were built and sold in Lakota and two in Larimore. The 1,600 square foot slab on grade homes are designed to meet current expectations but are not custom homes. If buyers are identified before orders are placed for interior finishes like cabinets and countertops, they may be able to select preferences. The homes are sold on the open market, with no income limits.

The homes in Lakota sold at the end of 2024 and the homes in Larimore sold in early 2025. Funding for construction of these homes included construction loans from local banks, and a soft construction loan from the North Dakota Housing Finance Agency (NDHFA) using Single Family Housing Incentive Funds (HIF) secured by the Red River CHDO.

In 2025, Red River CHDO has continued to partner with other rural communities in Region 4 (Grand Forks, Nelson, Pembina and Walsh counties) to build more homes. These communities include Park River and Michigan, with HIF applications under development for Hoople, and Grafton. The 2025 legislature increased the amount of available HIF funds for single family housing and we are seeking additional communities to partner with on this new housing construction initiative in 2026.



We are excited to continue the Spark Build initiative and are seeking additional interested communities. At this time, we anticipate using the same 1,600 square foot 3- bedroom, 2- bathroom house plan as has been used so far. Homes are sold on the open market with no restrictions on who can purchase the home as long as it is their primary residence. The sale price for these homes is at market rate has been around \$350,000. Please see the enclosed flyer for more information about the Spark Build program.

Spark Build communities must commit to three things:

1. Donate buildable lots to Red River CHDO. Lots must be out of the flood plain and have a clear title.
2. Offer new homeowners a two-year tax abatement as allowed under NDCC 57-02-08(35).
3. Help market the homes by using provided marketing materials, local newspapers, social media, word of mouth, etc.

If your city is interested in partnering with Red River CHDO on Spark Build 2026, now is the time to get organized. **Please send a Letter of Interest along with the following:**

- Address and dimensions of lots to be donated, along with location map, and disclosure of any special assessments on the lots.
- City council commitment to offer home buyers the 2-year tax abatement Information
- about current housing market and demand, including a list of all single- family housing sales in the past 12 months, and if applicable, letters of support from employers experiencing hiring challenges related to a lack of housing availability.
- Letters of interest from potential buyers (if available).
- Letters of interest to provide partial construction financing from local lenders (if any).
- Any other incentives for new construction available in the community (if any).

Please submit your Spark Build 2026 proposals to Red River CHDO. We are accepting projects on an ongoing basis.

Information should be submitted to Red River CHDO Executive Director Lisa Rotvold at:

Email: Lisa@redriverrc.com

Mail: Red River CHDO
516 Cooper Avenue, Suite 101
Grafton, ND 58237

Feel free to reach out with any questions Lisa@redriverrc.com

Red River Community Housing Development Organization (CHDO) is a 501(c) 3 non-profit organization whose purpose includes housing and community development for low- and moderate-income people, and underserved rural communities in Grand Forks, Nelson, Pembina, and Walsh Counties. Red River CHDO is a sister organization of Red River Regional Council.

