

Regular Meeting of the Community Development Board
September 6, 2011

Board Members Present: Jim Hartung, Thomas Grimm, Thomas Mahlen, Kathleen Candelaria, Emily Shaffer, David Goodridge, Kamber Kelly, Patt Leikam

Board Members Excused: All present.

Staff Present: Brenda Beckett, Dina Billington, Casey Brown, Lynda Woods, Denise Bohlman, Candi Beaudry

Welcome / Introduction / Announcements: The Community Development Board met at 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.

Public Comment: None.

Meeting Minutes: *Kamber Kelly, Vice Chair, moved that the minutes of the August 2, 2011 meeting be approved as written. Dave Goodridge seconded the motion and it passed unanimously.*

Review Denial of Application for Minor Home Repair as per Appeals Process: Lynda Woods gave a presentation about the Minor Home Repair program and the appeals process. She began by giving a brief overview of the differences between the Rehabilitation Loan Program and the Minor Home Repair Program. She continued by explaining the eligibility requirements set out by HUD for CDBG funds and the application process and determination of eligibility for a Minor Home Repair grant.

Lynda gave a detailed timeline surrounding the denial of the application in questions and the basis for the denial as the household's resources exceeded the resource limit per guidelines. Lynda recommended that the Community Development Staff's decision to deny the application be upheld by the Board.

The Applicant then addressed the Board and asked that the Board consider repealing the denial of the application. Discussion was held concerning possible options for the homeowner and clarification of HUD guidelines.

David Goodridge moved to approve the Staff's recommendation to uphold the denial of the application. Kamber Kelly seconded the motion and it passed unanimously. No further discussion. The denial holds.

Staff Reports: Staff reports were reviewed. Dina Billington reported the First Time Home Buyer's Program funds are fully committed with 5 properties left to close within the next two weeks. The State has given approval of the documentation used to approve applicants for the Neighborhood Stabilization Program.

- 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).

Two households have been identified as qualifying for the programs and the properties will be shown for their selection.

Lynda Woods stated that Staff followed the Board's recommendation to not obtain additional appraisals on two of the three properties. However, chose to obtain a second appraisal on the Cambridge property which proved a lower valuation than the first appraisal.

Lynda reported the Housing Rehabilitation Loan Program is 20% committed. Two loans closed in August and 4 projects are under construction and 7 homeowners are actively seeking bids.

As for the Minor Home Repair Program, 15% of the funding is committed with 2 grants being awarded in August. In addition, 2 projects are under construction and 9 homeowners are actively seeking bids. The challenge with Minor Home Repair Program is locating contractors interested in repair mobile homes. Lynda has published an ad to recruit contractors and will be holding a contractor information session on September 28th, at 8:00 a.m., in an effort to obtain more contractors to work on mobile homes. There is also an active Section 3 recruitment to obtain individuals or businesses to benefit low-income individuals and provide economic opportunities for low-income individuals. A Section 3 business is a business wherein 51% of the ownership is by someone who is a public housing resident or is low to moderate-income; or they hire 30% or more of their employees who are public housing residents or are low to moderate-income.

All 3 of the Neighborhood Stabilization Program homes are completed and ready to be shown to new home buyers. Community Development has received approval from the State for the acquisition process and the qualifying potential home buyers will be contacted.

Brenda spoke of the conveyance procedure and transfers of the properties may require a public notice to area property owners which she will consult with the City's legal department regarding clarification of protocol.

AmeriCorps*VISTA Casey Brown had an ad published in Casa Village through their newsletter. Perhaps because of that publication, Community Development experienced an increase in applications, however, because the program limits the homes eligible for assistance to 30 years or newer, many of the homes may be eliminated.

Casey reported she has been working on the reporting for the 10-year plan to end homelessness. The CAPER is due for public review on September 9th and she is contacting organizations to obtain their reporting data to enter into spreadsheets to be used for that purpose. Casey is also preparing a presentation to be given to the Mayor's Committee on Homelessness on September 8th. She will be reporting the results in met or exceeded goals and goals unmet or gaps in services. She is also researching other City's websites to learn what is being done in other Communities to end homelessness. She is looking to market Fiscal years 2009 - 2011's results. She will be asking for the Committee's suggestions and input as to what the City wants to implement to educate the Community.

Candi Beaudry reported a successful meeting with HUD representative, Rick Garcia. He visited the Whitetail Run Subdivision and toured the East Billings Urban Renewal District on August 30, 2011. She stated the importance of his visit in light of the submission for a \$3 million grant for property acquisition with a focus on the East Billings Urban Renewal District, a low-moderate income census tract. It qualifies for this funding. One catalyst project is Homeword, an affordable housing project and a HOME allocation that this Board approved. It would be co-located with the North Park Children's Center, which is a pre-kindergarten child development center. So affordable housing with a childcare center that provides childcare to not only potential residents in that area (which is a 28 to 34 unit housing development), but also provide childcare to employees and residents in the North Park area. This effort to obtain funding is through a consortium of many different agencies and businesses that is known as the "Sustainable Communities Fund".

Another project is "Art Space" for artists with the idea of affordable housing, a working studio and a way to market their pieces, so it will have a mixed-use for the property. Habitat for Humanity is looking into building units with common walls such as town homes, as well. So there are many projects that could benefit from this funding.

Brenda stated that the FHIP report had 49 activities to be detailed and it was submitted to HUD on time. The summary report may be reviewed at the Community Development office.

Comprehensive Annual Performance Evaluation Report (CAPER) Review: Brenda reported progress made to date on the CAPER. HUD has a revised structure for this year's CAPER. She is assessing program goals and accomplishments and deriving information from subrecipient reports. Brenda reported that 524 households have been served through the First Time Home Buyer's Program since its inception, as an example of the information being reported. A public hearing will be held on September 26th at the City Council Meeting concerning this report.

AmeriCorps*VISTA Program Final Report Update: Brenda discussed the cumulative outcomes and impact the VISTA program has had in the Billings area. The total project impact, including cash grants and member volunteer time is over \$2 million! We may be able to recruit a VISTA leader, someone who has already been a VISTA, to help with the recruitment process, project administration and reporting for January. This will also come with additional funding to the Billings Metro VISTA Project. In January, Billings may have 7 VISTAS again!

According to the report for Fiscal Year 2010-2011, 3,600 individuals who had not been previously served, were served by the VISTA program. The volunteers have exceeded every goal that was set by Brenda and the supervisors. It was reported that 36 homeless families were provided housing.

Neighborhood Concerns: None.

Tentative Schedule: Next Board meeting is tentatively scheduled for Tuesday, October 4th, 2011 at 3:00 p.m.

Meeting adjourned at 4:22 p.m.