

MONTANA BOARD OF HOUSING

MACo Conference Room - 2715 Skyway Drive - Helena, Montana

March 18, 2013

ROLL CALL OF BOARD

MEMBERS: J.P. Crowley, Chairman (Present)
Betsy Scanlin, Vice Chairman (Excused)
Bob Gauthier (Excused)
Doug Kaercher (Present)
Jeanette McKee (Excused)
Sheila Rice (Present)

STAFF: Bruce Brensdal, Executive Director
Chuck Nemecek, Accounting
Mary Bair, Multifamily Program
Vicki Bauer, Homeownership Program
Paula Loving, Administrative Assistant
Angela Heffern, Accounting Program
Kellie Guariglia, Multifamily Program
Charlie Brown, Homeownership Program
Jeannene Maas, Homeownership Program

COUNSEL: Greg Gould, Luxan and Murfitt

UNDERWRITERS: John Wagner, Kutak Rock

OTHERS: Nate Richmond, BlueLine Development
Liz Mogstad Rocky Mountain Development Council
Dan Billmark, Accessible Space, Inc.
Alex Burkhalter, Housing Solutions
Patrick Klier, Summit Housing Group
Rusty Snow, Summit Housing Group
Kelly Gill, BlueLine Development
Nate Shepard, BlueLine Development
Jonathan Reed, Jonathan Reed & Associates, Inc.
Tim Stefan, Stefan Associates
Mat Rude, Rocky Mountain Development Council
Jerry Jimson, City of Glendive
Sharon Haugen, City of Helena
Gregory Dunfield, GMD Development
Heather McMilin, Homeward, Inc.

Wiley Baker, Ft Harrison Veterans Residences LP
Julie Marple, Northwest Real Estate Capital Corp.
Gene Leuwer
Jerilee Wilkersen, Rocky Mountain Development Council
Charles Aagenes, Area IV Agency on Aging
Jim Morton, HRDC District XI
Gib Glassen, Housing Authority of Billings
Pat Will
Jim Shanks, Wolf Point Commissioner
Gary Macdonald, Roosevelt County
Beki Brandborg
Tim Duggan, Fort Peck Sustainable Village – Make It Right
Jason Campbell, Arete' Development Group
Dale Taliaferro, Area IV Agency on Aging
Frank Soltys, Benefis Health System
Fred Sterhan, Mountain Plains Equity Group
Tim Morgan, Mountain Plains Equity Group
Jim Smith, City of Helena
Dewayne Jager, City of Wolf Point
Richard Isle, City of Wolf Point
Gerald Fitts, Evergreen International
Lucy Brown, Housing Authority of Billings
Paul Groshart, Richland County Housing Authority
Tim Buck
Margie Wood, Eagles Manor
Marlene Rule, Eagles Manor
Sharon Kilmer, Eagles Manor
Bob Sandifer, Eagles Manor
Jim Martenez, Eagles Manor

CALL MEETING TO ORDER

Chairman J.P. Crowley called the Montana Board of Housing (MBOH) Board meeting to Order at 10:05 a.m. Chairman Crowley suspended the Board meeting for the 2014 Qualified Allocation Plan Public Hearing. Upon resuming the MBOH Board meeting, introductions were made.

APPROVAL OF MINUTES

As no quorum was present, the approval of February 25, 2013 minutes was postponed.

FINANCE PROGRAM

Chuck Nemec presented the Finance update. The 10-year US Treasury was trading at 1.95%, which is ten basis points lower than previous weeks. This change is primarily due to Europe. Cypress Banks are having issues, causing

other countries are reverting to the safety of US Treasury. As a result, the Homeownership's interest rate isn't very competitive at this time. MBOH Staff is in discussion with RBC Capital in regards to a new bond issuance worth approximately \$55 million for the Homeownership program, resulting in approximately \$25 million for new loans.

HOMEOWNERSHIP PROGRAM

Vicki Bauer provided the Homeownership Program update. Vicki stated there is approximately \$2.7 million available in the last bond issue for new home loans and therefore, the need for a bond issuance. The homebuyer education counseling grant was submitted on behalf of the Board, along with the NeighborWorks Montana. HUD had approximately \$15 million available for our funding of homebuyer education and counseling. Sheila Rice thanked MBOH for participating in this grant.

MULTIFAMILY PROGRAM

Mary Bair provided the Board with the Multifamily Program update. The Court lifted the restraining order with Freedoms Path. Greg Gould stated the District Court entered a narrow preliminary injunction requiring MBOH to set aside the 2012 Fort Harrison application Tax Credit amount from the 2013 Tax Credits for the possible decision. The Court did state that MBOH is free to proceed with the 2013 Low Income Housing Tax Credit Allocation process. The Court also stated it would expedite the decision; however, no clarification was given on timeline. Fort Harrison asked for the Court to shut down the 2013 Allocation process and have MBOH rewrite the Plan, allowing Freedoms Path and others applicants to apply for the new 2013 QAP. The Court did not grant this motion.

Mary Bair introduced the 14 applications for the 2013 Low Income Housing Tax Credits.

Wolf Point Village - located in Wolf Point. Presented by Jonathan Reed of Jonathan Reed & Associates LLC, this is a 24 unit New Construction family project requesting \$403,599 in Tax Credits. This project will serve three units at 40% Average Medium Income (AMI), 15 units at 50% AMI and six units at 60% AMI. City of Wolf Point Mayor, DeWayne Jager stated this project was unanimously approved by city council. County Commissioner for Roosevelt County, Jerry McDonald, stated he has been receiving calls from tenants on fixed incomes whose rent continue to increase and are hoping for help. Property Manager Pat Will stated the need for housing in Wolf Point has been an issue for so long that they are losing young people because of no housing available.

Voyageur Apartments - located in Great Falls. This is a 37 unit New Construction senior project requesting \$647,500 in Tax Credits. Presented by Dan Billmark, Accessible Space, Inc., this project will serve four units at 40% AMI, 25 units at 50% AMI and eight units at 60%.

Fort Peck Sustainable Village - located in Poplar. This is a 20 unit New Construction family project requesting \$647,500 in Tax Credits. Presented by Tim Duggan, Make It Right Collaboration, this project will serve two units at 40% AMI, 13 units at 50% AMI, and five units at 60% AMI. Jason Campbell, Kalispell Tribal and Arete' Development Group, LLC, provided a history of the efforts of providing a sustainable economic development and community within Fort Peck.

Pearson Place - located in Glendive. This is a 27 unit New Construction family project requesting \$523,300 in Tax Credits. Presented by Alex Burkhalter, Housing Solutions LLC., this project will serve three units at 40% AMI, 17 units at 50% AMI, and seven units at 60% AMI. Mayor of Glendive, Jerry Jimison, spoke about the current rental prices and the income levels. The City of Glendive does not have any affordable living for those individuals whose income is about \$15/hour. The City of Glendive has shown its dedication to this project by donating the land for this project.

Sunset Village - located in Sidney. This is a 36 unit demolition/rehabilitation family project requesting \$594,994. Presented by Fred Sterhan, Mountain Plains Equity Group, this project will serve four units at 40% AMI, 22 units at 50% AMI, and ten units at 60% AMI. Paul Groshart, Richland County Housing Authority, stated his appreciation of past project and would appreciate the opportunity to have the Sunset Village approved.

Red Fox Apartments - located in Billings. This is a 30 unit New Construction family project requesting \$642,986 in Tax Credits. Presented by Gib Glassen, Housing Authority of Billings, this project will serve three units at 40% AMI, 19 units at 50% AMI, and eight units at 60% AMI. Lucy Brown, Housing Authority of Billings, provided additional information.

North Evergreen Village - located in Kalispell. This is a 15 unit new construction family project requesting \$258,000 in Tax Credits. Presented by Gerald Fritts, Evergreen International, this project is a small rural project and will serve ten units at 50% AMI and five units at 60%.

South Avenue Senior Living - located in Missoula. This is a 42 unit new construction senior/disabled project requesting \$416,103 in Tax Credits. Presented by Gerald Fritts, Evergreen International, this project will serve 26 units at 50% AMI and 16 units at 60% AMI.

Cascade Ridge Phase II - located in Great Falls. This is a 16 unit new construction senior project requesting \$269,954 in Tax Credits. Presented by Frank Soltys, Benefis Health System, this project will serve two units 40% AMI, ten units at 50%, and four units at 60% AMI.

Hillview Apartments - located in Havre. This is a 52 unit rehabilitation family project requesting \$625,000 in Tax Credits. Presented by Heather McMilin, Homeward, and Greg Dunfield, GMD Development, this project will serve six units at 40% AMI, 32 units at 50% AMI, 13 units at 60% AMI, and one property manager unit.

Clark Fork Apartments - located in East Missoula. This is a 40 unit new construction family project requesting \$647,500 in Tax Credits. Presented by Patrick Klier, Summit Housing Group on behalf of Missoula Housing Authority, this will serve four units at 40%, 26@50%, 10@60% this project will serve four units at 40% AMI, 22 units at 50% AMI, and ten units at 60% AMI.

Buffalo Grass Apartments - located in Cut Bank. This is a 14 unit new construction family project requesting \$259,000 in Tax Credits. Presented by Nate Richmond, BlueLine Development, this project is a small rural project and will serve two units at 40% AMI, nine units at 50% AMI, and three units at 60% AMI. Julie Marple, Northwest Real Estate Capital Corporation (NRECC), spoke about the experience of NRECC.

Aspen Place - located in Missoula. This is a 36 unit new construction senior project requesting \$575,000 in Tax Credits. Presented by Jim Morton, District XI HRC, this project will serve four units at 40% AMI, nine units at 50% AMI, and nine units at 60% AMI.

North Stone Residence - located in Helena. This is a 30 unit new construction senior project requesting \$647,500 in Tax Credits. Presented by Mat Rude, Rocky Mountain Development Council, will project serve three units at 40% AMI, 23 units at 50% AMI, and four units at 60% AMI. Support was given by Sharon Haugen - City of Helena; Andy Hunthausen - Lewis and Clark County Commissioner; Dale Taliaferro - Area IV Agency on Aging; Charles Aagenes – Area IV Agency on Aging; and residents from Eagles Manor - Marlene Rule, Sharon Kilmer, Bob Sandifer, and Jim Martinez.

EXECUTIVE DIRECTOR

Bruce Brensdal reviewed the April Meeting, stating the meeting location would be the same as this March's meeting. Bruce reminded the Board of topics needing action at the April meeting: 2014 Qualified Allocation Plan; Homeownership Bond Resolution; and 2013 Low Income Tax Credit Allocation.

Penny Cope reminded the Board of the 2013 Mountain Plains Housing Summit in Bozeman, May 6-8, and the 2013 Montana Housing Partnership Conference in Missoula, May 21-23.

Meeting adjourned at 2:00 p.m.

J.P. Crowley, President

Date