

Regular Meeting of the Community Development Board
June 7, 2011

Board Members Present: Jim Hartung, Tom Mahlen, Kathleen Candelaria, Emily Shaffer, David Goodridge

Board Members Excused: Patt Leikam, Tom Grimm, Kamber Kelly

Staff Present: Brenda Beckett, Dina Billington, Casey Brown, Lynda Woods

Welcome / Introduction / Announcements: The Community Development Board met in its regular monthly meeting located in the 4th Floor Large Conference Room, Parmly Billings Library, 510 N. Broadway, Billings, Montana. Chairperson Jim Hartung called the meeting to order at 3:00 p.m. and served as the meeting's presiding officer.

Public Comment: None.

Meeting Minutes: *Emily Shaffer moved that the minutes of the May 3, 2011 meeting be approved as written. Dave Goodridge seconded the motion and it passed unanimously.*

Staff Reports / Neighborhood Stabilization Properties Review: Staff reports were reviewed. A Minor Home Repair case was review and board update was provided. Beckett reviewed the Neighborhood Stabilization Program, including the following points:

- Two of the three properties acquired and rehabilitated must be sold to households with incomes less than 50% of the area median income (AMI). The last property can be sold to a household with an income up to 80% of the AMI.

The following chart is provided by staff in minutes for reference:

Household Size	50% AMI Limit	80% AMI Limit
1	\$22,300	\$35,700
2	\$25,500	\$40,800
3	\$28,700	\$45,900
4	\$31,850	\$50,950
5	\$34,400	\$55,050
6	\$36,950	\$59,150
7	\$39,500	\$63,200
8	\$42,050	\$67,300

- The purchase price of the home will be set at either the acquisition price plus the amount of funding utilized to rehabilitate the unit OR the new appraisal price, whichever is LOWER.
- Households applying for the First Time Homebuyer program have had the option to be considered for this program exclusively, as staff have a high number of households applying through this program and has not had sufficient funding to serve all eligible applicants with home purchase.

- Eligible households for the program will be chosen by the following criterion (but not limited to):
 - Current income information on file with a completed application.
 - Qualifying income level at 50% AMI for two houses and 80% AMI for one home.
 - Date of household approval for the First Time Homebuyer Program, first-come, first-served.
 - Ability to obtain / sustain a first mortgage.
- Households chosen for the program must be able to show proof of approval for a first mortgage.
- Monthly house payment (plus insurance / taxes) is established based on 30% of the household's adjusted gross income.
- A zero interest, deferred payment loan will be secured against the home with a Trust Indenture for the remaining sale price of the property, due on sale or refinance of the property.
- Funding from first mortgages will come back to the City to be re-invested in the program and is restricted to acquisition / rehabilitation of a vacant, foreclosed home in addition to program administrative costs (limited to 10% of total program income).

July's Meeting: The Community Development Board has typically cancelled July's regular meeting in the past.

A motion was made by David Goodridge and seconded by Emily Shaffer to cancel the July 2011 Community Development Board meeting. Motion passed unanimously.

Neighborhood Concerns: None.

Meeting adjourned.