ROLL CALL OF BOARD

MEMBERS: 
J.P. Crowley, Chairman (Present)  
Bob Gauthier (Present) 
Doug Kaercher (Excused) 
Ingrid Firemoon (Excused) 
Jeanette McKee (Present) 
Pat Melby (Present) 
Sheila Rice (Present)

STAFF: 
Bruce Brensdal, Executive Director  
Vicki Bauer, Homeownership Program 
Mary Bair, Multifamily Program 
Stacy Collette, Operations Manager 
Mary Palkovich, Mortgage Servicing Program 
Penny Cope, Marketing 
Todd Jackson, Marketing 
Paula Loving, Executive Assistant 
Rena Oliphant, Multifamily Program 
Charlie Brown, Homeownership Program 
Ryan Collver, Multifamily Program 
Ashly Amato, Assistant 
Kellie Guariglia, Multifamily Program

COUNSEL: 
Greg Gould, Luxan and Murfitt 
John Wagner, Kutak Rock

UNDERWRITERS: 
Mina Choo, RBC Capital 
Patrick Zhang, RBC Capital

OTHERS: 
Trent Rogers, Travios 
Mark Shrives, City of Polson 
Kyle Roberts, City of Polson 
Rvonda Stordahl, Butte Affordable Housing 
Heather, Jurvakainen, Park County Commission 
Bill Borg, Park County Commission 
Katie Weaver, MSU Park Co Extension 
Steve Caldwell, Park County Commission 
Lawson Mooreau, Park County Planning 
Wm, Michael Inman, Park County Planning 
Clint Tinsley, Park County Commision 
Tom Mannschreck, Thomas Development

Webinar  
301 S. Park Avenue, Room 228 – Helena, Montana 59601 
January 23, 2017
Chancy Kittson, Blackfeet Housing  
Tim Howard, ACC  
Don Sterhan, Mountain Plains Equity Group  
Logan Anderson, Mountain Plains Equity Group  
Bruce Houle, Town of Culbertson  
Heather McMilin, Homeword  
Gene Leuwer, GL Development  
Merry Lee Olson, Gateway Vista – YWCA  
Leah Kautz, Livingston/Park County  
Chris DSchaak, City of Wolf Point  
Gregory Dunfield, GMD Development  
Michael Wajdylak, Park County Board of Realtors  
Erica Lasher, Butte Housing Authority  
Liz Mogstad, RMDC  
Beki Brandborg, Echo Enterprises  
Mary Cleland, Tribal Homeless Shelter  
Vermae Taylor, Homeless Shelter  
Andrea Davis, Homeword  
Kent Mortier, Theis and Talle  
Holly Phelps, City of Lewistown  
Heather Grenier, HRDC 9  
Steve Dymoke, GMD Development  
Brianna Vines  
Kimball Rogers  
Ashley Grant  
Bonnie Craigle  
Fred Sterhan  
Bren Lowe  
Eileen Pickartz  
Gordon Delkers  
Laura Bland  
Tori Matejovsky  
Karissa Drye

These written minutes, together with the audio recordings of this meeting and the Board Packet, constitute the official minutes of the referenced meeting of the Montana Board of Housing (MBOH). References in these written minutes to tapes (e.g., Tape 1 – 4:34) refer to the location in the audio recordings of the meeting where the discussion occurred and the page numbers refer to the page in the Board Packet. The audio recordings and Board Packet of the MBOH meeting of this date are hereby incorporated by reference and made a part of these minutes. The referenced audio recordings and Board Packet are available on the MBOH website at Meetings and Minutes.

CALL MEETING TO ORDER
1:36 Chairman J.P. Crowley called the Montana Board of Housing (MBOH) meeting to order at 8:37 a.m. Introductions were made.

7:26 Chairman Crowley asked for any public comment that is not listed on the agenda.


APPROVAL OF MINUTES
December 12, 2016 Board Meeting Minutes – page 3 of the packet

7:54 Jeanette McKee moved to approve the December 12, 2016 MBOH Board meeting minutes and Bob Gauthier seconded the motion.

8:02 Chairman Crowley asked for comments.

The December 12, 2016 MBOH Board minutes were approved unanimously.

MULTIFAMILY PROGRAM
2017 Housing Credits – page 7 – 164 of the packet

8:34 Sheila Rice declared she had a conflict of interest and will not be voting on the Housing Credit allocations.

9:08 Kellie Guariglia provided the Board with an overview of the 2017 Housing Credits site locations.

11:33 Chairman Crowley provided guidelines for the final input and public comment for each of the Housing Credit applications.

12:45 Mary Bair introduced the 2017 Housing Credit applications.

12:47 Roosevelt Villas is located Wolf Point and Culbertson and is an acquisition/rehabilitation of 16 senior units. Housing Credits requested is $2,680,000.

13:42 Bruce Houle, Town of Culbertson, made public comment.

16:39 Chris DSchaak, City of Wolf Point, made public comment.


19:46 Polson Landing is located in Polson and is a new construction of 35 family units. Housing Credits requested is $6,150,000.

20:12 Mark Shrives, City Manager of Polson, made public comment.

23:10 Kyle Roberts, City Planner of Polson, made public comment.

25:51 Alex Burkhalter, Housing Solutions, made public comment.

27:07 Aspen Place III is located in Butte and is a new construction of 32 family units. Housing Credits requested is $5,256,450.


30:42 Rvonda Stordahl, Butte Affordable Housing, made public comment.

31:17 Thomas Mannschreck addressed the pricing of the project.

32:13 Mary Bair stated more public comment for Roosevelt Villas was available.

32:29 Vermae Taylor, Employee of Wolf Point Homeless Shelter, made public comment.

35:39 Mary Cleland, Tribal Homeless Shelter, made public comment.
Gateway Vista is located in Billings and is a new construction of 24 family units. Housing Credits requested is $3,817,350.

Merry Lee Olson, YWCA, made public comment.

Blackfeet VI is located in Browning and is a new construction of 30 family units. Housing Credits requested $6,700,000.

Chancy Kittson, Blackfeet Housing, made public comment.

Livingston Hospital is located in Livingston and is an acquisition/new construction of 35 family units. Housing Credits requested is $5,840,000.

Steve Caldwell, Park County Commission, made public comment.

Heather Jurrrakainen, Park County Health Department, made public comment.

Katie Weaver, MSU Park County Extension, made public comment.

Michael Wajdylak, Park County Board of Realtors, made public comment.

Tracy Greiner, HRDC 9, made public comment.

Heather McMilin, Homeword, made public comment.

Mike Inman, Park County Planning, made public comment.

Brian _____, Livingston Healthcare, made public comment via phone.

The Meadows is located in Lewistown and is an acquisition/rehabilitation of 35 senior units. Housing Credits requested is $3,506,510.

A male resident of The Meadows made public comment. Name was not provided.

A female resident of The Meadows made public comment. Name was not provided.

Beverly Kinkler, The Meadows resident, made public comment.


Kent Mortner, Theis and Talle, made public comment.

Heather McMilin, Homeword, made public comment.

Mary Bair read a legal memo written by Board Counsel, Greg Gould from Luxan & Murfitt regarding the underwriting of Rockcress Commons.

After Mary Bair advised the applicant of the issues outlined in my memorandum, the applicant was able to call her attention to items and information in the submitted application that allow staff to underwrite the application in accordance with all QAP requirements. Based upon this application information, Mary then revisited the application and was able to complete the underwriting of the 9% application without considering additional numbers from outside the application. In light of these
developments, the application met all QAP requirements and may be considered for an award of credits.

Rockcress Commons is located in Great Falls and is a new construction of 43 family units. Housing Credits requested is $6,702,500.

1:15:48 Bret Doney, Great Falls Development Authority, made public comment.
1:17:25 Bob Kelly, Mayor of Great Falls, made public comment.
1:20:00 Neil Fortier, NeighborWorks of Great Falls, made public comment.
1:24:48 Steve Dymoke, GMD Development, made public comment.

1:28:10 Stacy Collette presented J.P. Crowley with a gift from the Montana Board of Housing as appreciation for his years as a member of the Board.

1:29:26 Chairman Crowley expressed his gratitude to the Board, the staff and the State of Montana.

1:48:50 Mary Bair reviewed the 2017 Housing Credit supporting documentations and support letters, including the 10% proposed pricing adjustment due to the current investor rates.

1:50:16 Chairman Crowley pointed out to the Board that if the Board is to include the pricing adjustment, page 10 of the Board Packet included a motion language for each allocation.

1:51:01 The following proposed motion was displayed.

**Proposed Motion 1**

(for each project awarded)

Move to award 2017 Housing Credits to ____ (project) ____ in the amount of ________ originally requested, as well as the additional amount of ________ recommended by staff, for a total Housing Credit amount of $ __________, contingent upon the applicant submitting to MBOH by 5:00 PM MST February 28, 2017 a revised Uniform Application (UNIAPP) adjusting only the “Sources and Uses” pages to address the project’s funding gap and providing such supplemental documentation for the project as determined necessary by MBOH staff to determine that the project is financially feasible, e.g., letters of interest from lenders and/or syndicators. Such award shall expire and the Housing Credits shall return to the available credit pool for other award and allocation as provided by the Board if the applicable contingency is not met by the February 28, 2017 submission deadline.

**Proposed Motion 2**

Move to rank the remaining applicant projects in the following order of priority for purposes of a later potential award of 2017 Housing Credits as provided below in the event that one or more conditionally awarded projects are unable to submit revised “Sources and Uses” and sufficient supporting documentation by the February 28, 2017 deadline, or in the event that one
or more such projects return the awarded 2017 credits to MBOH before October 1, 2017.

1:52:24 Bob Gauthier asked a question which was not audible on tape.

1:52:40 Greg Gould, Luxan & Murffit, replied with a yes response and further clarified that motion one would be used for those projects that receive an award; all contingent on the submission of the additional documentation to take into consideration the drop in pricing for the Credits. Mr. Gould explained once the award of the projects was complete, the Board would rank the remaining projects because of the uncertainty of the market and some of those selected projects were not able to move forward. That would allow staff to go ahead and move forward with another project in order without having to come back to the Board.

1:53:40 Bob Gauthier stated the Board is faced with very tough decisions today because of the great projects submitted and would expressed the need for the outreach to the State of Montana for affordable housing.

1:55:10 Pat Melby questioned MBOH staff on the Rockcress Commons Housing Credits requested.

1:55:18 Mary Bair confirmed staff and NeighborWorks are similar.

1:55:26 Pat Melby moved to adopted the language for proposed motion one and the adjusted figures be used to determine allocation of Housing Credits. Jeanette McKee seconded the motion.

1:56:20 Chairman Crowley asked for public comments.

1:56:42 The motion passes unanimously.

1:57:04 Bob Gauthier moved to award 2017 Housing Credits to Blackfeet VI in the amount of $6,700,000 originally requested, as well as the additional amount of $75,000 recommended by staff, for a total Housing Credit amount of $6,775,000, contingent upon the applicant submitting to MBOH by 5:00 PM MST February 28, 2017 a revised Uniform Application (UNIAPP) adjusting only the “Sources and Uses” pages to address the project’s funding gap and providing such supplemental documentation for the project as determined necessary by MBOH staff to determine that the project is financially feasible, e.g., letters of interest from lenders and/or syndicators. Such award shall expire and the Housing Credits shall return to the available credit pool for other award and allocation as provided by the Board if the applicable contingency is not met by the February 28, 2017 submission deadline. Jeanette McKee seconded the motion.

1:57:22 Chairman Crowley asked for public comment.

1:57:35 Bob Gauthier provided support to the project.

1:58:06 A roll call vote was taken:

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<td>Bob Gauthier</td>
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<td>Jeanette McKee</td>
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<td>Pat Melby</td>
<td>Yes</td>
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<td>J.P. Crowley</td>
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The Blackfeet VI was approved for $6,775,000 as stated above unanimously.

1:58:24 Jeanette McKee moved to award 2017 Housing Credits to Polson Landing in the amount of $6,150,000 originally requested, as well as the additional amount of $615,000 recommended by staff, for a total Housing Credit amount of $6,765,000, contingent upon the applicant submitting to MBOH by 5:00 PM MST February 28, 2017 a revised Uniform Application (UNIAPP) adjusting only the “Sources and Uses” pages to address the project’s funding gap and providing such supplemental documentation for the project as determined necessary by MBOH staff to determine that the project is financially feasible, e.g., letters of interest from lenders and/or syndicators. Such award shall expire and the Housing Credits shall return to the available credit pool for other award and allocation as provided by the Board if the applicable contingency is not met by the February 28, 2017 submission deadline. Bob Gauthier seconded the motion.

1:58:58 Jeanette McKee provided support for this project.

1:59:32 Chairman Crowley asked for any public comment.

1:59:40 A roll call vote was taken:

Bob Gauthier  Yes
Jeanette McKee  Yes
Pat Melby  Yes
J.P. Crowley  Yes

The Polson Landing was approved for $6,765,000 as stated above unanimously.

1:59:52 Pat Melby moved to award 2017 Housing Credits to Rockcress Commons in the amount of $6,702,500 originally requested, as well as the additional amount of $72,500 recommended by staff, for a total Housing Credit amount of $6,775,000, contingent upon the applicant submitting to MBOH by 5:00 PM MST February 28, 2017 a revised Uniform Application (UNIAPP) adjusting only the “Sources and Uses” pages to address the project’s funding gap and providing such supplemental documentation for the project as determined necessary by MBOH staff to determine that the project is financially feasible, e.g., letters of interest from lenders and/or syndicators. Such award shall expire and the Housing Credits shall return to the available credit pool for other award and allocation as provided by the Board if the applicable contingency is not met by the February 28, 2017 submission deadline. Jeanette McKee seconded the motion.

2:00:10 Pat Melby provided support to the project.

2:00:45 Chairman Crowley asked for public comment.

2:00:57 A roll call vote was taken:

Bob Gauthier  Yes
Jeanette McKee  Yes
Pat Melby  Yes
J.P. Crowley  Yes
The Rockcress Commons was approved for $6,775,000 as stated above unanimously.

2:01:15 Bob Gauthier moved to award 2017 Housing Credits to Gateway Vista in the amount of $3,817,350 originally requested, as well as the additional amount of $381,735 recommended by staff, for a total Housing Credit amount of $4,199,085, contingent upon the applicant submitting to MBOH by 5:00 PM MST February 28, 2017 a revised Uniform Application (UNIAPP) adjusting only the “Sources and Uses” pages to address the project’s funding gap and providing such supplemental documentation for the project as determined necessary by MBOH staff to determine that the project is financially feasible, e.g., letters of interest from lenders and/or syndicators. Such award shall expire and the Housing Credits shall return to the available credit pool for other award and allocation as provided by the Board if the applicable contingency is not met by the February 28, 2017 submission deadline. Pat Melby seconded the motion.

2:01:15 Bob Gauthier provided support to the project.

2:01:56 Chairman Crowley asked for public comment.

2:02:04 A roll call vote was taken:

- Bob Gauthier Yes
- Jeanette McKee Yes
- Pat Melby Yes
- J.P. Crowley Yes

The Gateway Vista was approved for $4,199,085 as stated above unanimously.

2:03:31 Pat Melby moved to award the remaining credits of the 2017 Housing Credits to Roosevelt Villas in the amount of $3,817,350 originally requested. Bob Gauthier seconded the motion.

2:03:55 Chairman Crowley asked for public comment.

2:04:08 Mary Cleland thanked the Board for the consideration of this project.

2:04:20 A roll call vote was taken:

- Bob Gauthier Yes
- Jeanette McKee Yes
- Pat Melby Yes
- J.P. Crowley Yes

The Roosevelt Villas was approved for the remaining 2017 Housing Credit unanimously.

2:04:36 Chairman Crowley thanked all the applicants for the submissions for the 2017 Housing Credits.

2:06:04 Chairman Crowley reviewed proposed motion 2 – the ranking of the remaining unfunded 2017 Housing Credits applicants.

2:06:45 Chris DSchaak requested that Roosevelt Villas to be considered within the first ranking since the project did not receive allocation of full Housing Credits.
2:07:22 Pat Melby moved to place Roosevelt Villas in the #1 ranking for awarding 2017 Housing Credits based on the viability of awarded projects and/or any unused Credits after evaluation of supporting documentation. Jeanette McKee seconded the motion.

2:09:20 Chairman Crowley asked for public comments

2:09:22 A roll call vote was taken:

Bob Gauthier  Yes
Jeanette McKee  Yes
Pat Melby  Yes
J.P. Crowley  Yes

The Roosevelt Villas was approved for any unused remaining 2017 Housing Credit and/or be placed as #1 on the ranking based on the viability of awarded projects unanimously.

2:09:40 Jeanette McKee moved to place Livingston Memorial as #2 on the ranking based on the viability of awarded projects. Bob Gauthier seconded the motion.

2:09:48 Chairman Crowley asked for public comments

2:10:02 A roll call vote was taken:

Bob Gauthier  Yes
Jeanette McKee  Yes
Pat Melby  Yes
J.P. Crowley  Yes

The Livingston Memorial was approved to be placed as #2 on the ranking based on the viability of awarded projects unanimously.

2:10:17 Bob Gauthier moved to place The Meadows as #3 on the ranking based on the viability of awarded projects. Pat Melby seconded the motion.

2:10:35 Chairman Crowley asked for public comments

2:10:50 A roll call vote was taken:

Bob Gauthier  Yes
Jeanette McKee  Yes
Pat Melby  Yes
J.P. Crowley  Yes

The Meadows was approved to be placed as #3 on the ranking based on the viability of awarded projects unanimously.

2:11:21 Pat Melby moved to place Aspen Place III as #4 on the ranking based on the viability of awarded projects. Bob Gauthier seconded the motion.

2:11:27 Chairman Crowley asked for public comments

2:10:32 A roll call vote was taken:

Bob Gauthier  Yes
Jeanette McKee  Yes
The Aspen Place III was approved to be placed as #4 on the ranking based on the viability of awarded projects unanimously.

**Multifamily Program Update – page 179 of packet**

2:12:10 Mary Bair introduce Ryan Collver as the new compliance specialist in the Multifamily program.

**FINANCE PROGRAM**

**Trustee Certificate of Authority – page 183 of packet**

2:13:05 Ginger Pfankuch brought to the Board the Wilmington Trust Certificate of Authority and Resolution 17-0123-SFTrustee.

2:13:50 Sheila Rice moved to approve Resolution No 17-0123-SFTrustee and Bob Gauthier seconded the motion.

2:14:03 Chairman Crowley asked for public comment.

2:14:10 Resolution No. 17-0123-SFTrustee was approved unanimously.

**Finance Program Update – page 187 of packet.**

2:14:38 Ginger Pfankuch provided the Finance Program update.

2:14:39 Mina Choo, RBC Capital, provided an update on the market for the upcoming bond issuance.

**HOMEOWNERSHIP PROGRAM**

**Lender Fee Approval – page 191 of packet**

2:20:50 Vicki Bauer brought to the Board the new Lender Fee for approval.

2:24:09 Sheila Rice moved to approve the following Lender Fee.

All costs incurred by the Mortgagor in acquiring the Residence and obtaining the Mortgage Loan shall be reasonable and shall not exceed the usual costs incurred by a person acquiring like property where financing is not being provided through the Board. Other costs, which may not exceed usual and reasonable fees and charges include: credit report fees, survey fees, appraisal fees, title fees, title insurance, legal fees, and other similar costs which are paid directly to a third party not controlled by the Participating Lender.

Lender fees such as application fees, administrative fees, underwriting fees, processing fees and document preparation fees cannot exceed a total of $500.

Bob Gauthier seconded the motion.

2:24:24 Chairman Crowley asked for public comment.

2:24:31 Bob Gauthier voiced concern on how this will affect the borrower but understands the need for quality underwriting.

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Sheila Rice shared Bob’s concerns, however, the lender’s compliance has grown drastically.

The lender fee increase as mentioned above was approved unanimously.

Homeownership Program Update – page 195 of the packet

Vicki Bauer provided the Board with the Homeownership program update.

MORTGAGE SERVICING PROGRAM

Mortgage Servicing Program Update – page 197 of the packet

Mary Palkovich provided the Mortgage Servicing Program update.

EXECUTIVE DIRECTOR UPDATE

Stacy Collette provided the Operations update, including the Executive Director’s and marketing update.

Sheila Rice expressed the gratitude of the Housing Division in making the 2017 Rotunda Day a great success.

Meeting adjourned at 11:12 a.m.

____________________________________
Sheila Rice, Secretary

____________________________________
Date