



KwaTaqNuk Resort – 49708 US 93, Polson MT 59860
September 11, 2018

ROLL CALL OF BOARD

MEMBERS:

Pat Melby, Chairman (Present)	Sheila Rice (Present)
Bob Gauthier (Excused)	Eric Schindler (Excused)
Johnnie McClusky (Present)	Amber Sundsted (Present)
Jeanette McKee (Present)	

STAFF:

Bruce Brensdal, Executive Director	Paula Loving, Executive Assistant
Vicki Bauer, Homeownership Program	Todd Jackson, Marketing
Mary Palkovich, Mortgage Servicing Program	Kellie Guariglia, Multifamily Program
Penny Cope, Research & Outreach Specialist	Charlie Brown, Homeownership Program
Leslie Torgerson, Section 8 Program	Ashly Amato, Administrative Assistant

COUNSEL:

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

Mina Choo, RBC Capital

OTHERS:

Greg Dunfield, GMD Development	Kirk Bruce, Associated Affiliates
Tyler Currence, Housing Solutions	Steve Dymoke, GMD Development
Alex Burkhalter, Housing Solutions	Ashly Grant
Jodie Paxton, Lake County Housing	Jennifer Wheeler
Gene Leuwer, GL Development	Liz Mogstad, RMDC
Andrea Davis, Homeward	Heather McMilin, Homeward

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., FILE 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

- 0:00 Chairman Pat Melby called the Montana Board of Housing (MBOH) meeting to order at 8:30 a.m.
- 0:15 Bruce Brensdaal reviewed the Webinar details for the meeting.
- 1:40 Introductions of Board members were made.
- 4:40 Chairman Melby asked for public comment on items not listed on the agenda.

APPROVAL OF MINUTES

August 8, 2018 MBOH Board Meeting Minutes – page 3 of packet

- 5:55 Motion: Sheila Rice
Second: Johnnie McClusky
The August 8, 2018 MBOH Board meeting minutes were approved unanimously.

HOMEOWNERSHIP PROGRAM

Bond Resolution 18-0911-SF03-2018C – page 7 of packet

- 6:10 Presenters: Vick Bauer, John Wagner
Motion: Jeanette McKee
Second: Sheila Rice
The Bond Resolution No 18-0911-SF03-2018C was approved unanimously.

Co-Signer Policy – page 15 of packet

- 11:10 Presenters: Vicki Bauer
Motion: Johnnie McClusky
Second: Sheila Rice
The clarifying changes to the definition and policy of 'Co-signer' in the Purchasing and Servicing Guide was approved unanimously.

Lender Fee Increase – page 17 of packet

- 15:10 Presenters: Vicki Bauer
Motion: Amber Sundsted
Second: Jeanette McKee
The increase of lender compensation of 1.75% origination fee and removing the \$500 cap fees to usual and customary as approved unanimously.

Community Land Trust – page 19 of packet

- 22:10 Presenters: Vicki Bauer
Motion: Sheila Rice
Second: Amber Sundsted

A policy for Community Land Trust properties that if the loan to value of the property is less than 80% because of the subsidy built into the purchase by the Community Land Trust, the mortgage insurance requirement can be waived was approved unanimously.

Set-aside Request (Lee Gordon Place) – page 21 of packet

26:20 Presenters: Vicki Bauer

Motion: Jeanette McKee

Second: Amber Sundsted

The set-aside (SF1 Combined Revenue funds at 3.5%) of \$1,045,000 to finance seven townhomes, allowing them to be financed without FHA insurance if the appraisal supports a loan to value of less than 80% was approved. Johnnie McClusky abstained from vote.

Set-aside Request (Montana Street Homes) – page 23 of packet

31:20 Presenters: Vicki Bauer, Andrea Davis

Motion: Johnnie McClusky

Second: Jeanette McKee

The set-aside (SFI Combined Revenue funds at 3.5%) of \$1,000,000 to finance six homes allowing them to be financed without mortgage insurance if the appraisal supports a loan to value of less than 80% was approved unanimously.

Homeownership Update – page 25 of packet

42:40 Presenters: Vicki Bauer

MULTIFAMILY PROGRAM

Bond Resolution 18-0911-MF05 (Starner Gardens) – page 27 of packet

46:40 Presenters: Mary Bair, Greg Dunfield

Motion: Amber Sundsted

Second: Jeanette McKee

Bond Resolution No 18-0911-MF05 was approved unanimously.

Mutifamily Loan (Ouellette Place, Lewistown) – page 35 of packet

52:00 Presenters: Mary Bair, Andrea Davis

Motion: Sheila Rice

Second: Jeanette McKee

The request for Ouellette Place for \$300,000 multifamily loan to assist with payoff, prepayment penalty, closing costs, appraisal and possible reimbursement to the operating reserves was approved unanimously.

2020 Qualified Allocation Plan – page 37 of packet

- 1:05:20 Presenters: Mary Bair, Bruce Brensdal, Greg Gould
Motion: Sheila Rice
Second: Jeanette McKee
To approve the 2020 Qualified Allocation Plan as placed for Public Comment.
- 1:25:25 Motion: Sheila Rice
Second: Jeanette McKee
Amendment to Section 4, Subsection B – First Award Round, the deadlines were approved unanimously for the calendar year 2019:
- Letter of Intent Submission - 2nd Monday in April
 - Applicant Presentations/Board Invitation to Apply – May MBOH Board meeting
 - Application Submission – Last Monday in July
 - Award Determination meeting – Late October MBOH Board meeting
- 1:27:30 Motion: Sheila Rice
Second: Amber Sundsted
The verbiage on ATTACHMENT I – Request for Increase in Amount of Credit Reservation, was approved unanimously.
- 1:37:35 Motion: Sheila Rice
Second: Amber Sundsted
Amendment to Section 12, Subsection Q – Qualified Contract Process was approved unanimously.
- 1:41:15 Public comment on the proposed amended 2020 Qualified Allocation Plan
Public Comment: Alex Burkhalter, Heather McMilin, Greg Dunfield.
- 1:47:25 The Amended 2020 Qualified Allocation Plan was approved unanimously.

Multifamily Program Update – page 115 of packet

2:03:20 Presenters: Mary Bair

MORTGAGE SERVICING PROGRAM

Mortgage Servicing Program Update – page 117 of packet

2:05:00 Presenters: Mary Palkovich

FINANCE PROGRAM

Finance Program Update – page 119 of packet

2:07:55 Presenters: Ginger Pfankuch

OPERATIONS/EXECUTIVE DIRECTOR

Bond Resolution 18-0911-MF05 (Starner Gardens) – page of packet

2:10:55 Presenters: Bruce Brensdal

MEETING ADJOURNMENT

2:14:30 Meeting was adjourned at 10:45 a.m.

Sheila Rice, Secretary

Date

ATTACHMENT I

A. Request for Increase in Amount of Credit Reservation

As the MBOH Board, in its discretion, determines necessary for financial feasibility, returned or unreserved Housing Credits may be used to increase the amount of Housing Credits reserved for a Project after the first round Awards have been made. An increase in the amount of Housing Credits under this subsection will be considered by the MBOH Board as a last resort and requests for such increases will be scrutinized as such under the criteria provided herein. In considering a request for an increase under this subsection, the MBOH Board may consider the following factors:

1. The nature and amount of additional costs, loss of anticipated funding sources or other gap in available Project funding;
2. Significant factors leading to the need for additional Credits;
3. Availability and Applicant's use of measures to mitigate or obtain alternative funding sources to address any funding gap;
4. The need for the additional Credits to make the Project feasible;
5. Availability of returned or unreserved Housing Credits; and
6. Any anticipated potential need for returned or unreserved Credits to fund Projects that would otherwise be funded or require greater funding under the Corrective Award set aside under Section 7.

An Applicant seeking an increase in the amount of reserved Credits must apply to staff in writing for such increase and must submit new financials (UniApp Section C) and supporting documentation for the cost increases (e.g., higher bids than expected, material costs, etc.), and supporting documentation addressing each of the above-specified factors. Staff will review and evaluate the new financials and other supporting documentation and present a recommendation at a later MBOH Board meeting for consideration. Staff will not recommend and the MBOH Board will not approve any increase beyond that necessary to make the Project feasible. Any request for Credits above the amount initially Awarded is considered a request for additional Credits after Initial Allocation and is subject to the provisions of this subsection.