



COMMUNITY DEVELOPMENT DIVISION Community Development Board - Meeting Minutes

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Regular Meeting of the Community Development Board April 5, 2022

Board Members Present: Rebecca Noell, Jim Corson, Shane Noble, Joe Stockburger, Hannah Olson, Katrina Kruger, Jessica Schmidt, Kathleen Candelaria, Councilperson Denise Joy

Board Members Excused: Bret Rutherford

Staff Present: Brenda Beckett, Dina Harmon, Carly Collins, Wyeth Friday

Welcome / Introductions / Announcements: The Community Development (CD) Board met in the 6th Floor Conference Room of the Miller Building. Board Chair, Rebecca Noell, called the meeting to order at 3:00pm. Community Member, Kirsten Johanson, was also present.

Public Comment: None.

Meeting Minutes: Board member, Katrina Kruger, moved to approve the minutes from March. Board member, Shane Noble, seconded the motion. A vote was taken, and the minutes were approved unanimously.

Staff Reports:

- **First Time Home Buyer Program (FTHB):** Staff has funding available to continue assisting additional households.
- **Affordable Housing Development:** HomeFront decided not to move forward with project improvements at the Western Motel (previously known as "Off The Streets"). No expenditures were made, and funding will need to be reallocated.
- **Housing Rehabilitation:** The program remains on hold while staff works through processes for additional funding allocated to the City. No new applications were received in March.
- **Foreclosure Acquisition / Housing Rehabilitation Program:** No proposals were received for the Steffanich property; it is being readvertised on the City website and will remain open until a contract can be executed. Staff continues to assess options for development of new construction or purchase of a modular home on the property in the future.

There are no current foreclosure properties listed in Billings at this time. Staff continues to review sources that could lead to new properties for potential purchase.

- **CDBG-CV:** The Salvation Army submitted their second reimbursement request and report as scheduled. The DBA-BID has ordered the handwashing / bathroom facility. City Council approved the use of TIF funds to supplement this project.

The Parks Wi-Fi project was canceled by the Parks & Recreation Department, so this plan will not be moving forward. The additional Parks improvement projects are moving forward accordingly. Elementary students will be assisting with the design aspect at Comanche Park. The engineering work is nearly finished at Heritage Trail, and they may go out for bid following its completion. The Pioneer Park restroom improvements agreement has been completed and signed, so the project will begin soon. The Zimmerman Center accessibility improvements will be moving forward within the week. HUD is requesting additional information on the Environmental Reviews at North Park. Staff is working on gathering supplemental data including from the Phillips 66 refinery and information on endangered species to supply to HUD.

Staff has executed grant agreements for several CDBG-CV Fast-Track Public Services applications including Chinook Horses, Education Foundation (Billings Public Schools), Explorers Academy – Head Start, Family

Promise, and Alternatives, Inc. Four more applications are pending approval following submission and review of additional documentation from the organizations.

- **HOME-ARP:** Staff continues to work through program regulations and develop timelines for processes and a needs assessment. The Board will eventually be tasked with survey review, application / program development review, and identifying funding priorities based on survey data.
- **Billings-Metro VISTA Project (B-MVP):** Staff shared information about the available VISTA positions and agreed to email the Board an electronic copy so that positions can be marketed by Board members. Staff is focusing on local recruitment and housing solutions and is hopeful for the successful recruitment of Summer Associates and full-year members joining the B-MVP in July / August.

Updated Revenue Projections & Recommendations: Staff is estimating that there will be less CDBG funding, but more HOME funding allocated than in previous years. HUD will not provide information on allocation amounts until at least mid-May, but the CD Board will still need to establish priority funding allocation recommendations.

Staff reviewed the most current funding balances. The Division is still receiving program income repayments for CDBG and HOME. A neighborhood stabilization program grant was repaid and will need to be reallocated as program income. Available funding in CDBG-CV Fast-Track Public Services and HOME revenues have been added to the budget for CD Board allocation through the FY2022-2023 Annual Action Plan.

There have been some First Time Home Buyer closings to date using CDBG & HOME funding, and additional funding is needed for pending closures. There are three active VISTA grants that have run through this fiscal year. There will be rollover funds as well as a need for cost-share coverage. There also needs to be a CHDO allocation per HUD guidelines.

Staff recommended that CDBG & HOME be funded at the maximum administrative caps and the minimum 15% CHDO allocation be reserved. Staff also recommended funding VISTA as noted and allocating additional funding in FTHB and Foreclosure Acquisition / Housing Rehab. Staff recommends a higher amount for the Foreclosure program than in the past because there is no other foreclosure project in process and there will be no additional income repaid after it is sold.

Staff discussed the CHDO allocation and the eligibility guidelines for housing developers. Housing development must be the sole purpose of a proposed CHDO organization and income eligible beneficiaries must be active on their Board. These items are part of HUD's "developer capacity test" and the organizations must be qualified every year. Funding continues to be allocated regardless of an executed agreement with a local CHDO.

Staff also discussed with the CD Board that all public funding applications must be reviewed and recommended by the CD Board, as they are a federally mandated advisory board. Applications must be submitted through the Division, and they also must align with the Five-Year Consolidated Plan. There are priority deadlines, but applications can be submitted at any time during the year. It was discussed that for any CDBG-CV projects, HUD grant agreements must be executed prior to projects expending any funding.

The Board's recommendations will be presented at City Council on April 25th. Staff expects that City Council will have questions about the funding recommendations, so Board members were encouraged to attend this meeting. Brenda Beckett will provide a briefing for the Council ahead of time.

Code of Conduct & Recusals: All CD Board members reviewed and signed the Code of Conduct & Recusal forms and determined any recusals. Staff will retain copies of the forms.

Annual Action Plan – Funding Recommendations: Jim Corson moved to approve the funding recommendations for CDBG, HOME, VISTA, and CDBG-CV as specified and discussed with the exception of Affordable Housing, Fast-

Track Public Services, and Alternatives (CDBG-CV); Shane Noble seconded the motion; there was no additional discussion on the motion. The recommendation was approved unanimously.

Jim Corson moved to approve the funding recommendation allocation for Affordable Housing Development; Shane Noble seconded the motion; there was no additional discussion on the motion. The recommendation was approved unanimously. Kathleen Candelaria recused.

Jim Corson moved to approve the funding recommendation allocation for Alternatives (CDBG-CV); Shane Noble seconded the motion; there was no additional discussion on the motion. The recommendation was approved unanimously. Kathleen Candelaria recused.

Katrina Kruger moved to approve the funding recommendation for CDBG-CV Fast-Track Public Services; Hannah Olson seconded the motion; there was no additional discussion on the motion. The recommendation was approved unanimously. Jim Corson recused.

The Board will have another chance to review the funding balances and allocations again prior staff's submission of the Annual Action Plan in May.

Neighborhood Concerns & Happenings: No discussion.

Next Meeting: Board Chair Rebecca Noell adjourned the meeting at approximately 4:15pm. The next regular meeting will be held on May 3, 2022.

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