



MONTANA
HOUSING

MONTANA BOARD OF HOUSING – BOARD MEETING

- Date:** Tuesday, April 18, 2023
- Time:** 8:30 a.m.
- Board Chair:** Sheila Rice
- Location (In-Person):** Springhill Suites – 250 Old Reserve Dr, Kalispell – 406.314.6600
Woodland Conference Room
- Remote Attendance:** Join our meetings remotely via Zoom and/or phone
- Conference Call:** Dial: 1 646 558 8656 | Meeting ID: 818 3826 0386 Password: 262767
- Register for Webinar:** [Meeting Registration - Zoom](#)
- Board Offices:** Montana Housing
301 S Park Ave., Room 240, Helena MT 59601
-

AGENDA ITEMS

- ❖ Meeting Announcements
- ❖ Introductions
- ❖ Public Comments - Public comment is welcome on any public matter that is not on the agenda and that is within the jurisdiction of the agency.

Minutes

- ❖ Approve Prior Board Meeting Minutes

Finance Program (Manager: Ginger Pfankuch)

- ❖ Investment Policy Approval
- ❖ Financial Update

Homeownership Program (Manager: Vicki Bauer)

- ❖ MBS Program and RPF Approval
- ❖ RAM Exception
- ❖ Homeownership Update

Montana Housing works with community partners across the state, and together we ensure Montana families have access to safe and affordable homes.



MONTANA
HOUSING

Mortgage Servicing (Manager: Mary Palkovich)

- ❖ Servicing Update

Multifamily Program (Manager: Jason Hanson)

- ❖ Union Place Bond Resolution
- ❖ Creekside Bond Resolution
- ❖ Multifamily Update

Operations / Executive Director (Joe DeFilippis / Cheryl Cohen)

- ❖ Operations Update (Joe DeFilippis)
 - ARPA Housing Programs (ERA & HAF)
- ❖ Community Housing Update
- ❖ Rental Assistance Update
- ❖ Executive Director / Legislative Update (Cheryl Cohen)

Miscellaneous

Meeting Adjourns

*All agenda items are subject to Board action after public comment requirements are fulfilled.

*We make every effort to hold our meetings at fully accessible facilities. Any person needing reasonable accommodation must notify the Housing Division at 406.841.2840 or TDD 406.841.2702 before the scheduled meeting to allow for arrangements.

2023 CALENDAR

January						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
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29	30	31				

February						
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March						
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30						

May						
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June						
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August						
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September						
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October						
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29	30	31				

November						
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December						
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24/31	25	26	27	28	29	30

Montana Housing works with community partners across the state, and together we ensure Montana families have access to safe and affordable homes.

April 2023

17 – Board Training – Springhill Suites Kalispell MT
18 - Board Meeting – Springhill Suites Kalispell MT

May 2023

15-17 – Housing Partnership Conference - Delta Colonial Helena
22 – Letter of Intent Presentation – Helena Great Northern Hotel
23 – Board Meeting – Helena Great Northern Hotel

June 2023

12 – Board Meeting via Zoom

July 2023

10 – Board Meeting via Zoom

August 2023

14 – Board Meeting via Zoom

September 2023

11 – Board Strategic Planning – Miles City Sleep Inn
12 – Board Meeting – Miles City Sleep Inn

October 2023

15–18 – NCSHA Annual Conference - Boston
23 – Board Meeting Housing Credit Award Determinations / QAP – via Zoom

November 2023

13 - No Board Meeting

December 2023

11 - No Board Meeting



MONTANA HOUSING

Zoom
April 18, 2023

ROLL CALL OF BOARD

MEMBERS:

Sheila Rice, Chairwoman (Present)
Adam Hertz (Absent)
Tonya Plummer (Absent)
John Wright (Present)

Jeanette McKee (Present)
Bruce Posey (Present)
Cari Yturri (Present)

STAFF:

Cheryl Cohen, Executive Director
Joe DeFilippis, Operations Manager
Ginger Pfankuch, Accounting Program
Bruce Brensda, Multifamily Program
Kylee Hughes, Exec Assistant
Jason Hanson, Multifamily Program
Megan Surginer, Office Manager
Jen Stepleton, Community Housing
Brady Kirkeby, Servicing Program
Clare Neary, Servicing Program
Emma Lee Caldwell, Servicing Program
Katelyn Reich, Servicing Program
Rebecca Holland, Homeownership

Vicki Bauer, Homeownership Program
Nicole McKeith, Multifamily Program
Kellie Guariglia, Multifamily Program
Julie Flynn, Community Housing
Mary Palkovich, Servicing Program
Nicole Newman, Community Housing
Chandler Rowling, Community Housing
Charles Brown, Homeownership
Chris Ryan, Servicing Program
Danyel Bauer, Servicing Program
Jackie Haskins, Servicing Program
Paige Bowsher, Homeownership

COUNSEL:

Greg Gould, Jackson Murdo & Grant

Drew Page, Kutak Rock

UNDERWRITERS:

Mina Choo, RBC Capital

FINANCIAL ADVISORS:

Adam Cray, CSG Advisors
Luana Slettedahl, Acorn Mortgage Consulting

Mark Shelburne, Novogradac

OTHERS:

Andrew Chanania
Gerald Fritts

Beki Brandborg
Gerald Carton



MONTANA HOUSING

Heather McMilin
Jackie Girard
Larry Phillips
Chris Ruddman
Jennifer Olson
Liz Stotts

Jack Jensen
John Wilke
Jennifer Wheeler
Julia Hope
Lindsey Hale
Amber Robbins

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 Chair Sheila Rice called the Montana Board of Housing (MBOH) meeting to order at 8:30 a.m.
1:31 Introductions of Board members and attendees were made.
4:52 Chair Rice asked for public comment on items not listed on the agenda.

APPROVAL OF MINUTES

March 13, 2023 MBOH Board Meeting Minutes – page 5 of packet

5:10 Motion: Bruce Posey
Second: Cari Yturri
The March 13, 2023 MBOH Board meeting minutes were approved unanimously.

FINANCE PROGRAM

Investment Policy Approval – page 8 of packet

6:00 Presenter: Ginger Pfankuch
Motion: Cari Yturri
Second: Bruce Posey
The motion to approve the Investment Policy as updated was approved unanimously.

Finance Update – page 17 of packet

7:35 Presenter: Ginger Pfankuch

HOMEOWNERSHIP PROGRAM



MONTANA HOUSING

Business Model Change to Mortgage-Backed Securities; Request for Proposals for Master Servicer – page 20 of packet

10:12 Presenter: Vicki Bauer

Motion: Bruce Posey

Second: Cari Yturri

The motion to approve the issuance of a RFP for a Master Servicer was approved unanimously.

Reverse Annuity Mortgage Exception Request – page 21 of packet

14:17 Presenter: Vicki Bauer

Motion: Cari Yturri

Second: Bruce Posey

The motion to approve an exception to the lump sum amount if supported by the appraisal to pay off his current mortgage to eliminate the monthly mortgage cost of \$745 per month was approved unanimously.

Homeownership Update – page 22 of packet

13:19 Presenters: Vicki Bauer

MORTGAGE SERVICING PROGRAM

Servicing Update – page 24 of packet

27:35 Presenter: Mary Palkovich

MULTIFAMILY PROGRAM

Union Place in Missoula 4% Bond Resolution Approval – page 25 of packet

32:31 Presenters: Jason Hanson

Motion: Jeanette McKee

Second: Cari Yturri

The motion to approval resolution 23-0313-MF04 was approved unanimously.

Creekside Apartments in Missoula 4% Bond Resolution Approval – page 43 of packet

36:57 Presenter: Jason Hanson

Motion: Cari Yturri

Second: Bruce Posey

The motion to approve resolution 23-0418-MF03 was approved unanimously.

Multifamily Update – page 71 of packet

41:45 Presenters: Jason Hanson

OPERATIONS/ EXECUTIVE DIRECTOR

Operations/Executive Director/Rental Assistance/Community Housing Update – page 72 of packet

50:51 Presenter: Cheryl Cohen, Joe DeFilippis, Julie Flynn

MEETING ADJOURNMENT



MONTANA HOUSING

1:10:37 Meeting was adjourned at 9:41 a.m.

DocuSigned by:

Adam Hertz

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Adam Hertz, Secretary

5/31/2023

Date

BOARD AGENDA ITEM

PROGRAM

Accounting and Finance Program

AGENDA ITEM

Investment Policy approval

BACKGROUND

The Board Investment Policy is reviewed on an annual basis, updated as needed, and approved by members of the Board. The policy gives guidance and assures indenture funds are invested pursuant to the Board's bond trust indentures. It also gives some guidance on the investment of non-indenture funds.

During the most recent review, the policy was updated by members of the Finance Team, including Bond Counsel. The changes that were made have been previously presented to the Board and the final investment policy is ready for Board approval.

PROPOSAL

Staff requests that the Board approves the Investment Policy as updated.



HOUSING DIVISION - MONTANA BOARD OF HOUSING

Investment Policy

POLICY NAME:	MBOH Investment Policy
POLICY ID:	AF_Inv_Final
PROGRAM:	Accounting
POLICY OWNER: <ul style="list-style-type: none"> ▪ job title ▪ approves revisions 	Accounting and Finance Manager
DOCUMENT LOCATION:	HDSHARE > Internal Controls > FY2020_HD_Policies > AF

DOCUMENT REVISION HISORY					
EFFECTIVE DATE	DESCRIPTION OF CHANGE	AUTHOR	DATE AUTHORED	APPROVAL	DATE APPROVED
10/19/2020	Updated to new format	AF Mgr	9/28/2020	Board	10/19/2020
4/12/2022	Update language	JMG	3/18/22	Board	4/12/2022
10/13/2022	Update references	AF Mgr	10/13/22		



I. PURPOSE AND SCOPE

The purpose of this policy is to give guidance to the program managers, the Accounting and Finance Manager generally, and the Montana Board of Housing (“Board”) regarding investment of funds held and invested by a trustee pursuant to the Board’s bond trust indentures.

Other Board (non-indenture) funds are deposited in the appropriate state treasury account and invested through the unified investment program under the direction of the Board of Investments. Board moneys (non-indenture) held by the State Treasurer in the Housing Authority Enterprise Fund or otherwise invested with the State shall be invested in the State’s Short-Term investment pool.

II. GOAL/OBJECTIVE

The goal/objective of this policy is to ensure Board adherence with the Housing Act of 1975 and the Board’s bond indentures and other agreements with its bondholders and noteholders (“Indenture” or “Indentures”).

III. RISK ASSESSMENT

Hazard: Investments are not made according to State and Indenture requirements

Risk: Government fines; non-taxable bonds could become taxable; loss of investments or investment value

Risk Level: Low

Control: All investments are prepared by the Accounting and Finance Manager or other authorized officer following investment procedures based on this policy. Indenture Trustees also review the policy and are required to ensure that all Indenture requirements are followed.

IV. POLICY

A. Investment Committee

1. The Board shall be responsible for oversight of the Investment of assets of the Montana Board of Housing.
2. Frequency of Board Review: The Board shall perform the review and other functions specified below at least once a year.
3. Functions of the of the Board shall be:
 - a) To review compiled investment reports
 - b) To review the function of the investment policy for potential enhancement



- c) To review the return on assets of the Board
- d) To address any staff concerns regarding investments or the investment policy
- e) To monitor compliance with the investment policy

B. Sections 90-6-112 and 116, Montana Code Annotated

Provisions of Bond Resolutions; Trust Indenture: (Summary) The Board is authorized to provide by resolution for the terms of bonds and notes, including vesting the bond trustee with property, rights, powers, and duties as the Board determines. In the discretion of the Board, its bonds may be secured by a trust indenture, which may contain provisions for protecting and enforcing the rights and remedies of the bondholders, including provisions for the custody, safeguarding and application of all money, the payment of bond proceeds and revenues and method of disbursement, and safeguards and restrictions the Board considers necessary.

The Board's Indentures provide for investment of indenture funds by the Trustee in authorized investments at the written direction of an authorized officer of the Board.

V. PRUDENT EXPERT PRINCIPLE

All Investments shall be made in accordance with the requirements of the particular Indenture and the Internal Revenue Code, and the Board's officers, in directing which permitted investments the Trustee shall make, shall act in accordance with the prudent expert principle which requires an investment manager to: (a) discharge the duties with the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity with the same resources and familiar with like matters exercises in the conduct of an enterprise of a like character with like aims; (b) diversify investment holdings to minimize the risk of loss and to maximize the rate of return unless, under the circumstances, it is clearly prudent not to do so; and (c) discharge the duties solely in the interest of and for the benefit of the portfolio.

VI. PRIMARY CONCERNS

Permissibility of investments, security, liquidity, and rate of return on investments are primary concerns. The Board has a responsibility in the investment of funds to seek the highest return available in the market consistent with the legality, security, liquidity, cash flow and programmatic requirements of each fund for which they are invested. The Board also has a responsibility to diligently monitor and calculate (or cause to be calculated) any arbitrage rebate required to be remitted to the federal government.



VII. LEVERAGED INVESTMENT

The Board shall not invest in leveraged investments, including but not limited to derivative investments which involve leveraging. Investments are to be made with the expectation that they will be held to maturity; investments are not to be made with the intention of participating in trading activities to generate investment return.

VIII. SALES OF INVESTMENT

Should be limited to the following:

- A. A sale and subsequent purchase would improve the quality or yield of the portfolio.
- B. Liquidity needs of the portfolio require that the security be sold.
- C. A sale of an investment is necessary as a result of refunding a bond issue.

Sales other than the abovementioned should be approved by the Executive Director.

IX. TYPES OF INVESTMENTS

- A. The Board may invest in the following securities provided that such investments meet the requirements of this policy:
 - 1. Direct obligations of or obligations guaranteed by the United States of America, which includes certificates of ownership in the guaranteed portion of loans guaranteed by the Rural Housing and Community Development Service of the United States Department of Agriculture (formerly the Farmers Home Administration), participation certificates in obligations of the General Services Administration, obligations guaranteed by the U.S. Maritime Administration pursuant to Title XI, Small Business Administration guaranteed participation certificates and guaranteed pool certificates, mortgage-backed securities and pool certificates guaranteed by the Government National Mortgage Association, and Veterans Administration guaranteed REMIC securities and passthrough certificates;
 - 2. Obligations, debentures, notes or other evidences of indebtedness issued or guaranteed by any of the following:
 - a) Farm Credit System or predecessors (the Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives);
 - b) Federal Home Loan Bank System;
 - c) Export-Import Bank of the United States;



- d) Federal National Mortgage Association (only senior debt obligations or mortgage-backed securities, but excluding stripped mortgage securities which are purchased at prices exceeding their principal amounts and excluding interest-only strips);
 - e) Federal Home Loan Mortgage Corporation (only senior debt obligations and participation certificates, but excluding stripped mortgage securities which are purchased at prices exceeding their principal amounts and excluding interest-only strips);
 - f) Tennessee Valley Authority;
 - g) Federal Financing Corporation;
3. Certificates of deposit issued by, or time deposits with, any bank or trust company organized under the laws of the State, any national banking association which is a member of the Federal Reserve System, or any savings and loan association (including the trustee, a lender or a paying agent), which is insured by the Federal Deposit Insurance Corporation (FDIC) and provided that any such lender has capital stock, surplus and undivided profits aggregating at least \$1,000,000, and provided further that such time deposits or certificates of deposit, to the extent not insured by the FDIC, are fully secured by obligations of the type specified in parts 1 and 2 above which have a market value, exclusive of accrued interest, at least equal to the amount of such deposits. In no case shall the investment result in a reduction of the ratings by Standard & Poor's Rating Services or by Moody's Investors Services on the applicable bond series.
4. Repurchase agreements or guaranteed investment agreements but only if:
- a) The agreement is fully collateralized as to both principal and interest by obligations of the type specified in part 1 or 2 above and which collateral is delivered out and held by the Trustee or its agent, and the collateral is marked to market at least weekly; and



- b) The agreement is with (i) a financial institution as described under part 3 above (and including the subsidiary of a foreign bank) organized under the laws of the United States of America or any state thereof and subject to supervision by the appropriate authorities of either the United States of America or the state under which whose laws it is organized, or (ii) a financial institution (i.e. banks, insurance companies, etc.) organized under the laws of the United States of America or any state thereof and either (a) whose unsecured obligations are rated in either of the two highest rating categories by the agency or agencies rating the indenture or (b) whose obligations under such agreement are unconditionally guaranteed by such a financial institution which is rated as provided in (ii)(a).
 - c) In no case shall the investment result in a reduction of the ratings by the agency or agencies rating the applicable bond series; and
 - d) The Agreements shall be written to give the Board the maximum practical flexibility in the case of a downgrade in the rating of the provider.
5. Any other investment permitted for moneys held by the trustee pursuant to the governing bond indenture(s), including any investment permitted pursuant to any expanded or new definition of Authorized Investments and related provisions which may be added to the Indentures, or permitted by a Supplemental Indenture, provided that, at the time of investment, the investment will not, in and of itself, adversely affect the Rating Quality of the Outstanding Bonds.
6. In no case may the Board or a trustee invest in any one financial institution an amount in excess of the net worth of that financial institution or its guarantor.

X. Conflict of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interest in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Montana Board of Housing. Employees and officers shall disclose any material interest in financial institutions to the Executive Director and/or the Board



within 30 days of acquiring a material interest. The Board and/or the Executive Director shall be updated as changes in material interests occur.

XI. Authorized Management

Authority to manage the investment programs is granted to the Accounting & Finance Manager. The Executive Director, Single Family Manager and Multifamily Program Manager are authorized to handle investments in the absence of the Accounting and Finance Manager. Responsibility for the operation of the investment program is hereby delegated to these officers, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. No person may engage in an investment transaction except as provided under the terms of this policy. The Accounting & Finance Manager shall have the primary responsibility for all investment transactions and shall establish a system of controls to regulate the activities of subordinate officials.

XII. Internal Control Structure

The Accounting & Finance Manager is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Montana Board of Housing are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management. Accordingly, the Accounting & Finance Manager shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record keeping
- Written confirmation of transactions for investments

XIII. Investment Report

The Accounting & Finance Manager shall prepare, and present to the Board, an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio transactions made over the last quarter. The summary will be prepared in a manner which will allow the Board to determine if the investment activities during the reporting period have conformed to the investment policy. The report should include:

- A. Listing of individual securities held at the end of the reporting period.
- B. Average weighted yield to maturity of the investment portfolio



- C. Listing of investments by maturity date
- D. Percentage of total portfolio which each type of investment represents

XIV. Responsibility

- A. Investment officers acting in accordance with these Investment Guidelines shall be relieved of personal responsibility for an individual security's credit risk or market price changes provided that deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.
- B. It is the responsibility of those Agency staff authorized to direct investments, primarily the Accounting & Finance Manager, to keep abreast of the latest developments within the investment community. Particular attention should be paid to both interest rate trends and items relating to the credit of and the Montana Board of Housing's exposure to various dealers, banks and securities.
- C. Each Trustee and rating agency will be furnished copies of this policy, and amendments to it.

BOARD AGENDA ITEM

PROGRAM

Accounting and Finance Program

INVESTMENT DIVERSIFICATION

Diversification is an investment strategy that entails the purchase of a mixture of investments that reduces the exposure to investment risk.

- 65.1% of BOH's investments are currently held in Money Market accounts earning 4.26%.
- 19.8% is held in US Treasury Bills earning between 2.81 – 4.51% based on maturity date and purchase date.
- 4.47% is held in US Treasury Bonds earning between 6.48%.
- The remaining investments are in federally secured Freddie Mac and Fannie Mae securities, with yields ranging from 3.69% to 6.04%.
- In March 2023, \$5.7 million of Money Market funds were invested in Treasuries at 4.69% and 4.875%.
- In May 2023, \$15 million in Treasury bills will mature.
- Debt service payments are due June 1, 2023.

WEIGHTED AVERAGE YIELD TREND

Weighted average is a calculation that takes into account the varying degrees of importance of the yields in an investment data set. BOH uses the average yield for specific investment types and the PAR value of those same investment types to calculate the weighted average yield.

- The weighted average has improved from 0.82% to 4.56% over the last 12 months.
- There was an increase from 4.37% to 4.56% between February 2022 and February 2023.

PORTFOLIO MATURITY

Indicates who holds the investment securities on BOH's behalf, the type of security, the date of maturity and the PAR value, which is the face value of the security at the time of issuance.

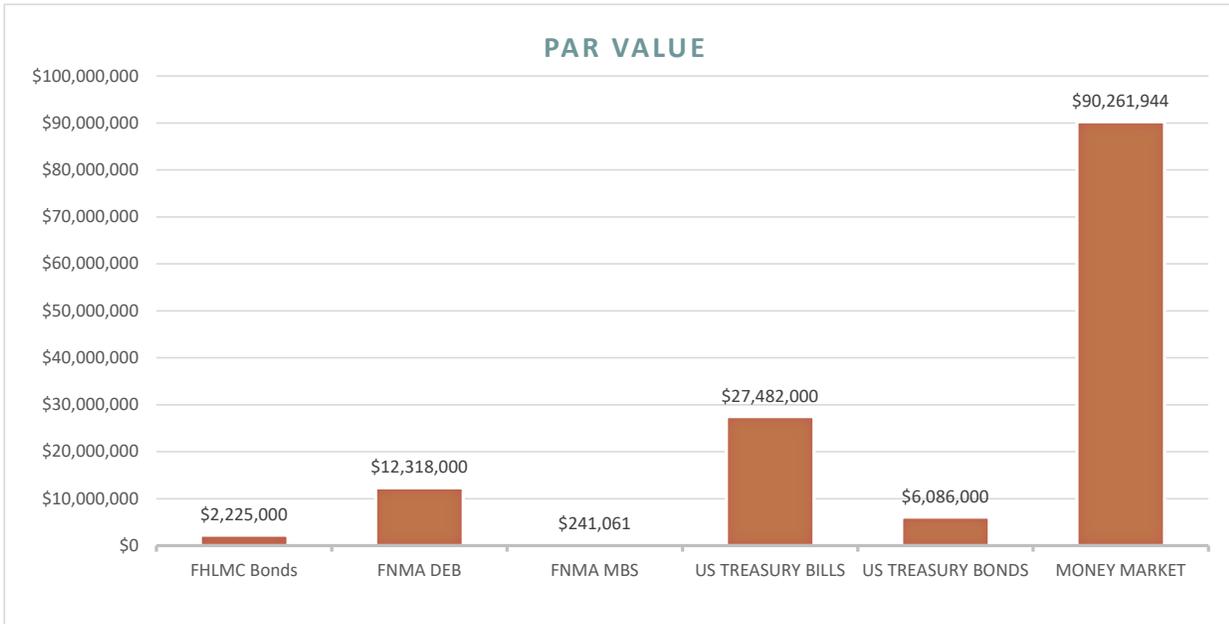
- The FNMA (Fannie Mae) MBS (Mortgage-Backed Securities) continue to be the longest-term investments in our portfolio with yields between 4.45% and 4.96%.
- Two Treasury Bonds were purchased several years ago at a yield of 6.48%. These will mature in 2025.
- The overall total of investments at the end of February 2023 was \$138.6 million.

OTHER INFORMATION

- The Board's audited FY22 financial statements are available on the Legislative Audit website at <https://leg.mt.gov/content/Publications/Audit/Report/22-07.pdf> or on the EMMA at <https://emma.msrb.org/P11647116-P11268686-P11695754.pdf>

Program Dashboard

February 28, 2023

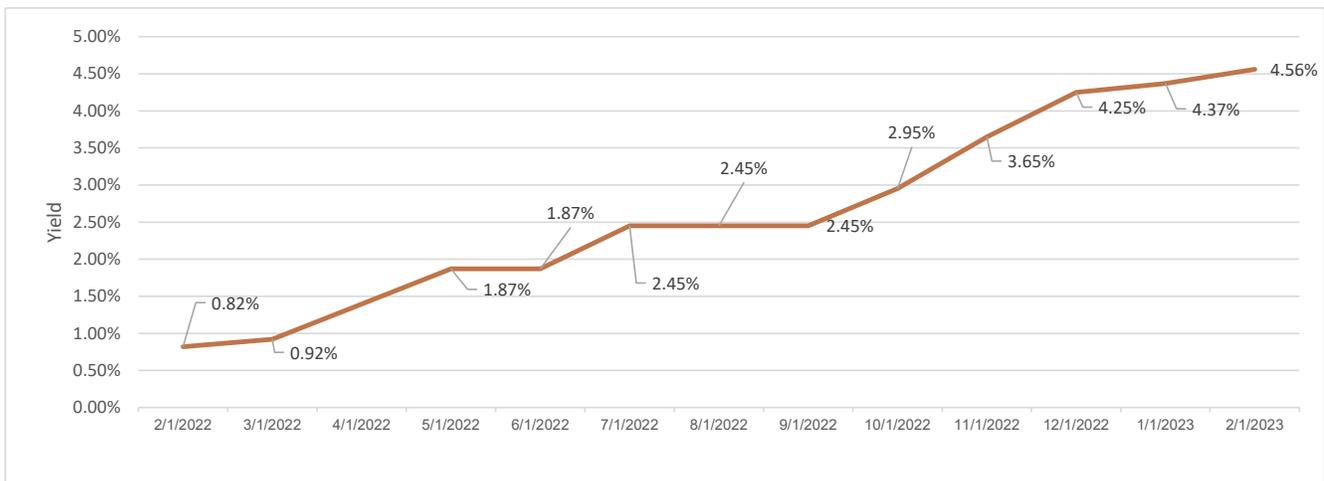


FNMA: Federal National Mortgage Association (Fannie)

FHLB: Federal Home Loan Bank

FHLMC: Federal Home Loan Mortgage Corporation (Freddie)

FFCB: Federal Farm Credit Bank



Available Now	< 1 year	1 to 5 years	6 to 10 years	> 11 years	Total
\$ -	\$ 117,743,944	\$ 18,404,000	\$ 2,225,000	\$ 241,061	\$ 138,614,004

Investment Maturity Schedule

Maturity Date	Trustee	Type	Par Value
8/1/2038	Wilmington Trust	FNMA MBS	50,522.76
8/1/2037	Wilmington Trust	FNMA MBS	33,203.16
3/1/2037	Wilmington Trust	FNMA MBS	74,284.45
7/1/2036	Wilmington Trust	FNMA MBS	15,165.91
5/1/2036	Wilmington Trust	FNMA MBS	24,066.72
2/1/2036	Wilmington Trust	FNMA MBS	43,817.80
7/15/2032	Wilmington Trust	FHLMC BOND	2,225,000.00
11/26/2027	Wilmington Trust	FNMA DEB	3,635,000.00
9/27/2027	Wilmington Trust	FNMA DEB	4,070,000.00
4/30/2026	Wilmington Trust	FNMA DEB	4,613,000.00
8/15/2025	Wilmington Trust	T-NOTES & BONDS	4,796,000.00
6/15/2024	Wilmington Trust	T-NOTES & BONDS	1,290,000.00
8/10/2023	Wilmington Trust	T-BILLS	455,000.00
6/15/2023	Wilmington Trust	T-BILLS	5,590,000.00
5/25/2023	Wilmington Trust	T-BILLS	15,185,000.00
5/23/2023	Wilmington Trust	T-BILLS	5,060,000.00
3/2/2023	US Bank Corporate Tr	T-BILLS	1,192,000.00
2/28/2023	US Bank Corporate Tr	US BANK MONEY M	5,176,237.59
2/28/2023	Wilmington Trust	WT GOLDMAN SACH	85,085,705.99
Total			138,614,004.38

BOARD AGENDA ITEM

PROGRAM

Homeownership

AGENDA ITEM

Business Model Change to Mortgage-Backed Securities; Request for Proposals for Master Servicer

BACKGROUND

Montana Board of Housing (MBOH) currently operates under a whole loan Mortgage Revenue Bond (MRB) program. Our program is currently limited to government insured loans that must meet IRS requirements, including income and purchase price limits. Our production has fallen over the years, and under this structure we have limited options to expand our programs. Many other states have already strategically transitioned to a Mortgage-Backed Security (MBS) model. As discussed at length in our training on April 17, 2023, the MBS business model can offer many benefits beyond the whole loan model.

A few of those benefits include:

- Potential higher ratings and better bond pricing in the market
- No Debt Service Reserve Requirements
- No Loan Loss Reserve Requirements
- Program Diversification

Under the MBS model, it must be decided how servicing will be performed. MBOH services the current whole loan portfolio. However, we have determined that we are not currently set up to be the issuer and servicer under an MBS structure. It would take a lot of time and capital resources to restructure our operations for us to take on that role. The best option for us would be to issue a Request for Proposals (RFP) for a Master Servicer for new production, and for MBOH to continue servicing the existing portfolio.

PROPOSAL

Staff recommends that the Board strategically aligns MBOH's business model to an MBS securitization model, and for the Board to approve issuance of a RFP for a Master Servicer.

BOARD AGENDA ITEM

PROGRAM

Homeownership - Reverse Annuity Mortgage Program

AGENDA ITEM

Exception Request

BACKGROUND

Current Requirements for the RAM Program:

- Age Requirements: All borrowers must be 68 years of age or older
- Income Limits: Borrower's annual family income must not exceed the following:

1 Person Household	\$29,160
2 Person Household	\$39,440
3+ Person Household	\$49,720
- Property Eligibility: Single family dwelling located in Montana that is unencumbered by any prior lien or pledge. NOTE: Manufactured homes are EXCLUDED from eligibility.
- Loan Amount: Minimum of \$15,000 to a maximum of \$150,000, based on 80% of the FHA-determined property value.
- Payment Terms: Monthly payment to borrower for up to 10-years.
- Lump Sum Advances: \$10,000 available for payment of prior mortgages, liens, and pledges, or for needed repairs to the home. Exceptions may be considered.
- Counseling: Potential borrowers must attend a Reverse Annuity Mortgage counseling session in order to submit an application.

EXCEPTION REQUEST

- 73-year-old single male in Bozeman, Montana.
- Current income: \$11,500 yearly income from Social Security (\$877 net per month) and a part time job (approximately \$950 per month).
- Current Outstanding mortgage balance: \$78,000 as of 03/01/23.

The Board has funds available to accommodate this request. The borrower could also receive a small monthly payment, depending on appraised amount.

PROPOSAL

Staff requests for the Board to approve an exception to the lump sum amount if supported by the appraisal to pay off his current mortgage to eliminate the monthly mortgage cost of \$745 per month.

Homeownership Program Dashboard

April 5, 2023

RATES

	<u>CURRENT</u>	<u>LAST MONTH</u>	<u>LAST YEAR</u>
MBOH*	5.500	5.50	4.500
Market	6.02	6.65	4.670
10 yr treasury	3.30	3.97	2.540
30 yr Fannie Mae	5.51	6.39	4.249

*Current Setaside 5.25, DPA 5.75

LOAN RESERVATIONS

	<u>MARCH NUMBER</u>	<u>MARCH AMOUNT</u>	<u>TOTAL NUMBER</u>	<u>TOTAL AMOUNT</u>	<u>ORIGINAL AMOUNT</u>	<u>BALANCE</u>
REGULAR PROGRAM						
Series 2022C (since 9.23.22)	21	5,288,661	125	29,958,983	39,259,710	9,300,727
Series 2022C DPA (since 9.23.22)	9	88,795	66	661,554	1,165,000	503,446
80% Combined (20+)			11	1,777,235	Since July 2022	reg bond funds
SET-ASIDE PROGRAMS						
MBOH Plus	1	11,000	19	153,062	Since July 2022	1,521,916
Set-aside Pool			14	2,403,866	Since July 2022	Pre-Ullman funds
NeighborWorks	3	590,902	7	1,200,857		
CAP NWMT CLT						
Missoula HRDC XI						
Bozeman HRDC IX						
Home\$tart			3	603,725		
HUD 184						
Dream Makers						
Sparrow Group			1	133,333		
City of Billings			3	465,951		
Foreclosure Prevent					50,000	50,000
Disabled Accessible					Ongoing	862,950
Lot Refi					2,000,000	726,440
FY22 Habitat	1	127,000	12	2,043,996	3,609,900	1,565,904
OTHER PROGRAMS						
Veterans (Orig)	2	552,265	432	86,069,929	Revolving	152,073
911 Mrtg Cr Cert (MCC)	3	943,651	8	2,084,317.00	62,500,000	60,415,683

RAM PROGRAM MARCH ACTIVITY

<u>Loan Requests</u>	<u>Loans Outstanding</u>	<u>Life of Program</u>	<u>Avail Balance</u>
1 78,000	45 2,697,907.40	236 15,271,126	3,735,996.07

MBOH PORTFOLIO CHANGES

	February		2023 YTD		
	<u># loans</u>	<u>Princ Bal</u>	<u># loans</u>	<u>Princ Bal</u>	
Jan Balance	5,059	482,357,397.76	5,052	480,063,770.57	Dec-22
Feb Purchases (1st)	15	3,005,963.72	41	9,034,091.17	
Feb Purchases (2nd)	11	110,280.00	30	295,589.00	
Feb Amortization		(1,252,635.86)		(2,612,290.24)	
Feb Payoffs (1st)	(20)	(1,670,930.31)	(45)	(4,025,030.21)	
Feb Payoffs (2nd)	(3)	(14,156.06)	(12)	(69,278.92)	
Feb Foreclosures	(1)	(2,394.44)	(5)	(153,326.56)	
Feb Balance	5,061	482,533,524.81	5,061	482,533,524.81	Feb-23

LOAN PURCHASES BY LENDER

	Feb-23		2023 YTD		2022	
	<u>1st</u>	<u>DPA</u>	<u>1st</u>	<u>DPA</u>	<u>1st</u>	<u>DPA</u>
FIRST SECURITY BOZEMAN 061						
1ST COMMUNITY BK GLASGOW 095						
1ST SECURITY BK MISSOULA 133	1		3		2	1
VALLEY BANK RONAN 159					3	
YELLOWSTONE BANK BILLINGS 161						
BRAVARA BANK 186					2	1
STOCKMAN BANK OF MT MILES 524	5	4	8	5	51	25
FIRST INTERSTATE BANK-WY 601	1		1		11	1
OPPORTUNITY BANK 700	2	2	6	5	86	44
FIRST FEDERAL BANK & TRUST 731					1	1
GLACIER BANK KALISPELL 735					17	
WESTERN SECURITY BANK 785			1	1	11	3
MANN MORTGAGE 835	2	2	5	5	80	43
GUILD MORTGAGE COMPANY 842					16	13
UNIVERSAL 843			1	1	16	11
FAIRWAY INDEPENTENT MRTG 847	1	1	5	5	24	21
CORNERSTONE HOME LENDING 850			2	2	8	6
PRIME LENDING 851					2	1
BAY EQUITY LLC 853					7	1
LENDUS LLC 854					5	1
PARAMOUNT RES MTG GRP 855			2	2	2	1
CHERRY CREEK MORTGAGE 856					1	
HOMESTAR FINANCIAL 861			1	1	1	1
HOMETOWN LENDERS 862					2	1
CROSSCOUNTRY MORTGAGE 863	2	1	5	2	5	4
865	1	1	1	1		
CLEARWATER FEDERAL C U 901					2	
Grand Count	15	11	41	30	355	180

FEBRUARY PORTFOLIO SUMMARY

	<u># of loans</u>	<u>\$ of loans</u>	<u>% of #</u>	<u>% of \$</u>	
FHA	2,635	311,198,255	52.1%	64.5%	
RD	873	90,560,373	17.2%	18.8%	
VA	324	45,908,699	6.4%	9.5%	
HUD184	38	2,657,371	0.8%	0.6%	
PMI	34	2,345,108	0.7%	0.5%	
Uninsured 1st	216	23,356,144	4.3%	4.8%	
Uninsured 2nd	941	6,507,575	18.6%	1.3%	
	5,061	\$ 482,533,525			
Currently Serviced by MBOH	4,986	\$ 476,694,061	99%	99%	
Feb 2022 Portfolio Balance	5,116	\$ 463,083,417	-1.08%	4.20%	percent of Incr/Decr

Weighted Average Interest Rate 3.846%

	<u># of loans</u>	<u>\$ of loans</u>	
0 - 2.99%	1049	\$ 95,941,296	rates up to 4%
3 - 3.99%	1596	\$ 195,302,362	
4 - 4.99%	844	\$ 91,885,583	rates 4% and above
5 - 5.99%	1107	\$ 76,550,033	
6 - 6.99%	423	\$ 21,907,440	
7 - 7.99%	42	\$ 946,811	2416 \$ 191,289,867

DELINQUENCY AND FORECLOSURE RATES

	MONTANA BOARD OF HOUSING			MORTGAGE BANKERS ASSOC. 12/2022 (most recent available)		
	<u>Feb-23</u>	<u>Jan-23</u>	<u>Feb-22</u>	<u>Montana</u>	<u>Region</u>	<u>Nation</u>
30 Days	1.49	1.23	1.51	1.31	1.62	1.97
60 Days	0.77	0.77	0.80	0.41	0.52	0.63
90 Days	<u>2.43</u>	<u>2.39</u>	<u>2.52</u>	<u>0.83</u>	<u>0.97</u>	<u>1.32</u>
Total Delinquencies	4.69	4.39	4.83	2.55	3.11	3.92
In Foreclosure	0.53	0.53	0.49	0.34	0.30	0.57

Mortgage Servicing Program Dashboard

Effective 03/31/2023

2023 Monthly Servicing Report

MONTH	Last Year	Last Month	This Month
	Mar-22	Feb-23	Mar-23
PORTFOLIO TOTAL LOANS	5406	5462	5482
MBOH	5055	5011	5016
BOI	311	305	305
MULTI FAMILY	16	16	16
HAF-Homeownership Assistance Fund	24	130	145
PRINCIPAL (all loans)	\$521,363,567.06	\$544,729,504.57	\$545,300,348.50
ESCROW (all loans)	\$6,530,890.94	\$5,665,712.81	\$6,309,819.33
LOSS DRAFT (all loans)	\$707,912.31	\$759,248.15	\$734,189.79
LOANS DELINQUENT (60+ days)	235	288	239
ACTUAL FORECLOSURE SALES IN MONTH	1	0	1
FORECLOSURES TOTAL CALENDAR YEAR	2	3	4
DELINQUENT CONTACTS TO MAKE	589	672	586
LATE FEES - NUMBER OF LOANS	720	811	779
LATE FEES - TOTAL AMOUNT REVENUE	\$19,482.64	\$22,276.59	\$21,780.00
PAYOFFS	63	24	30
NEW LOANS	56	38	51

HUD's National Servicing Center TRSII SFDMS Reporting FY 2022 Q4 Final Score 91.71% - Grade A

LOSS MITIGATION	Mar-22	Feb-23	Mar-23
ACTIVE FINANCIALPACKETS	1	0	0
REPAYMENT/SPECIAL FORBEARANCE	2	0	0
COVID19 FORMAL FORBEARANCE (FEB 23)	114	100	95
HAMPS, PARTIAL CLAIMS & MODS PNDG	10	8	8
CHAPTER 13 BANKRUPTCIES	12	10	10
PRESERVATION PROPERTIES	7	8	8
REAL ESTATE OWNED PROPERTIES	2	2	2
SHORT SALE	0	0	0
DEED IN LIEU	0	0	0

BOARD AGENDA ITEM

PROGRAM

Multifamily

AGENDA ITEM

Union Place in Missoula – 4% Bond Resolution approval

BACKGROUND

Union Place is a 63-unit rent-restricted property located in Missoula. The property is comprised of two phases (Union Place I and Union Place II) and consists of 6 buildings, with the leasing space located in one of the residential buildings. Applicant is budgeting \$50,000 per unit for the property's renovation. This will be used to repair concrete on site, restripe the parking lot, repair existing amenities, refresh building exteriors and replace unit appliances. This project has submitted a full application that has been reviewed and meets the requirements of the current QAP.

The developer is requesting approval of a bond resolution for a not to exceed amount of \$10,000,000 with an expected estimated bond issue of \$8,200,000. The difference includes a buffer for unexpected increases during pre-development.

STAFF RECOMMENDATION

Staff supports this request.

MOTION OPTION(S)

1. Move to approve resolution 23-0313-MF04 (Union Place).
2. No motion, proposal fails.

RESOLUTION NO. 23-0313-MF04

A RESOLUTION OF THE MONTANA BOARD OF HOUSING MAKING FINDINGS WITH RESPECT TO HOUSING NEEDS WITHIN MONTANA; APPROVING A BORROWING, AND REPAYMENT THEREOF, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000; APPROVING A FUNDING LOAN AGREEMENT, BORROWER LOAN AGREEMENT AND OTHER RELATED DOCUMENTS; AUTHORIZING THE EXECUTION OF SUCH DOCUMENTS; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

WHEREAS, the Montana Board of Housing (the “Board”) is authorized pursuant to the Montana Housing Act of 1975, Montana Code Annotated, Sections 90-6-101 through 90-6-127, as amended (the “Act”), to borrow and issue evidences of indebtedness concerning repayment thereof and to make loans and purchase mortgage loans in order to finance housing which will provide decent, safe and sanitary housing for persons and families of lower income in the State of Montana; and

WHEREAS, the Board intends to borrow on a non-recourse limited obligation basis from Citibank, N.A. (or such other financial institution as is approved by the Chair, Vice Chair or Executive Director and Treasurer) (the “Funding Lender”) an aggregate principal amount not to exceed \$10,000,000, the proceeds of which will be used to finance a mortgage loan for the acquisition, rehabilitation and equipping of Union Place Apartments, an affordable housing development consisting of 63 units located in Missoula, Montana (the “Project”); and

WHEREAS, the borrowing by the Board will be pursuant to a Funding Loan Agreement, among the Board, the Funding Lender and a fiscal agent to be determined by the Board (the “Fiscal Agent”) (the “Funding Loan Agreement”), and the agreement to repay such borrowing shall be reflected in a non-recourse revenue debt obligation (the “Obligation”) to be issued to the Funding Lender pursuant thereto, which Funding Loan Agreement and Obligation will be in substantially the form approved by the Board with respect to the Castlebar Apartments financing in 2021 (the “Castlebar Financing”), subject to the terms, conditions and limitations established herein and in the Funding Loan Agreement; and

WHEREAS, the proceeds of the borrowing will be used to finance a loan (the “Mortgage Loan”) to a Montana registered limited partnership, limited liability company or a similar affiliate of DevCo Preservation, LLC (the “Borrower”), pursuant to a Borrower Loan Agreement, by and among the Board, the Borrower and the Funding Lender (the “Borrower Loan Agreement”), which will be in substantially the form used in the Castlebar Financing; and

WHEREAS, the interest on the Obligation is intended to qualify for a federal tax exemption under Section 142 of Internal Revenue Code of 1986 (the “Code”), and to ensure that the Obligation maintains its tax exempt status, the Borrower will enter into a Regulatory Agreement

and Declaration of Restrictive Covenants (the “Regulatory Agreement”), which will be in substantially the same form as such agreement approved by the Board with respect to the Castlebar Financing.

NOW, THEREFORE, BE IT RESOLVED BY THE MONTANA BOARD OF HOUSING AS FOLLOWS:

Section 1. Public Hearing and Findings.

(a) The Board hereby finds and determines that the Project financed through the above described borrowing and issuance of the Obligation constitutes a “housing development” within the meaning of Section 90-6-103(8) of the Act; and

(b) In accordance with Section 90-6-109 of the Act, following a public hearing, the Board finds:

(i) that there exists a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of lower income can afford within the general housing market area to be served;

(ii) that private enterprise has not provided an adequate supply of decent, safe and sanitary housing in the housing market area at rentals or prices which persons or families of lower income can afford or provided sufficient mortgage financing for homes for occupancy by persons or families of lower income;

(iii) that the conditions, restrictions and limitations contained in the Funding Loan Agreement and contained in the program documents relating to the mortgage loan financed thereby and to be financed are sufficient to ensure that the Project will be well planned and well designed so as to constitute decent, safe and sanitary housing and that the “housing sponsors” (as defined in Section 90-6-103(10) of the Act) are financially responsible;

(iv) that the Project to be financed which is referred to in paragraph (a) above will be of public use and will provide a public benefit, taking into account the existence of local government comprehensive plans, housing and land use plans and regulations, area-wide plans and other public desires;

(v) that the Project to be financed with the proceeds of the Obligation does not involve the construction of “second homes,” which are defined in the Act to mean homes which would not qualify as the primary residence of the taxpayer for federal income tax purposes relating to capital gains on the sale or exchange of residential property; and

(vi) that if the Mortgage Loan constitutes a direct loan, in accordance with Section 90-6-109(1)(f), by virtue of the Board effectuating the loan of the Obligation proceeds to the Borrower pursuant to the Borrower Loan Agreement,

the Project qualifies for federal funds through its receipt of 4% federal low-income housing tax credits.

Section 2. Approval of Funding Loan Agreement. The Funding Loan Agreement is hereby approved in the form hereinabove described, and the Chair, the Vice Chair or the Executive Director and Treasurer of the Board (each an “Authorized Officer”) is hereby authorized and directed to select a Fiscal Agent and to execute and deliver the Funding Loan Agreement, with such changes, insertions or omissions therein as may be approved by such signatory, such approval to be evidenced conclusively by such execution of the Funding Loan Agreement.

Section 3. Authorization and Execution of the Obligation. The execution and delivery of the Board’s Obligation to the Funding Lender is hereby authorized and approved. The final amount and terms of the Obligation shall be determined by an Authorized Officer, consistent with the terms of the Funding Loan Agreement and subject to the following conditions. The Obligation shall not be a general obligation of the Board but shall be a limited non-recourse obligation payable solely and only from Mortgage Loan payments and any other moneys pledged under the Funding Loan Agreement by the Borrower as required by the Borrower Loan Agreement. The Obligation shall mature no later than 40 years from its date of issuance, bear interest at a fixed or floating rate no greater than the net rate paid on the Mortgage Loan (i.e., net of fees due to the Board and any other parties), be in a principal amount not to exceed \$10,000,000, be subject to prepayment and have the other terms and provisions as described to the Board, and definitively set forth in the Funding Loan Agreement upon execution and delivery as aforesaid in Section 2 hereof. The Obligation shall be executed and delivered substantially in the form set forth in the Funding Loan Agreement, with such additions, omissions and changes as are required or permitted by the Funding Loan Agreement and approved by the signatories thereto. The Obligation shall be executed in the name of the Board by the Chair or the Vice Chair of the Board, and attested to by the Secretary or the Treasurer, each of whom is hereby appointed as an Authorized Governmental Lender Representative (as such term is defined in the Funding Loan Agreement) for purposes of executing and attesting the Obligation, and their execution shall evidence their approval of the final terms thereof. Such signatures may be by facsimile; provided, however, that such Obligation shall not be valid or obligatory for any purpose unless the attestation by the authorized officer of the Board shall be a manual signature or the Obligation is authenticated by the manual signature of an authorized officer of the Fiscal Agent.

Section 4. Approval of Borrower Loan Agreement. The Borrower Loan Agreement is hereby approved in the form hereinabove described, and an Authorized Officer is hereby authorized to execute and deliver the Borrower Loan Agreement, with such changes, insertions or omissions therein as may be approved by such person, such approval to be evidenced conclusively by such execution of the Borrower Loan Agreement.

Section 5. Approval of Regulatory Agreement. The Regulatory Agreement is hereby approved in the form hereinabove described, and an Authorized Officer is authorized and directed to execute and deliver the same, with such changes, insertions or omissions therein as may be approved by such person, such approval to be evidenced conclusively by such execution of the Regulatory Agreement.

Section 6. Ratification of Prior Actions. All action previously taken by the officers, members or staff of the Board within the authority granted herein, with respect to the Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement and the Obligation is hereby approved, confirmed and ratified.

Section 7. Execution of Documents. In the event of the absence or disability of an Authorized Officer, or if for any other reason any of them are unable to execute the documents referred to in this Resolution, such documents may be executed by another member of the Board or by the Multifamily Program Manager or the Accounting and Finance Manager, with the same effect as if done by an Authorized Officer and without the further authorization of the Board. The execution of such documents by such member shall be conclusive evidence of his or her authority to so act.

Section 8. Execution of No-Arbitrage Certificate. An Authorized Officer is hereby authorized to issue certifications as to the Board's reasonable expectations regarding the amount and use of the proceeds of the Obligation as described in Section 148 of the Code, as amended.

Section 9. Additional Actions Authorized. The Chair, the Vice Chair, the Secretary or any other member of the Board, and the Executive Director and Treasurer, the Multifamily Program Manager and the Accounting and Finance Manager, acting alone or acting with others, are hereby authorized and directed to execute and deliver any or all other documents which may be required under the terms of the Funding Loan Agreement and the Borrower Loan Agreement, and to take such other action as may be required or appropriate for the performance of the duties imposed thereby or to carry out the purposes thereof, and the members and officers named above are hereby designated as Authorized Governmental Lender Representatives for such purposes. With respect to the issuance of the Obligations authorized by this Resolution, such Authorized Governmental Lender Representatives are also authorized, with the advice of General Counsel or Bond Counsel, to interpret and apply the Board's Policy for Conduit Multifamily Housing Revenue Bonds (the "Policy") and to waive any requirement of the Policy to the extent such interpretation, application or waiver is consistent with the purpose of the Policy.

Section 10. Effective Date. This Resolution shall become effective immediately.

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ADOPTED by the Montana Board of Housing this 17th day of April, 2023.

MONTANA BOARD OF HOUSING

Attest:

By _____
Sheila Rice, Chair

By _____
Cheryl Cohen, Executive Director

Union Place Executive Summary

Property Description

Union Place is located at 2500 Great Northern Ave in the city of Missoula. The property was developed in two phases, with Phase I being built in 2005 and phase II in 2007. The phases were placed in service in 2005 and 2007, respectively, under the Section 42 Low-Income Housing Tax Credit (LIHTC) program. The property consists of 63 split between 36 two-bedroom units and 27 three-bedroom units across 6 residential buildings. The community offers residents a playground, outdoor grilling and picnic areas, extra storage space, bike racks, a media room, a basketball court, and an on-site property manager. Each home is outfitted with amenities that include a fully equipped kitchen with a dishwasher, microwave, and refrigerator, with select units having a fireplace.

The property was originally built as a LIHTC development and therefore all units are rent restricted by regulatory agreements with the Montana Board of Housing. Phase I restrictions run through 2035 and Phase II restrictions run through 2037.

DevCo will seek a new issuance of tax-exempt bonds and 4% LIHTCs through the Montana Board of Housing and will extend the affordability commitments. 100% of the units will be set at 60% set asides.



Management

The property is managed by Tamarack Property Management. The company was established in 1986 and is one of the largest property management firms in the Rocky Mountain Region, with specializations managing HUD, Rural Development, Tax Credit, and Home-restricted properties.

Planned Renovations

In connection with the new issuance of tax-exempt bonds and 4% credits extensive renovations are planned to be completed at the property. The current budget includes \$52,637/unit in hard costs, which will cover the following:

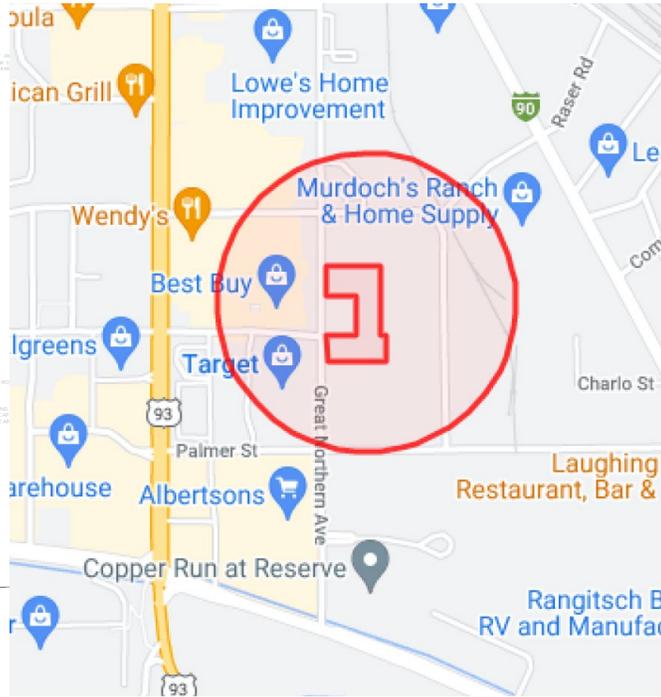
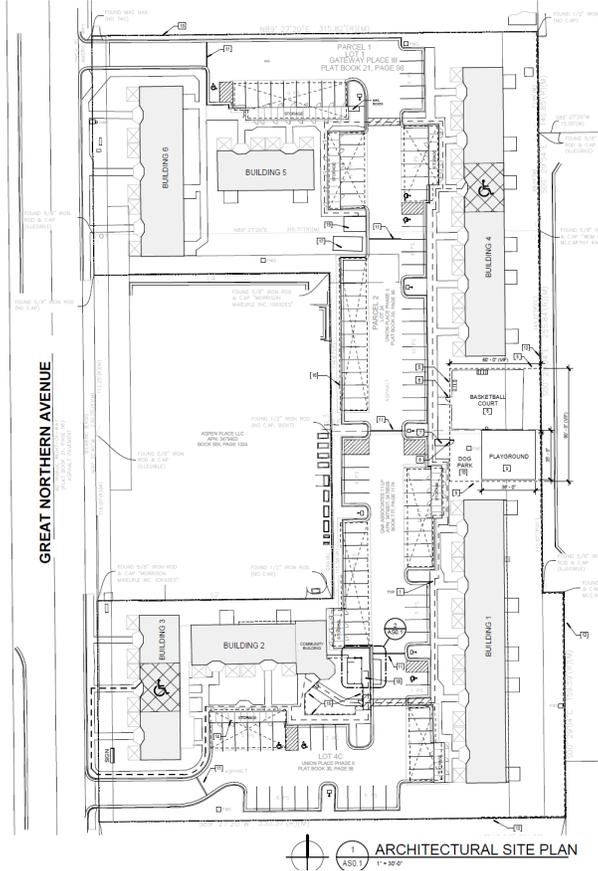
- Site Work – replace trash enclosures, concrete repairs, parking lot patching, parking lot restriping, fence repairs.
- Building Exteriors – roofing replacements, column wrap replacements, fixture replacements, patio door wood trim replacements.
- Common Areas – community room renovation (storage addition, painting).
- Unit Interiors – window repairs, door hardware replacements, unit signage, counter tops, HVAC, fire alarms, toilets.
- Replacement of new Fire Rated Entry Door Doors and Hardware

DevCo Mission Statement

DevCo Preservation uses its extensive experience in the management, construction and financing of affordable housing to revitalize existing properties and build long lasting communities. By planning extensive renovations and making long-term affordability commitments DevCo Preservation provides quality, affordable housing in growing markets where it is needed most.



Typical kitchen



MARKET STUDY SUMMARY

Market Study Company:	Novogradac
Project Name:	Union Place Apartments
Project Market Area:	Missoula, MT

Is the project, as proposed, viable?

Average (comparable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	
0 bedroom			
1 bedroom			
2 bedroom	\$ 1,803	54.4%	
3 bedroom	\$ 1,949	57.9%	
4 bedroom			
5 bedroom			
			Reference page: <input style="width: 50px;" type="text" value="10"/>

of all New Units Needed: Reference page:

of units needed for the targeted AMI of the project: Reference page:

Vacancy Rate: Reference page:

Capture Rate: Reference page:
 (projected income eligible tenants who will move in next year/proposed units)

Absorption Rate: Reference page:
 (proposed units/existing LIH, market area units required)

Penetration Rate: Reference page:
 (existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: Reference page:

Distance (miles) to: (only fill this out at full market study)

miles to grocery store (convenience store does not count)

miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

A Project is located within 1½ miles of the specified amenity or essential service.

Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).

All other services and distance to each.

	Other Service	Distance (mi)
1	Target	0
2	Glacier Bank	0
3	Post Office	0
4	Conoco	0
5	Pleasant View Park	1
6	Hellgate Elementary	1
7	Missoula Police Dept	1
8	Missoula Public Library	3
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AMENITIES FORM

Project Name: Union Place

All Units	Yes/No	Incremental Cost Per Unit	Benefit
Air Conditioning	Yes		Air conditioning in units.
Carport/Garage	No		
Dishwasher	Yes		Dishwashers already in units.
Disposal			
Extra storage outside unit	Yes		Extra storage already available.
Microwave	Yes		Microwave already in units.
Patios or Balconies	Yes		Balconies already exist outside of units
Washer/dryer hookups	Yes		Washer / Dryer hookups present in select units.
Washer/dryer in unit	Yes		Washer / Dryers are present in select units.

Project Wide	Yes/No	Incremental Cost Total	Benefit
Basketball hoop/pad	Yes		Basketball court already present on site. Will be improved during the renovation.
Car plug ins	No		
Community Garden	No		
Community Room	Yes		Community Room already present on site. Will be improved during the renovation.
Computer(s) for tenant use	No		
Library	No		
On site Manager	Yes		On-Site Manager currently at site during working hours.
Outdoor community area	Yes		BBQ / Picnic Areas already present on site.
Play Area	Yes		Playground already present on site.
Hotspot/Wi-Fi	Yes		
Other:			

County	Missoula
Project Name	Union Place
Developer / General Ptnr	LLC
Set-aside	General
HC Requested	5,482,680
Project Type	Family
Construction Type	Acq / Rehab
Projected Construction Start	Mar-23
Projected Completion	Mar-24

<u>Unit Numbers</u>	<u>Target</u>	
0-bdrm	20%	-
0-bdrm	30%	-
0-bdrm	40%	-
0-bdrm	50% (Low HM)	-
0-bdrm	50%	-
0-bdrm	60%	-
0-bdrm	70%	-
0-bdrm	80%	-
0-bdrm		-
0-bdrm		-
1-bdrm	20%	-
1-bdrm	30%	-
1-bdrm	50% (Low HM)	-
1-bdrm	40%	-
1-bdrm	50%	-
1-bdrm	60%	-
1-bdrm	70%	-
1-bdrm	80%	-
1-bdrm		-
1-bdrm		-
2-bdrm	20%	-
2-bdrm	30%	-
2-bdrm	40%	-
2-bdrm	50% (Low HM)	-
2-bdrm	50%	-
2-bdrm	60%	36
2-bdrm	70%	-
2-bdrm	80%	-
2-bdrm		-
2-bdrm		-
3-bdrm	20%	-
3-bdrm	30%	-
3-bdrm	40%	-
3-bdrm	50% (Low HM)	-
3-bdrm	50%	-
3-bdrm	60%	27
3-bdrm	70%	-
3-bdrm	80%	-
3-bdrm		-
3-bdrm		-
4-bdrm	20%	-
4-bdrm	30%	-

County	Missoula		
Project Name	Union Place		
Developer / General Ptnr	LLC		
4-bdrm		40%	-
4-bdrm	50% (Low HM)		-
4-bdrm		50%	-
4-bdrm		60%	-
4-bdrm		70%	-
4-bdrm		80%	-
4-bdrm			-
4-bdrm			-
other		20%	-
other		30%	-
other		40%	-
other	50% (Low HM)		-
other		50%	-
other		60%	-
other		70%	-
other		80%	-
other			-
other		mkt	-
other		mgr(60%)	-
Total Units			63
Average Income Targeting			60.00%

Square Footage

Income Restricted Units	62,984
Managers Unit(s)	-
Supportive Services	-
Common Space	-
Market/Commercial	-
Total	62,984

Unit Rents

0-bdrm	20%	-
0-bdrm	30%	-
0-bdrm	40%	-
0-bdrm	50% (Low HM)	-
0-bdrm	50%	-
0-bdrm	60%	-
0-bdrm	70%	-
0-bdrm	80%	-
0-bdrm		-
0-bdrm		-
1-bdrm	20%	-
1-bdrm	30%	-
1-bdrm	40%	-
1-bdrm	50% (Low HM)	-
1-bdrm	50%	-
1-bdrm	60%	-
1-bdrm	70%	-
1-bdrm	80%	-
1-bdrm		-

County		Missoula
Project Name		Union Place
Developer / General Ptnr		LLC
1-bdrm		-
2-bdrm	20%	-
2-bdrm	30%	-
2-bdrm	40%	-
2-bdrm	50% (Low HM)	-
2-bdrm	50%	-
2-bdrm	60%	1,015
2-bdrm	70%	-
2-bdrm	80%	-
2-bdrm		-
2-bdrm		-
3-bdrm	20%	-
3-bdrm	30%	-
3-bdrm	40%	-
3-bdrm	50% (Low HM)	-
3-bdrm	50%	-
3-bdrm	60%	1,168
3-bdrm	70%	-
3-bdrm	80%	-
3-bdrm		-
3-bdrm		-
4-bdrm	20%	-
4-bdrm	30%	-
4-bdrm	40%	-
4-bdrm	50% (Low HM)	-
4-bdrm	50%	-
4-bdrm	60%	-
4-bdrm	70%	-
4-bdrm	80%	-
4-bdrm		-
4-bdrm		-
other	20%	-
other	30%	-
other	40%	-
other	50% (Low HM)	-
other	50%	-
other	60%	-
other	70%	-
other	80%	-
other		-
other	mkt	-
other	mgr(60%)	-
Total Monthly Rents		68,076
vacancy factor		5.00%
Adjusted Rent		64,672
other/commercial income		3,463
total rent		68,136
x 12 months		12
Total Annual Income		817,626

County	Missoula
Project Name	Union Place
Developer / General Ptnr	LLC
<u>Expenses</u>	
Administration	31,500
Management	45,404
Maintenance	36,855
Operating	163,614
Taxes	-
Replacement Reserve	18,900
Total Expenses	<u>296,274</u>
Net Income Before Debt Service	521,353
<u>Financing Sources</u>	
Hard Loan	5,130,000
Hard Loan	3,088,438
Soft Loan	-
Soft Loan	-
State HOME	-
State CDBG	-
State NHTF	-
Other	100
Other	-
Other	-
Other	-
Deferred Dev Fee	1,468,388
HC Equity Competitive	-
HC Equity Non-Competitive	4,860,169
Total Sources:	<u>14,547,095</u>
% of Project Financed by HC:	33.41%
<u>Return on Sale of HTC</u>	
HTC Requested	5,482,680
HTC Equity	4,860,169
HTC Return on Sale	0.886
<u>Ratios</u>	
Rent (Income)	817,626
Operating	277,374
Replacement	18,900
Net Income	521,353
Total Debt Service	336,782
Debt Coverage Ratio (DCR)	1.55
Total Expense Ratio	1.29
<u>Project Costs</u>	
Land	1,550,000
Building/Acquisition	5,800,011
Site Work	-

County	Missoula
Project Name	Union Place
Developer / General Ptnr	LLC
Construction / Rehab	4,210,360
Soft Costs	1,107,889
Developer Fees	1,667,739
Reserves	211,095
Total Project Costs	14,547,095
Supportive Services Costs	-
Residential Costs	14,547,095

Costs versus Sources

Total Project Costs	14,547,095
Total Financing Sources	14,547,095
Difference	(0)

Project Cost Limitations

	<u>Limits</u>	
General Requirements	6.00%	4.73%
Contractor Overhead	2.00%	1.58%
Contractor Profit	6.00%	4.73%
Developer Fees	15.00%	15.00%
Soft Cost	32 or 37 or 40%	27.73%

Per Unit Comparison

	<u>Limits</u>	
Cost per unit total	n/a	230,906
Cost per unit residential only	\$350,000	230,906
Cost per unit Const / Rehab	n/a	66,831
Credits per unit	n/a	87,027
Operating Cost per unit	\$3,000 min	4,403
Replacement Reserves	\$300 min	300

Per Square Foot Comparison

Construction / Rehab per sq ft	66.85
Total Project Cost per sq ft	230.96
Credits per sq ft	87.05
Credits per sq ft (residential only)	87.05

Utilities Paid by (Tenant / Owner)

Tenant

Market Study Data:

Vacancy Rates	2.7%
Absorption Rate	81.0%
Months to Absorb	3
Average Project Rent	1,175
Average Market Rent	1,876
Units needed for Targeted AMI's	722

County	Missoula
Project Name	Union Place
Developer / General Ptnr	LLC

Market Rents

0-bdrms	-
1-bdrms	-
2-bdrms	1,803
3-bdrms	1,949
4-bdrms	-
other	-

Acq Rehab Info:

Reserves kept by existing owner	-
Other cash out by existing owner	-
Current Debt on Property	-
	-
	-
	-
	-

Development Evaluation Criteria and Selection

Lower Income Tenants

Income and Rent Level Targeting.	1
Project-Based Rental Subsidy.	NO

Project Characteristics

Amenities	Grocery Store
Small Town / Tribal Designation Area	na
Affordable Housing Stock	na
Historic Preservation	na

Local Involvement

Community Input	na
QCT / Local Community Revitalization Plan	QCT & Local Plan
Communication / Relationships	na

Green Building and Energy Conservation Standards

Green & Energy Std Met

Tenant Populations with Special Housing Needs

Family Projects	Family Project
Elderly Projects	na

BOARD AGENDA ITEM

PROGRAM

Multifamily

AGENDA ITEM

Creekside Apartments in Missoula - 4% Bond Resolution approval

BACKGROUND

Homeword purchased Creekside Apartments in 2017, competing against market rate developers hoping to make the purchase. The original Housing Credit restrictions will end in 2026. The purchase was at market value and Homeword at the time utilized a 501c3 conduit bond. At the time of purchase, Homeword was aware a significant rehabilitation would be needed within 5-7 years. Homeword is proposing a twinned 4% / 9% project for the required rehabilitation to continue Creekside's affordable restrictions for the next 50 years. Creekside is comprised of 14 buildings with 161 homes targeting 60% AMI. This 4% application includes 10 buildings:

- B (12 2Bed)
- C (8 1Bed, 4 2Bed)
- D (4 studio, 4 1Bed, 4 3Bed)
- E (studio, 4 2Bed, 4 3Bed)
- F (12 2Bed)
- G (12 2Bed)
- H (8 1Bed, 4 2Bed)
- J (8 1Bed, 4 3Bed)
- K (12 2Bed)
- L (studio, 4 1Bed, 4 3Bed)

The project has submitted a full application that has been reviewed and meets the requirements of the current QAP. The project scope includes \$60,180 of rehabilitation per unit. The developer is requesting approval of a bond resolution for a not to exceed amount of \$31,000,000 with an expected estimated bond issue of \$26,000,000. The difference includes a buffer for unexpected increases during pre-development.

STAFF RECOMMENDATION

Staff supports this request. Note the Board approved Creekside's 9% Housing Credit allocation in October 2022 in the amount of \$5,750,000.

MOTION OPTION(S)

1. Move to approve resolution 23-0418-MF03 (Creekside Apartments 4%).
2. No motion, proposal fails.

RESOLUTION NO. 23-0418-MF03

A RESOLUTION OF THE MONTANA BOARD OF HOUSING MAKING FINDINGS WITH RESPECT TO HOUSING NEEDS WITHIN MONTANA; APPROVING A BORROWING, AND REPAYMENT THEREOF, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$31,000,000; APPROVING A FUNDING LOAN AGREEMENT, BORROWER LOAN AGREEMENT AND OTHER RELATED DOCUMENTS; AUTHORIZING THE EXECUTION OF SUCH DOCUMENTS; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

WHEREAS, the Montana Board of Housing (the “Board”) is authorized pursuant to the Montana Housing Act of 1975, Montana Code Annotated, Sections 90-6-101 through 90-6-127, as amended (the “Act”), to borrow and issue evidences of indebtedness concerning repayment thereof and to make loans and purchase mortgage loans in order to finance housing which will provide decent, safe and sanitary housing for persons and families of lower income in the State of Montana; and

WHEREAS, the Board intends to borrow on a non-recourse limited obligation basis from Glacier Bank (or such other financial institution as is approved by the Chair, Vice Chair or Executive Director and Treasurer) (the “Funding Lender”) an aggregate principal amount not to exceed \$31,000,000, the proceeds of which will be used to finance a mortgage loan for the acquisition, rehabilitation and equipping of Creekside Apartments, an affordable housing development consisting of 120 units located in Missoula, Montana (the “Project”); and

WHEREAS, the borrowing by the Board will be pursuant to a Funding Loan Agreement, among the Board, the Funding Lender and a fiscal agent to be determined by the Board (the “Fiscal Agent”) (the “Funding Loan Agreement”), and the agreement to repay such borrowing shall be reflected in a non-recourse revenue debt obligation (the “Obligation”) to be issued to the Funding Lender pursuant thereto, which Funding Loan Agreement and Obligation will be in substantially the form approved by the Board with respect to the Junegrass Apartments financing in 2022 (the “Junegrass Financing”), subject to the terms, conditions and limitations established herein and in the Funding Loan Agreement; and

WHEREAS, the proceeds of the borrowing will be used to finance a loan (the “Mortgage Loan”) to a Montana registered limited partnership, limited liability company or a similar affiliate of Homeward, Inc. (the “Borrower”), pursuant to a Borrower Loan Agreement, by and among the Board, the Borrower and the Funding Lender (the “Borrower Loan Agreement”), which will be in substantially the form used in the Junegrass Financing; and

WHEREAS, the interest on the Obligation is intended to qualify for a federal tax exemption under Section 142 of Internal Revenue Code of 1986 (the “Code”), and to ensure that the Obligation maintains its tax exempt status, the Borrower will enter into a Regulatory Agreement

and Declaration of Restrictive Covenants (the “Regulatory Agreement”), which will be in substantially the same form as such agreement approved by the Board with respect to the Junegrass Financing.

NOW, THEREFORE, BE IT RESOLVED BY THE MONTANA BOARD OF HOUSING AS FOLLOWS:

Section 1. Public Hearing and Findings.

(a) The Board hereby finds and determines that the Project financed through the above described borrowing and issuance of the Obligation constitutes a “housing development” within the meaning of Section 90-6-103(8) of the Act; and

(b) In accordance with Section 90-6-109 of the Act, following a public hearing, the Board finds:

(i) that there exists a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of lower income can afford within the general housing market area to be served;

(ii) that private enterprise has not provided an adequate supply of decent, safe and sanitary housing in the housing market area at rentals or prices which persons or families of lower income can afford or provided sufficient mortgage financing for homes for occupancy by persons or families of lower income;

(iii) that the conditions, restrictions and limitations contained in the Funding Loan Agreement and contained in the program documents relating to the mortgage loan financed thereby and to be financed are sufficient to ensure that the Project will be well planned and well designed so as to constitute decent, safe and sanitary housing and that the “housing sponsors” (as defined in Section 90-6-103(10) of the Act) are financially responsible;

(iv) that the Project to be financed which is referred to in paragraph (a) above will be of public use and will provide a public benefit, taking into account the existence of local government comprehensive plans, housing and land use plans and regulations, area-wide plans and other public desires;

(v) that the Project to be financed with the proceeds of the Obligation does not involve the construction of “second homes,” which are defined in the Act to mean homes which would not qualify as the primary residence of the taxpayer for federal income tax purposes relating to capital gains on the sale or exchange of residential property; and

(vi) that if the Mortgage Loan constitutes a direct loan, in accordance with Section 90-6-109(1)(f), by virtue of the Board effectuating the loan of the Obligation proceeds to the Borrower pursuant to the Borrower Loan Agreement,

the Project qualifies for federal funds through its receipt of 4% federal low-income housing tax credits.

Section 2. Approval of Funding Loan Agreement. The Funding Loan Agreement is hereby approved in the form hereinabove described, and the Chair, the Vice Chair or the Executive Director and Treasurer of the Board (each an “Authorized Officer”) is hereby authorized and directed to select a Fiscal Agent and to execute and deliver the Funding Loan Agreement, with such changes, insertions or omissions therein as may be approved by such signatory, such approval to be evidenced conclusively by such execution of the Funding Loan Agreement.

Section 3. Authorization and Execution of the Obligation. The execution and delivery of the Board’s Obligation to the Funding Lender is hereby authorized and approved. The final amount and terms of the Obligation shall be determined by an Authorized Officer, consistent with the terms of the Funding Loan Agreement and subject to the following conditions. The Obligation shall not be a general obligation of the Board but shall be a limited non-recourse obligation payable solely and only from Mortgage Loan payments and any other moneys pledged under the Funding Loan Agreement by the Borrower as required by the Borrower Loan Agreement. The Obligation shall mature no later than 40 years from its date of issuance, bear interest at a fixed or floating rate no greater than the net rate paid on the Mortgage Loan (i.e., net of fees due to the Board and any other parties), be in a principal amount not to exceed \$31,000,000, be subject to prepayment and have the other terms and provisions as described to the Board, and definitively set forth in the Funding Loan Agreement upon execution and delivery as aforesaid in Section 2 hereof. The Obligation shall be executed and delivered substantially in the form set forth in the Funding Loan Agreement, with such additions, omissions and changes as are required or permitted by the Funding Loan Agreement and approved by the signatories thereto. The Obligation shall be executed in the name of the Board by the Chair or the Vice Chair of the Board, and attested to by the Secretary or the Treasurer, each of whom is hereby appointed as an Authorized Governmental Lender Representative (as such term is defined in the Funding Loan Agreement) for purposes of executing and attesting the Obligation, and their execution shall evidence their approval of the final terms thereof. Such signatures may be by facsimile; provided, however, that such Obligation shall not be valid or obligatory for any purpose unless the attestation by the authorized officer of the Board shall be a manual signature or the Obligation is authenticated by the manual signature of an authorized officer of the Fiscal Agent.

Section 4. Approval of Borrower Loan Agreement. The Borrower Loan Agreement is hereby approved in the form hereinabove described, and an Authorized Officer is hereby authorized to execute and deliver the Borrower Loan Agreement, with such changes, insertions or omissions therein as may be approved by such person, such approval to be evidenced conclusively by such execution of the Borrower Loan Agreement.

Section 5. Approval of Regulatory Agreement. The Regulatory Agreement is hereby approved in the form hereinabove described, and an Authorized Officer is authorized and directed to execute and deliver the same, with such changes, insertions or omissions therein as may be approved by such person, such approval to be evidenced conclusively by such execution of the Regulatory Agreement.

Section 6. Ratification of Prior Actions. All action previously taken by the officers, members or staff of the Board within the authority granted herein, with respect to the Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement and the Obligation is hereby approved, confirmed and ratified.

Section 7. Execution of Documents. In the event of the absence or disability of an Authorized Officer, or if for any other reason any of them are unable to execute the documents referred to in this Resolution, such documents may be executed by another member of the Board or by the Multifamily Program Manager or the Accounting and Finance Manager, with the same effect as if done by an Authorized Officer and without the further authorization of the Board. The execution of such documents by such member shall be conclusive evidence of his or her authority to so act.

Section 8. Execution of No-Arbitrage Certificate. An Authorized Officer is hereby authorized to issue certifications as to the Board's reasonable expectations regarding the amount and use of the proceeds of the Obligation as described in Section 148 of the Code, as amended.

Section 9. Additional Actions Authorized. The Chair, the Vice Chair, the Secretary or any other member of the Board, and the Executive Director and Treasurer, the Multifamily Program Manager and the Accounting and Finance Manager, acting alone or acting with others, are hereby authorized and directed to execute and deliver any or all other documents which may be required under the terms of the Funding Loan Agreement and the Borrower Loan Agreement, and to take such other action as may be required or appropriate for the performance of the duties imposed thereby or to carry out the purposes thereof, and the members and officers named above are hereby designated as Authorized Governmental Lender Representatives for such purposes. With respect to the issuance of the Obligations authorized by this Resolution, such Authorized Governmental Lender Representatives are also authorized, with the advice of General Counsel or Bond Counsel, to interpret and apply the Board's Policy for Conduit Multifamily Housing Revenue Bonds (the "Policy") and to waive any requirement of the Policy to the extent such interpretation, application or waiver is consistent with the purpose of the Policy.

Section 10. Effective Date. This Resolution shall become effective immediately.

[Remainder of Page Intentionally Left Blank]

ADOPTED by the Montana Board of Housing this ____ day of April, 2023.

MONTANA BOARD OF HOUSING

Attest:

By _____
Sheila Rice, Chair

By _____
Cheryl Cohen, Executive Director



Montana Housing
Montana Board of Housing
Montana Department of Commerce
PO Box 200528
Helena, MT 59620-0528

March 1, 2023

Dear Staff and Board Members,

We are excited to present to you our 4% Creekside Rehabilitation application for consideration. Structured as a twinned 9%/4% tax credit and tax-exempt bond rehab project for the 161 apartments, we and the over 200 current residents of Creekside are grateful for your consideration of our request to collaborate with us in preserving these homes that Montana residents earning lower incomes can afford to rent.

In 2017, working closely with the City of Missoula, First Security Bank (FSB) and NeighborWorks Montana (NWMT), **Homeword competed against market rate buyers and was successful in acquiring Creekside Apartments to preserve its critical affordability.** The City of Missoula issued a 501c3 Conduit Bond that FSB purchased and created a debt structure manageable for the property and its ongoing affordable operations. FSB also invested EQ2 funds with NWMT, who in turn loaned them to Creekside as subordinate debt. This first of its kind, creative financing package allowed Homeword to acquire Creekside in a competitive market bid at the time, before any of us knew what would happen now with dramatically rising real estate prices. The advantageous loan terms allowed for interest only payments to FSB for the first three years to catch up on deferred maintenance and start rebuilding reserves. While that was helpful, a full-scale rehab is now necessary to improve the living conditions, comfort, and on-going affordability of these 161 apartments, now more than twenty-six years old.

Buyers, as we are seeing in practice here in Montana today, would have purchased Creekside with the anticipation of the deed restriction burning off in 2026. Additionally, it was marketed as “Qualified Contract” eligible (meaning they may have been able to take it out of the LIHTC program even earlier). The property would have easily gone to market rents. Homeword is thankful for the partnership that enabled us to purchase Creekside in 2017. If this project were to come up for sale today, the creative financing package established then would not have produced enough proceeds to acquire and preserve Creekside. Since 2020, we have observed deed restricted properties in Montana selling for 30% more than rent and debt supported value, as investors anticipate implementing significant rent increases once the properties go to market rate. If the property had gone to market rate in 2017, most residents would face displacement in 2026. With a less than 1% vacancy rate reported in 2022 and escalating rents, many residents would potentially experience homelessness or housing instability for months or years should they be displaced..

At the time of acquisition, Homeword knew Creekside would need significant rehabilitation within 5-7 years. Most of the overall building systems were nearing or past the end of their useful lives. This has certainly proven true and illustrated within this application in the rehabilitation scope proposed – all new siding, roofing, windows, mechanical, plumbing fixtures and more. Over the last three years construction pricing, both labor and materials, have increased by percentages not seen in our lifetimes and labor

shortage issues plaguing us for a decade or more have been exacerbated. While the markets are still volatile, there does seem to be some stabilization – nowhere near where we were, but in the realm of limited predictability. The proposed twinned credit approach gives Creekside the best opportunity to succeed in getting ahead of repair and replacements that cannot be handled simply by operations. The buildings were constructed at a very efficient price point in 1996, using materials known to be less durable (like vinyl siding) with less focus on long term success with capital improvement needs. Homeward is proposing a rehabilitation using more durable materials and replacing key equipment to mitigate future repairs, make replacements more reasonable and alleviate pressure on operations.

That said, building systems and envelopes do not last forever, and all acquisition/rehab projects are not created equally. Homeward has been working with Missoula City staff and had several meetings with City Council as part of this application and ongoing strategic conversations about overall housing strategies. **Deed restricted affordable properties have a slim operating margin by design and to have long-term affordability, there must be additional capital investment.** As we look at Montana’s affordable portfolio and our own, we need to be strategic about resources and the approach to overall capital needs and how those needs are addressed. Material and systems choices at the time of construction are critical – Creekside was built in a way that most materials and systems wear out about the same time, while other projects (like Fireweed) have stretched the replacement timeline over a longer period. **Equity from Housing Tax Credits is the most effective source for a large-scale rehab needed at Creekside Apartments, and we have recently requested City of Missoula assistance with the remaining 4% gap.**

This project represents a confluence of unique circumstances that allow us to rehabilitate Creekside to long-term, sustainable operations as a critical component of Missoula and Montana’s housing portfolio. Homeward is working creatively with FSB to maintain the 501c3 bond terms and the NWMT financing as they are far more advantageous than other loan products available today. Homeward will utilize the values established in the Comparative Market Assessment to leverage acquisition credits to greatly assist with rehabilitation expenses, trying not to rely on other State soft sources that would overcomplicate the project and potentially have unintended consequences for existing residents. These concepts are laced throughout this application.

One other advantage to this project is that we will not see hundreds of thousands of dollars spent on Architectural and Engineering fees. Because the majority of work is replacing materials or systems, limited documents need to be prepared to get accurate bid pricing. Many dollars that in a new project would go to professional AE fees can now be spent on hard costs. In addition, permit costs will be lower as we are not having to build new foundations, walls, and roofs – the base structure is sound and can be preserved, requiring limited plan review. These two factors have the added advantage of allowing the project’s pre-construction period to be shorter. The bid documents can be prepared concurrently with the preparation of the Environmental Review Record, should one be needed, and the project can move swiftly into rehabilitation activities, since there is no excavation and foundation work.

We hope that the Montana Board of Housing members will see the timing benefits of this request and the complexity involved with the proposed financial restructuring to extend affordability restrictions for Missoulians. We appreciate your consideration.

Sincerely,



Julie M. Stiteler, Homeward Project Manager

CREEKSIDE PHOTOS



County
Project Name
Developer / General Ptnr

Missoula County
Creekside Apartments
Homeword Inc.

Set-aside Non-Profit
HC Requested 10,211,750
Project Type Family
Construction Type Acq / Rehab
Projected Construction Start Oct-23
Projected Completion Apr-25

Unit Numbers

Target

0-bdrm	60%	8
1-bdrm	60%	35
1-bdrm	60% (High HM)	1
2-bdrm	60%	59
2-bdrm	60% (High HM)	1
3-bdrm	60%	16
other	mgr(60%)	-
Total Units		<u>120</u>
Average Income Targeting		60.00%

Square Footage

Income Restricted Units		<u>94,360</u>
Total		94,360

Unit Rents

0-bdrm	60%	792
1-bdrm	60%	840
1-bdrm	60% (High HM)	735
2-bdrm	60%	1,002
2-bdrm	60% (High HM)	920
3-bdrm	60%	1,149
other	mgr(60%)	-
Total Monthly Rents		<u>114,893</u>
vacancy factor		<u>5.00%</u>
Adjusted Rent		<u>109,148</u>
other/commercial income		<u>10,833</u>
total rent		<u>119,982</u>
x 12 months		<u>12</u>
Total Annual Income		<u>1,439,780</u>

Expenses

Administration		31,087
Management		48,798
Maintenance		133,700
Operating		298,828
Taxes		36,000
Replacement Reserve		36,000
Total Expenses		<u>584,413</u>

Net Income Before Debt Service 855,367

County
Project Name
Developer / General Ptnr

Missoula County
Creekside Apartments
Homeword Inc.

Financing Sources

Hard Loan	1,300,000
Soft Loan	11,000,000
State HOME	300,000
Other	3,167,500
Other	1,000,000
Other	4,218,065
Deferred Dev Fee	1,267,208
HC Equity Non-Competitive	8,517,295
Total Sources:	<u>30,770,068</u>
% of Project Financed by HC:	27.68%

Return on Sale of HTC

HTC Requested	10,211,750
HTC Equity	8,517,295
HTC Return on Sale	0.834

Ratios

Rent (Income)	1,439,780
Operating	548,413
Replacement	36,000
Net Income	855,367
Total Debt Service	764,320
Debt Coverage Ratio (DCR)	1.12
Total Expense Ratio	1.07

Project Costs

Land	4,102,572
Building/Acquisition	12,987,339
Site Work	-
Construction / Rehab	7,221,574
Soft Costs	2,557,583
Developer Fees	3,400,000
Reserves	501,000
Total Project Costs	<u>30,770,068</u>
Supportive Services Costs	-
Residential Costs	30,770,068

Costs versus Sources

Total Project Costs	30,770,068
Total Financing Sources	<u>30,770,068</u>
Difference	(0)

Project Cost Limitations

	<u>Limits</u>	
General Requirements	6.00%	3.83%
Contractor Overhead	2.00%	1.28%
Contractor Profit	6.00%	3.83%
Developer Fees	15.00%	14.93%
Soft Cost	32 or 37 or 40%	29.48%

County
 Project Name
 Developer / General Ptnr

Missoula County
Creekside Apartments
Homeword Inc.

Per Unit Comparison

	<u>Limits</u>	
Cost per unit total	n/a	256,417
Cost per unit residential only	\$350,000	256,417
Cost per unit Const / Rehab	n/a	60,180
Credits per unit	n/a	85,098
Operating Cost per unit	\$3,000 min	4,570
Replacement Reserves	\$300 min	300

Per Square Foot Comparison

Construction / Rehab per sq ft	76.53
Total Project Cost per sq ft	326.09
Credits per sq ft	108.22
Credits per sq ft (residential only)	108.22

Utilities Paid by (Tenant / Owner)

Tenant

Market Study Data:

Vacancy Rates	0.8%
Absorption Rate	84.1%
Months to Absorb	NA
Average Project Rent	1,052
Average Market Rent	1,451
Units needed for Targeted AMI's	1,147

Market Rents

0-bdrms	1,249
1-bdrms	1,338
2-bdrms	1,523
3-bdrms	1,694

Development Evaluation Criteria and Selection

Lower Income Tenants

Income and Rent Level Targeting.	60%
Project-Based Rental Subsidy.	NO

Project Characteristics

Amenities	Grocery Store
Small Town / Tribal Designation Area	na
Affordable Housing Stock	Preservation
Historic Preservation	na

Local Involvement

Community Input	Local Community Input
QCT / Local Community Revitalization Plan	na
Communication / Relationships	Local Entity Participation

Green Building and Energy Conservation Standards

Green & Energy Std Met

Tenant Populations with Special Housing Needs

Family Projects	Family Project
Elderly Projects	na

MARKET STUDY SUMMARY

Market Study Company:	Property Dynamics
Project Name:	Creekside Apartments (4 % LIHTC Units)
Project Market Area:	Missoula, MT

Is the project, as proposed, viable?

Average (comparable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	
0 bedroom	\$ 1,249	37 - 48%	
1 bedroom	\$ 1,338	37 - 49%	
2 bedroom	\$ 1,523	34 - 46%	
3 bedroom	\$ 1,694	32 - 45%	
4 bedroom			Reference page:
5 bedroom			A-52

of all New Units Needed: Reference page:

of units needed for the targeted AMI of the project: Reference page:

Vacancy Rate: Reference page:

Capture Rate: Reference page:
 (projected income eligible tenants who will move in next year/proposed units)

Absorption Rate: Reference page:
 (proposed units/existing LIH, market area units required)

Penetration Rate: Reference page:
 (existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: Reference page:

Distance (miles) to: (only fill this out at full market study)

miles to grocery store (convenience store does not count)
 miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

A Project is located within 1½ miles of the specified amenity or essential service.

Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).

All other services and distance to each.

	Other Service	Distance (mi)
1	Cenex Convenience Store / Gas Pumps	0.6
2	Albertsons Grocery - Osco Pharmacy	0.6
3	Gregory Park	0.7
4	1st Security Bank	0.9
5	Library	1.0
6	Fire Station	1.0
7	Post Office	1.1
8	Hospital	1.5
9	Senior Center	1.7
10	Medical Clinic - University Mt. Curry	1.9
11	High School - Hellgate	2.0
13	Elementary School - Paxson	2.4
14	Middle School	2.9
15	Walmart / Target	4.3
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AMENITIES FORM

Project Name: Creekside Apartments

All Units	Incremental Cost		Benefit
	Yes/No	Per Unit	
Air Conditioning	Yes	\$ 2,000.00	Existing AC units replaced as needed, some are currently new.
Carport/Garage	Yes	\$ 500.00	The garages as part of the original development are either used as garages or storage.
Dishwasher			
Disposal			
Extra storage outside unit	Yes	\$ -	The garages as part of the original development are either used as garages or storage.
Microwave			
Patios or Balconies	Yes	\$ -	Existing balconies and patios
Washer/dryer hookups			
Washer/dryer in unit			

Project Wide	Incremental Cost		Benefit
	Yes/No	Total	
Basketball hoop/pad	Yes	\$ -	existing amenity
Car plug ins	No		
Community Garden	No		
Community Room	Yes	\$ -	existing amenity
Computer(s) for tenant use			
Library			
On site Manager	Yes	\$ -	existing amenity
Outdoor community area	Yes	\$ -	existing amenity
Play Area	Yes	\$ -	existing amenity
Hotspot/Wi-Fi			
Other: Dog Park	Yes	\$ -	existing amenity



ALL NATIONS HEALTH CENTER

830 WEST CENTRAL AVENUE | MISSOULA, MT 59801 | (406) 829-9515

Montana Housing, Community Housing
Montana Department of Commerce
P.O. Box 200528
301 S. Park Avenue
Helena, MT 59620-0528

June 30, 2022

Re: Homeword Creekside Apartments Renovation Project in Missoula, MT, Housing Tax Credit and HOME applications

To Whom It May Concern:

We are writing this letter to express our support for the rehabilitation that Homeword is proposing for their Creekside Apartments in Missoula.

Established in 1970, All Nations Health Center (All Nations) is one of 41 Urban Indian Health Programs (UIHP) located throughout the United States. While its services are designed *by Natives for Natives*, All Nations honors traditional values such as charity and generosity and makes its services available to everyone regardless of race, ethnicity, or income status. The U.S. Census Bureau estimates that American Indian/Alaska Native (AIAN) individuals make up about 4.3% of the residents of Missoula County, a population of roughly 4,894—making it the largest minority group in the county.¹ AIANs and other minority groups are most at risk for negative health outcomes caused by a myriad of social determinants of health, like access to safe and affordable housing. The types of homes available at the Creekside Apartments need to be preserved to allow Missoula's most vulnerable residents to live in safety and stability.

In a recent Robert Wood Johnson Foundation grant-funded research initiative conducted with Missoula's AIAN residents, All Nations learned that 65% of AIANs in Missoula County are "very concerned" about housing affordability.² It is paramount that the Creekside Apartments rehabilitation project be supported by Housing Tax Credits in order to ensure that Missoulians who are most at-risk of being displaced from their housing due to rising housing costs have access to high-quality, affordable housing.

The scope of this proposal is aligned with All Nation's mission to provide for healthy, sustainable lives for our Native people and the surrounding Missoula-area community through culturally based, holistic care. All Nations recognizes that housing is a critical aspect of the healthcare continuum. All Nations requests

¹ U.S. Census Bureau. (2017). Table DP05. ACS DEMOGRAPHIC AND HOUSING ESTIMATES: 2013-2017 American Community Survey 5-Year Estimates. Accessed December 22, 2018 at <https://www.census.gov/acs/www/data/data-tables-and-tools/data-profiles/2017/>.

² Comprehensive Report to Wisdom Council Members. Bellwether Research. November 22, 2021.

Serving the Missoula Community Since 1970

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Montana Housing's thoughtful consideration in the allocation of the highly-sought-after Housing Tax Credits and HOME Partnership grant funds.

Sincerely,

A handwritten signature in black ink, appearing to read "Azure S. McGinty". The signature is written in a cursive, flowing style.

Azure S. McGinty, Executive Director
All Nations Health Center



City Council Office

435 Ryman
Missoula, MT 59802
Phone: 406-552-6012

E-mail: council@ci.missoula.mt.us
Web: www.ci.missoula.mt.us/citycouncil/

Montana Housing, Community Housing
Montana Department of Commerce
P.O. Box 200528
301 S. Park Avenue
Helena, MT 59620-0528

Wednesday, July 20, 2022

Re: Homeword Creekside Apartments Renovation Project in Missoula, MT, Housing Tax Credit and HOME applications

To Whom it may Concern:

The Missoula City Council is proud to support the rehabilitation project that Homeword is proposing for their Creekside Apartments in Missoula.

Housing is a critical and urgent need in our community and we see the incredible value Creekside Apartments brings to our city and to our city-wide housing goals. We hear from residents consistently about their housing needs and the inventory gap for units that people with a range of incomes can afford. This project aligns with the adopted city-wide housing policy, A Place to Call Home, our city's climate goals as well as the Mayor's Strategic Plan.

As members of Council, we understand that investments in dedicated, income restricted housing are not one-time endeavors. Ensuring the long-term habitability and affordability of this project is a priority and with that comes the obligation of additional investment. Housing preservation plays a key role in the health of our housing market. Losing 161 income restricted units would be a devastating blow to the residents who live there and our entire community.

While the original builder did not use durable materials, we have seen Homeword's stewardship of resources and thoughtful design work throughout their portfolio of housing projects and have every confidence that this building will be more sustainable once these improvements are made. It is a long-held belief that providing safe and healthy housing is a critical need for neighbors of all incomes. The Mayor's Strategic Plan emphasizes the City's action-oriented focus on health and safety, and community design and livability which further promotes maintaining existing resources. Creekside Apartments are located near services, including The University of Montana, downtown Missoula, and the Kim Williams Trails. This connectivity to the built and natural environment promotes wellbeing and autonomy.

We are so grateful to Montana Housing and the Montana Board of Housing's ongoing partnership and support of Missoula's efforts to preserve and create housing that people of all incomes are proud to call home.

In conclusion, the Creekside Apartments renovation project will sustain an essential resource for 161 households who are stably housed with incomes below 60 percent of the Area Median Income. In a Place to Call Home we emphasized Council's role in supporting and advocating for Low Income Housing Tax Credit projects that support our overall housing priorities. We appreciate the challenge of allocating finite resources and respectfully request your thoughtful consideration of Homeward's plan and community goals when deciding where to allocate the essential Housing Tax Credits.

Sincerely,



Gwen Jones
City Council President, City of Missoula

cc: Andrea Davis, Homeward



missoula food bank
& community center

Montana Housing, Community Housing
Montana Department of Commerce
P.O. Box 200528
301 S. Park Avenue
Helena, MT 59620-0528

6/27/2022

Re: Homeword Creekside Apartments Renovation Project in Missoula, MT, Housing Tax Credit and HOME applications

Dear Staff and Board Members:

Missoula Food Bank & Community Center writes to express our support for Homeword's rehabilitation project at Creekside Apartments in Missoula.

In 2021, Missoula Food Bank & Community Center supported the basic food needs of 1 in 4 people in Missoula County, and the months of March, April, and May of 2022 have been our busiest on record. People in this community struggle with food security largely because of an impossible housing market.

On average, customers of our food bank spend 61% of their monthly income simply keeping a roof overhead, nearly twice the amount considered to be affordable by HUD. This rehabilitation project will help to retain safe and affordable housing for 300 people in our community who, if displaced, would face significant barriers in finding another home.

This project site is one we know well. During the school year, MFB&CC serves Schools Out Day meals at Creekside Apartments. More than fifty children who otherwise depend on school meals in the cafeteria come eat with us these days. Creekside is home for these joyful, resilient students. In investing Housing Tax Credit and HOME dollars in this project, you are also investing in their stability and futures.

We understand that these dollars are limited, and that housing across the state is pressured. We encourage you to allocate these precious resources at Creekside Apartments. Thank you for your time and thoughtful consideration, particularly during these challenging times for families.

Sincerely,



Jessica D. Allred
Interim Co-Executive Director

cc: Andrea Davis, Homeword

we nourish community



July 25, 2022

Montana Housing, Community Housing
Montana Department of Commerce
P.O. Box 200528
301 S. Park Avenue
Helena, MT 59620-0528

Re: Homeword Creekside Apartments Renovation Project in Missoula, MT, Housing Tax Credit and HOME Applications

Dear Staff and Board Members:

We are writing this letter in support of Homeword's application for Housing Tax Credits and HOME funds for the rehabilitation of Creekside Apartments in Missoula, MT.

Creekside provides 161 homes for families of all sizes and plays a critical role in meeting the need for rental housing in Missoula. Rents in our area have skyrocketed over the past two years, and maintaining and preserving existing affordable housing projects is more important than ever. This property is 26 years old and because it was not built with the most durable materials, is aging quickly and requires extensive repairs.

The Missoula Housing Authority (MHA) serves over 1500 low and moderate income households, many of them with disabled and/or senior family members. For the first time in over 25 years people receiving new vouchers have been unable to find homes to rent, and those with vouchers have lost homes they have lived in for years when owners have chosen to sell or increase the rent by as much as \$300/month. Projects like Creekside are the best, and often the only option for people struggling to find a home they can afford. MHA currently has 47 families with vouchers who have found a home at Creekside.

Without Homeword's efforts to purchase and preserve these homes they could easily have been taken to full market rate and lost forever to our community's affordable housing inventory.

Thank you for your thoughtful consideration of Homeword's applications when deciding where to allocate the limited supply of Housing Tax Credits and HOME dollars. We appreciate so much your support of projects like this that preserve the critical supply of homes people can afford.

Sincerely,

Lori Davidson
Executive Director
Missoula Housing Authority

July 5, 2022

Re: Homeward Creekside Apartments
Renovation Project in Missoula, MT
Housing Tax Credit & Home applications

Dear Sirs,

I am a resident in Creekside Apartments and have been for six years. I enjoy living here because its river-front property in a beautiful canyon. Also this housing is affordable for its residents. I am retired from USPS and receive SSI as well, but still need to work to make ends meet. Life is expensive when you are the only one in the household and there isn't "affordable" housing any more. I love living at Creekside apts and hope it remains home for all its residents.

Thank you
Janet Lockhart
apt P105

July 7, 2022

Montana Housing, Community Housing
Montana Department of Commerce
P.O. Box 200528
301 S. Park Avenue
Helena, MT 59620-0528

Re: Homeword Creekside Apartments Renovation Project in Missoula, MT, Housing Tax Credit and HOME applications

Dear Staff and Board Members:

I am writing on behalf of the Human Resource Council (HRC) to express support for the rehabilitation that Homeword is proposing for the Creekside Apartments in Missoula. Fortunately for our community Homeword was able to purchase the Creekside Apartments in order to preserve and continue the affordable rents for the 161 apartments at the property as it was facing conversion to market rents. In order to purchase the Creekside Apartments Homeword needed several partners to participate in the financing structure that was needed to raise the capital for the purchase. That financing structure was complicated, but proved government and the private sector could combine efforts to achieve a very positive outcome.

Once Homeword finalized the purchase, efforts began to document the deferred maintenance and repairs needed. That documentation has been completed and now our community knows the extent to which the deferred maintenance and repairs have impacted the apartments. The costs to make needed repairs are more than what is available in reserves for the property and more than what our community alone can contribute. Therefore, we now ask for your assistance.

HRC operates rent assistance programs that help very low income people with their rent. You already know the low vacancy rates and high rents that permeate communities throughout Montana. For HRC staff assisting people with locating and securing housing they have only a few properties that have rents that qualify for the rent assistance program, Creekside is one of those properties. As an example, a couple who participate in HRC's Youth Homelessness Demonstration Project recently found housing at Creekside, there were no other housing options for them as they were facing being unhoused. This is only one of many examples of people who have been and will be living at the Creekside Apartments.

The award of Housing Tax Credits and HOME funding will ensure the apartments at Creekside will remain affordable for decades and will continue to be a sought-after place to live.

Sincerely,



Jim Morton
Executive Director

Incapacity
Assessment
Services

Low Income
Advocacy

Workforce
Development

Energy
Assistance

Owner
Occupied
Home
Rehabilitation
Loan Program

Affordable
Housing
Development

First Time
Homebuyer
Assistance

2-1-1
Information
& Referral

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Montana Housing, Community Housing
Montana Department of Commerce
P.O. Box 200528
301 S. Park Avenue
Helena, MT 59620-0528

July 18, 2022

Dear Staff and Board Members:

On behalf of Missoula Economic Partnership (MEP), I write in support of the rehabilitation that Homeword is proposing for their Creekside Apartments in Missoula. As Missoula's economic development organization, MEP's role is to coordinate community-wide action to address barriers impeding the growth of individuals and businesses. This involves addressing barriers that prevent workers from filling good paying jobs and reaching economic self-sufficiency.

In 2021, MEP completed a Comprehensive Economic Development Strategy (CEDS) to identify factors that impact Missoula County's economy, and ways the public and private sector can positively impact those factors. We learned that a major challenge facing local businesses is attracting and retaining employees. Among the largest contributing factors to this is housing affordability and availability.

In Missoula, businesses of all sizes and across all industries indicate that they are currently experiencing high demand for their products and services and have strong potential for continued growth. Our unemployment rate is currently 2.8%. However, local employers are experiencing a shortage of labor and are reporting difficulty retaining and growing the workforce due to the increased cost and lack of housing, especially affordable housing. According to the Missoula Organization of Realtors, in 2021 rents increased 5.57% in Missoula, and vacancy rates continued to decline to a new all-time low average rate of 1.3%.

Missoula must preserve and sustain our current inventory of workforce housing units; if we do not, housing prices will continue to rise and the set of people who can afford to live in Missoula will change. This will directly impact our employers and workforce as some types of work, firms, and industries will become unviable at the wages required to afford housing.

Homeword's Creekside Apartments provide rental housing at an affordable price in a safe, convenient neighborhood with access to transportation. Support for Creekside's rehabilitation is in alignment with MEP's strategic plan and our region's 2021 Comprehensive Economic Development Strategy (CEDS). We fully support this critically-needed project and ask for your thoughtful consideration when allocating our state's limited Housing Tax Credits and HOME Partnership grant funds.

Sincerely,

A handwritten signature in blue ink, appearing to read "Grant Kier", with a stylized flourish at the end.

Grant Kier
CEO



Montana Housing, Community Housing
Montana Department of Commerce
P.O. Box 200528
301 S. Park Avenue
Helena, MT 59620-0528

July 7, 2022.

Re: Homeward Creekside Apartments Renovation Project in Missoula, MT, Housing Tax Credit and HOME applications

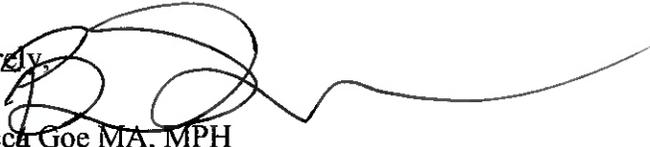
Dear Staff and Board Members:

On behalf of Partnership Health Center (PHC), a federally qualified health center in Missoula, MT, I am writing this letter to express our support for Homeward's Creekside Apartments Renovation Project in Missoula. PHC works to provide access to care for underserved and low-income Missoula residents, and operates several programs that support people who are houseless or at risk of losing their housing. Stable, affordable housing like that provided by the Creekside Apartments is a necessity for a healthful life.

Missoula is currently in a housing crisis—wages have not kept up with the high cost of living in Missoula County where the median home price was \$550,000 in April of 2022, up 22% from the previous year. The rental market has seen a similar trend, with the median cost of a 2 bedroom apartment above \$1,000 for the first time ever. The 161 homes at the Creekside Apartments provide affordable housing to approximately 300 people earning 60% or less of the Area Median Income (AMI), about \$16.50 an hour. Without access to affordable housing, Creekside residents would be in danger of being cost-burdened by housing or priced out of the market. Necessary repairs to the complex, which was built in 1996, will ensure that the Creekside Apartments remain affordable for another 46 years.

Homeward's Creekside Apartment Renovation Project will ensure that hundreds of Missoula residents working in childcare, service jobs and education, as well as frontline medical workers continue to have access to safe, stable and affordable housing. PHC joins the Montana Board of Housing Support and Appreciate Montana Housing in urging you to think of Homeward when deciding where to allocate highly-sought-after Housing Tax Credits.

Sincerely,



Rebecca Goe MA, MPH
Partnership Health Center
Director of Innovation

Address: 401 Railroad Street W., Missoula, MT 59802 | PartnershipHealthCenter.org

Phone: (406) 258-4789 | Fax: (406) 258-4732 | Email:

partnership@phc.missoula.mt.us

Healthy People, Strong Communities



United Way of Missoula County



July 8, 2022

Montana Housing, Community Housing
Montana Department of Commerce
P.O. Box 200528
301 S. Park Avenue
Helena, MT 59620-0528

Re: Homeword Creekside Apartments Renovation Project in Missoula, MT, Housing Tax Credit and HOME applications

Dear Staff and Board Members:

We are writing this letter to express United Way of Missoula County's strong support for the rehabilitation that Homeword is proposing for their Creekside Apartments in Missoula.

Creekside Apartments represent a vital piece of Missoula's rental market, supplying 161 affordable housing units for 300 people in a time when rent is skyrocketing and rental vacancy is less than 3%. Thanks to the work of Homeword, Creekside Apartments will be designated affordable housing for nearly five more decades rather than converting to market-rate apartments in 2026. As a significant portion of the very limited supply of affordable housing in Missoula, it is crucial that these residences remain in good repair with lasting, sustainable upgrades and maintenance. Unfortunately, the property is 26 years old and aging fast due to the original developers use of less durable materials. These repairs are desperately needed as the vinyl siding fails, shingles are blowing off of the roof, windows aren't properly insulated, and more.

As a longtime partner in community-wide efforts to address homelessness, United Way of Missoula County has a strong understanding of the need to keep people in safe, quality housing in Missoula. Given Montana's rapidly rising housing costs and lack of affordable housing, the current residents of Creekside Apartments would be hard-pressed to find another place to live if their apartments continued to deteriorate and become unsafe for habitation. Not only will the approval of the rehabilitation keep our neighbors safe and secure in their homes, but will provide savings over time through reduced energy use, less waste, and a longer building lifespan.

We understand that there are many requests for funding coming to your department and countless important projects to be considered. We believe that the responsible maintenance of already existing and well-stewarded affordable housing is crucial in the fight to keep Montanans housed. We request your thoughtful consideration of the Creekside Apartments rehabilitation when deciding where to allocate the highly-sought-after Housing Tax Credits. Thank you.

Sincerely,

Susan Hay Patrick
Chief Executive Officer

cc: Andrea Davis, Homeword

PRESIDENT
Mike Nugent
Berkshire Hathaway
Home Services

VICE PRESIDENT
Randy Riley
Wells Fargo

TREASURER
Gwen Landquist
Clearwater Credit Union

PAST PRESIDENT
Melissa Matassa-Stone
WGM Group

Elise Guest
Missoula County Public
Schools

Rebekah DuBois
Mountain States Farm
Bureau

Robert Hamilton
Community Medical
Center

Yvette Heintz
Yvette Heintz
Psychotherapy

Karen Myers
Providence St. Patrick
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Murray Pierce
Missoula County

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Martin Rogers
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Missoulian

Holly Truitt
Holly Truitt Consulting

Dan White
Scheel's

Jason B. Williams
Blackfoot

CHIEF EXECUTIVE OFFICER
Susan Hay Patrick

Bill & Rosemary Gallagher Center, 412 W Alder St, Missoula MT 59802 / (406) 549-6104



MISSOULA COMMUNITY PLANNING, DEVELOPMENT AND INNOVATION

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Montana Housing, Community Housing
Montana Department of Commerce
P.O. Box 200528
301 S. Park Avenue
Helena, MT 59620-0528

Thursday, July 14, 2022

Re: Homeword Creekside Apartments Renovation Project in Missoula, MT, Housing Tax Credit and HOME applications

Dear Staff and Board Members:

I am writing to express the City of Missoula's Community Planning, Development & Innovation's enthusiastic support for the rehabilitation that Homeword is proposing for their Creekside Apartments in Missoula.

Creekside Apartments are important to Missoula's vibrant community, providing dedicated housing for 161 households who earn up to \$16.50/hour. According to the 2021 National Low Income Housing Coalition's Out of Reach report, the housing wage in Missoula to afford a two-bedroom apartment is \$18.83. The average renter wage is \$13.40, further highlighting the gap in wages and available housing. Like most of Montana and the United States, the decade-long decline in housing production and the economic impacts from Covid-19, Missoula is experiencing an extremely tight housing market. With a less than one percent vacancy rate over the past year, a rise in rental prices and a prevalence of housing displacement due to property conversion, preservation of affordable units is a top priority for the city. Preserving Creekside as a resource Missoulians can afford and rely on to remain affordable to their household is vital to the health and sustainability of our community.

In 2019 the City of Missoula adopted a city-wide housing policy, A Place to Call Home. Homeword was an active partner engaged in developing the plan, informing about the landscape for tenants, the needs of new construction and preservation and leverage strategies for securing Low Income Housing Tax Credit funded projects in our region. The proposed rehabilitation project meets several goals in the strategy focused on preservation of existing income restricted housing, including tracking affordable rentals with expiring periods of affordability, and preserving multifamily housing. If Homeword had to make the difficult decisions to sell the property, it would be eligible to convert to market rate housing in only four years. This conversion and loss of dedicated income restricted units would not only be felt by the 300 people who make up the 161 tenant households, it would be felt across Missoula as an already immobile rental market would experience even more pressure.

Built in 1996 by another developer and acquired by Homeword in 2017, the property is aging quickly. The original builder did not use durable materials and at 26 years, it is reaching the useful life of the original build. In order to protect the ongoing affordability for renters, significant renovations and upgrades must

be made to maintain this property. The City of Missoula believes that providing safe and healthy housing is a critical need for neighbors of all incomes. The Mayor's Strategic Plan emphasizes the City's action-oriented focus on health and safety and community design and livability which promotes maintaining existing resources. Creekside Apartments are located near services, including University of Montana, downtown Missoula, and the Kim Williams Trails. This connectivity to the built and natural environment promotes wellbeing and autonomy.

We are so grateful to Montana Housing and the Montana Board of Housing's ongoing partnership and support of Missoula's efforts to preserve and create housing that people of all incomes are proud to call home.

In conclusion, the Creekside Apartments renovation project will sustain an essential resource for 161 households who are stably housed with incomes below 60 percent of the Area Median Income. Providing renovations to promote the health, safety and well-being of residents aligns to city-wide housing and strategic goals. The dignity of Missoulians at all levels of income is a centrally held belief and this project will further that. We appreciate the challenge of allocating finite resources and respectfully request your thoughtful consideration of Homeward's plan and community goals when deciding where to allocate the essential Housing Tax Credits.

Sincerely,

A handwritten signature in blue ink that reads "Eran Pehan". The signature is fluid and cursive, with the first name "Eran" and last name "Pehan" clearly distinguishable.

Eran Pehan
Director, Community Planning, Development & Innovation, City of Missoula
cc: Andrea Davis, Homeward

Multi Family Program Dashboard

April 18, 2023

Funds For Coal Trust, MFLP, Housing Montana Fund

Available

Coal Trust	\$848,874
MFLP	\$127,474
Housing MF	\$7,296

Projects Underway

Program	Project	City	Year Awarded	Recipient	Status*
9%	ANHA LIHTC #2	Crow Agency	2023	Apsaalook Nation HA	Just awarded in October
9%/ MFLP	Cabinet Affordable	Libby	2023	Cabinet Affordable Housing	Just awarded in October
9%	Carter Commons	Great Falls	2023	Carter Commons, LLLP	Just awarded in October
9%/4%	Creek Side Apartments	Missoula	2023	Homeword	Just awarded in October
9%/MFLP	Meadowlark Senior	Butte	2023	Northwest Real Estate Capital Group	Just awarded in October
9%/MFLP	Riverview Apts	Big Sky	2022	Blueline	Under Construction
9%	Bicentennial Apts	Dillon	2022	Dawson Holdings	Under Construction
9%	Baatz Block Apts	Great Falls	2022	Homeword	Rehab Planned Start for Early 2023
9%	Tapestry Apts	Billings	2022	CLDI	Under Construction
9%/4%	Junegrass 4/9	Kalispell	2022	GMD/Homeward	Under Construction
9%/ARPA	Laurel Depot	Laurel	2021	GL/North Fork Dev.	Under Construction
9%/ARPA	MRM Unified Campus	Billings	2021	MT Rescue Mission	Under Construction
9%/ARPA	Jackson Court	Billings	2021	GL Development	Under Construction
9%/ARPA	AHNA LIHTC 1	Crow Agency	2021	Apsaalooke Nation HA	Closed September 2022
9%/MFLP	Creekside Commons	Kalispell	2021	Housing Solutions	Construction planned for Spring 2023
9%	Crowley Flats	Lewistown	2021	Homeword	Under Construction
4%	Comstock I, II & III	Bozeman	2022	Devco Preservation	Closed November 2022
4%/ARPA	Spruce Grove	Laurel/Bridger	2022	GL Development	Under Construction
4%	Bridger Peaks	Bozeman	2022	Devco Preservation	Under Construction
4%/ARPA	Highland Manor	Havre	2021	Echo Enterprise	Closing Spring 2023
4%	Castlebar	Bozeman	2021	Devco Preservation	Under Construction
4%/ARPA	Villagio	Missoula	2021	Blueline/Missoula HA	Under Construction
4%	Bitterroot Valley Apartments	Hamilton	2021	Summit Housing Group	Under Construction
4%/ARPA	Trinity	Missoula	2021	Blueline.Homeword/Missoula HA	Under Construction
4%	Boulevard	Bozeman	2021	HRDC/Good Housing Partners	Under Construction
4%	Darlington Miles Sherwood	Bozeman	2021	HRDC/Good Housing Partners	Under Construction
4%	Sunshine Village	Great Falls	2023	Community Preservation Partners	Approved in March
4%	Big Fork Senior	Big Fork	In Process	Bigfork Senior Housing	Application Review
4%	Bozeman Apartments	Bozeman	In Process	Rueter Walton Development	Application Review
4%	South Forty	Billings	2023	Lincoln Avenue Capital	Approved in January
4%	North 3rd Apartments	Bozeman	In Process	Devco Preservation	Application in Review
4%	Union Place	Missoula	In Process	Union Place Apartments LLC	Up for Approval

BOARD AGENDA ITEM

PROGRAM

Operations/Executive Director

BOARD MEETINGS

The next scheduled Board meeting is May 22-23 and will be held in-person at the Best Western Great Northern Hotel in Helena. May 22 will include our Letter of Intent Presentations, so in-person attendance is strongly recommended. Board members who are not available to attend in-person will have the option to join virtually via Zoom.

BOARD TRAINING & CONFERENCE OPPORTUNITIES

- Mountain Plains Housing Summit, May 8 – 10, 2023 in Sioux Falls, SD. [Mountain Plains Housing Summit — SD Housing](#)
- Montana Housing Partnership Conference, May 15–17, 2023 in Helena at the Delta Marriott.
- NCSHA Annual Conference & Showplace, October 14-17, 2023 in Boston, MA.

CONTRACTS / PROCUREMENT

- First Interstate Bank contract has been routed for execution.
- RFP for Financial/CPA services for secondary reviews of financial statements is under development.
- Five (5) outside legal contracts have been routed for execution.

PERSONNEL UPDATE

Montana Housing has two positions under recruitment:

- Accounting and Finance Supervisor – Board of Housing
- IT Systems Analyst

EMERGENCY RENTAL ASSISTANCE UPDATE

- As of April 7, 2023, we have awarded \$124.8 million in rent and utility assistance; approximately 3,400 applications are currently under review.
- Over \$48.4 million in potentially fraudulent applicants (2,753 applications) have been flagged, isolated, and ultimately denied. The team continues to actively pursue payment returns for overpaid situations (i.e., renter moves out before the three months future rent assistance has ended).
- The MERA team has implemented various process improvements to help speed up application review cycle times to address the application backlog, including employing the ARPA call center to assist with calls and reassigning our three phone staff to review applications, creating a greater level of expectations and accountability and providing tools to support application reviews.
- Applications are processed in the date order submitted, with the exception of expedited applications for eminent evictions and utility shut offs.
- The program is no longer accepting any applications as of March 24th at midnight.

BOARD AGENDA ITEM

- Projections indicate that we will complete the wind down of the program around the end of April/May. However, the program could go longer depending on funding available.

HOMEOWNER ASSISTANCE FUND UPDATE

- As of April 10, 2023, there have been 601 applications submitted to the statewide program and HAF staff have approved and paid over \$1.8 million in total through all statewide program areas.
- HAF staff is in the process of drawing up a contract to help fund NWMT in their counseling efforts for foreclosure clients.
- HAF staff are continuing to discuss areas of program expansion in programmatic areas as well as maximum amount of household funds to ensure a well-rounded program that meets Montana homeowner needs.

COMMUNITY HOUSING UPDATE

- See Community Housing Dashboard in board packet.

RENTAL ASSISTANCE UPDATE

- See Rental Assistance Dashboard in board packet.

EXECUTIVE DIRECTOR UPDATE

- Montana Housing is now participating in the **HUD/FEMA Joint Pre-Disaster Housing Planning Initiative**.

Background:

Over the last several years, temporary and permanent housing options have been challenging to States and localities experiencing disasters especially reoccurring events in their jurisdictions. While FEMA funds response near term housing recovery programs such as Individual Assistance, non-congregate sheltering and direct housing, the funding is not long term and there typically is limited availability of habitable housing units especially affordable housing units that can house survivors on a longer term temporary or permanent basis within the immediate impacted area.

Long term recovery funding programs such as HUD's Community Development Block Grant (CDBG) that can assist in building/rehabilitation of housing units is often not able to be utilized till several months after the event has occurred. The lack of immediate long term housing funding creates a gap in housing options available to a survivor. In addition, many States and localities have long standing housing challenges such as the lack of affordable/workforce housing in steady state and the disaster only exasperates those challenges. The State and localities should understand those housing limitations and plan for options accordingly in steady state so when a disaster does occur, the State and localities can more effectively and efficiently house the survivors on a temporary/permanent basis.

BOARD AGENDA ITEM

- (1) to ensure that there is collaboration on housing operations between the State's Emergency Management Agency and the State's Housing agencies in steady state as well as in the event of a disaster and
- (2) to develop or mature a pre-disaster housing strategy or plan that will identify the existing housing stock in the State; document current and potential strategies for temporary/ permanent housing options be pursued after an event; and create implementable strategies to provide resilient, affordable housing to survivors as soon as possible.

FEMA/HUD will provide support to selected state partners through this initiative by encouraging and facilitating the State Emergency Management Agencies to engage with the State's Housing and Community Development Agencies, reviewing state-conducted housing landscape analysis, developing a pre-disaster housing planning maturity model for comparative analysis of housing capabilities at the state level, and providing FEMA/HUD technical assistance and funding resources to states committed to housing planning efforts.

- FEMA/HUD will provide best practices and guidance on developing and/or maintaining partnerships between the State's Emergency Management and Housing and Community Development Agencies.
- FEMA/HUD will develop, coordinate, and share pre-disaster housing planning guidance, tools, and resources providing a framework for state pre-disaster housing plans. This will build on existing state plans, resources, and tools, and identify topics and principles that can inform the state housing planning work.

The State Pre-Disaster Housing Planning Initiative is being coordinated in partnership with HUD by FEMA's Interagency Coordination Division (ICD) and is separate from FEMA Individual Assistance (IA)

- Current and future IA missions are separate from State Pre-Disaster Housing Planning Initiatives.
- While IA staff is welcome to support the region as applicable, this initiative focuses on high-level coordination, and relationship building among state/federal housing and emergency management agencies.
- The intent is to work with states as they think about how to make the best use of **all** the tools they have access to and is not focused on any one program.

The State Pre-Disaster Housing Planning Initiative is related to Place-Based Resilience initiatives in that they are looking at how to make better use of the resources available in a specific geographic area; however, Housing Planning project is focused on states whereas the Resilience initiatives are focused on localities.

BOARD AGENDA ITEM

- The Place-Based initiative is primarily focused on existing projects within a specific community but the Housing Planning Initiative focuses on the preparing to more effectively coordinate and deliver housing support following a disaster.
- This initiative will incorporate information and resources provided through prior housing work including the Housing Playbook, revisit lessons learned, and incorporate discussion of the playbook into this effort.
- The State Pre-Disaster Housing Planning Initiative is also looking at common issues, strategies, and considerations that can be incorporated into all state housing plans to leverage lessons of this initial cohort.

State Pre-Disaster Housing Planning Initiative Participants should expect the following timeline:

- April 2023:
 - Letter to States Confirming Participation in Initiative.
 - All State Kick Off (Virtual): Designed to build core team connectivity and provide all attendees a chance to hear about the goals of the initiative and next steps.
 - Individual State Meetings: FEMA, HUD, and State Participants engage in one to two pre-meets to gain an understanding of existing state partnerships, approaches, capabilities, resources, needs, and requirements to target pre-disaster housing work.
 - State Meetings: In person work session at the State to bring emergency management and housing staff together to work on planning or strategy development.
 - Establish state-specific planning or strategy deliverables and work plan for implementation.
- May – October 2023: Complete identified deliverable to demonstrate progress in increasing housing capacity and provide ongoing engagement with the FEMA/HUD workgroup to ensure best practices and lessons learned are captured for future work on this initiative.
- November 2023: Pre-Disaster Housing Planning Summit takes place in person (location: TBD). State participants will provide an overview of their work and progress in building housing capacity and capability. The summit will also provide an opportunity for feedback on the process, and to capture successes and lessons learned from the initiative.
- November 2023 onwards: Determine next steps to scale, replicate, or communicate lessons from initiative.

BOARD AGENDA ITEM

- The **Legislative Audit Division Performance Audit** of the Montana Board of Housing will proceed; kick-off call is scheduled for Wednesday, April 16.

LEGISLATIVE UPDATE

- See attached Bill Tracking for April 11, 2023.

FUNDS FOR HOME, HTF AND CDBG

	<u>ALLOCATED</u> <u>FROM HUD</u> ¹	<u>AWARDED</u>	<u>REMAINING TO</u> <u>AWARD</u>	<u>REMAINING TO</u> <u>DISBURSE</u> ²	
HOME	\$ 3,420,477	\$ 2,638,079	\$ 782,398	\$ 7,146,379	
HTF	\$ 2,982,433	\$ 948,243	\$ 2,034,190	\$ 6,972,723	
CDBG-Housing	\$ 1,750,000	\$ 780,000	\$ 970,000	\$ 4,635,586	
CDBG-CV ³	\$ 10,174,175	\$ 10,174,175	\$ -	\$ 7,774,445	Expenditure deadline July 2026
HOME-ARP ⁴	\$ 11,459,768	\$ 572,988	\$ 10,886,780	\$ 10,313,791	Expenditure deadline Sept 2030

¹ The Funds Allocated From HUD column represents the 2022 allocation Commerce received for the HOME Investment Partnerships Program (HOME), Housing Trust Fund (HTF) and Community Development Block Grant (CDBG)-Housing Programs.

² Includes administrative funds

³ CDBG-CV funds were allocated by HUD through the federal CARES Act in July 2021 to address the impacts of COVID.

⁴ HOME-ARP funds were allocated by HUD through the American Rescue Plan Act in September 2021 to primarily address homelessness.

2023 Allocations

HUD announced 2023 allocations for HOME and CDBG February 27, 2023.

The **HOME** allocation increased by less than 1% to \$3,450,234.

CDBG increased by less than 0.1% to \$6,541,090, a portion of which Commerce will designate for activities to address homelessness and preservation of affordable housing.

HUD anticipates providing **HTF** allocation amount in April 2023.

PROJECTS UNDERWAY

Program	
HOME	Nine (9) rental projects have been awarded funds. Five (5) are expected to lease up this spring/summer and the other four (4) will be under construction this year. Project in common with tax credits include Villagio, Trinity, Crowley Flats, Jackson Court, Laurel Depot, Baatz Building and Meadowlark in Butte.
HTF	Six (6) projects are in process. Construction has been completed on two of those, one more (Trinity in Missoula) is expected to wrap up late spring/summer. The remaining three (Highland Manor in Havre, Baatz in Great Falls and Bigfork Senior Housing), are working through start up.
CDBG	Four (4) projects are working through their start up with environmental review and contracting.
CDBG-CV	15 projects have been awarded funds. Five (5) projects completed; the remaining 10 projects are under contract and will be underway 2nd quarter 2023
HOME Homebuyer Assistance	Five organizations are qualified to provide down payment and closing cost assistance: NWMT, HRDC 9, HRC XI, Trust Montana and Northwest Montana Community Land Trust
CDBG Housing Stabilization	Six local governments are qualified to implement single-family rehabilitation programs: Lake and Missoula Counties; Cities of Choteau, Glasgow, Helena, and Shelby

EVENTS and DEADLINES

4-Apr-23	Received comments from HUD regarding Montana's HOME-ARP Allocation Plan Clarification to be provided to HUD by April 14. HUD's approval expected April 21, 2023.
7-Jun-23	Anticipated application deadline for remaining 2022 HTF and CDBG-Housing funds \$2,034,190 HTF available; \$970,000 CDBG available for Housing rehabilitation and for addressing homelessness
15-Sep-23	Anticipated application deadline for 2023 HOME, HTF and CDBG-Housing 2023 funding for HOME and CDBG remained steady. HTF allocation amount expected in April. Note applications for HOME homebuyer assistance and CDBG single-family rehabilitation programs are accepted on a rolling basis, i.e. there is no application deadline.

Housing MT

Report Date: April 11, 2023

Bill Number	Bill Sponsor	Current Committee	Last Action	Next Hearing
HB 5	Mike Hopkins(R) HD 92	Finance and Claims (S)	04/03/23 - Referred to Committee	
Long-range building appropriations				
HB 25	Tom Welch(R) HD 72	Taxation (S)	03/24/23 - Printed - Enrolled Version Available	
Repeal gray water property abatement				
HB 30	Alice Buckley(D) HD 63	Business, Labor, and Economic Affairs (S)	02/17/23 - Chapter Number Assigned	
Generally revise mortgage laws				
HB 56	Julie Dooling(R) HD 70	Taxation (S)	03/16/23 - Chapter Number Assigned	
Extend the application of the bond validating act				
HB 244	Dave Fern(D) HD 5	Local Government (S)	04/06/23 - Committee Report--Bill Concurred	
Revise laws governing the housing Montana fund				
HB 246	Scot Kerns(R) HD 23	Local Government (S)	04/05/23 - Printed - Enrolled Version Available	
Allow for the zoning of tiny dwelling units				
HB 296	Kerri Seekins-Crowe(R) HD 43	Judiciary (S)	03/28/23 - Returned to House with Amendments	
Revising laws relating to real estate transaction disclosures				
HB 358	Katie Zolnikov(R) HD 45	Business, Labor, and Economic Affairs (S)	04/05/23 - Printed - New Version Available	
Revise property manager license law				
HB 523	Michael Yakawich(R) HD 51	Business, Labor, and Economic Affairs (S)	04/07/23 - Committee Report--Bill Concurred	
Require reporting on emergency rental assistance paid to businesses and landlord				
HB 546	Dave Fern(D) HD 5	Business, Labor, and Economic Affairs (S)	04/04/23 - Hearing	
Authorize additional funding for coal trust loan program for housing				
HB 731	Steven Galloway(R) HD 24	Local Government (S)	03/22/23 - Hearing	
Generally revise landlord tenant law				

Housing MT

Report Date: April 11, 2023

Bill Number	Bill Sponsor	Current Committee	Last Action	Next Hearing
HB 785	Zoey Zephyr(D) HD 100	Judiciary (S)	04/07/23 - Tabled in Committee	
Revise landlord-tenant laws				
HB 819	Paul Green(R) HD 41	Business, Labor, and Economic Affairs (S)	04/12/23 - Hearing	8:00AM 04/12/2023 Senate Business, Labor, and Economic Affairs Hearing Room 422
Create Montana community reinvestment act to fund workforce housing				
HB 830	George Nikolakakos(R) HD 26	Taxation (S)	04/07/23 - Hearing	
Optional alternative property tax payment schedule for primary residences				
HB 889	Jonathan Karlen(D) HD 96	Business, Labor, and Economic Affairs (S)	04/12/23 - Hearing	8:00AM 04/12/2023 Senate Business, Labor, and Economic Affairs Hearing Room 422
Revise the Residential Mobile Home Lot Rental Act				
HB 927	Matt Regier(R) HD 4	Local Government (S)	04/14/23 - Hearing	3:00PM 04/14/2023 Senate Local Government Hearing Room 405
Authorize additional authority for coal trust housing loans				
SB 105	Steve Fitzpatrick(R) SD 10	Judiciary (H)	04/07/23 - Sent to Enrolling	
Prohibit rent control of private property				
SB 245	Daniel Zolnikov(R) SD 22	Local Government (H)	04/05/23 - Committee Report--Bill Concurred as Amended	8:00AM 04/12/2023 Second Reading House Floor
Revise municipal zoning to allow multifamily and mixed use development				

Housing MT

Report Date: April 11, 2023

Bill Number	Bill Sponsor	Current Committee	Last Action	Next Hearing
SB 323	Jeremy Trebas(R) SD 13	Local Government (H)	04/05/23 - Committee Report--Bill Concurred as Amended	8:00AM 04/12/2023 Second Reading House Floor
Allow for duplex, triplex, and fourplex housing in city zoning				
SB 331	Greg Hertz(R) SD 6	Local Government (H)	04/07/23 - Committee Report--Bill Concurred as Amended	8:00AM 04/12/2023 Second Reading House Floor
Revise condo and townhouse exemptions				
SB 407	Shane A Morigeau(D) SD 48	Local Government (H)	04/05/23 - Committee Report--Bill Concurred as Amended	8:00AM 04/12/2023 Second Reading House Floor
Revise municipal zoning laws				
SB 417	Brad Molnar(R) SD 28	Appropriations (H)	03/24/23 - Tabled in Committee	
Pay off bonded debt				
SR 43	Jason D Small(R) SD 21	Business, Labor, and Economic Affairs (S)	03/29/23 - Filed with Secretary of State	
Confirm governor's appointees for the board of housing				
SR 57	Jason D Small(R) SD 21	Business, Labor, and Economic Affairs (S)	03/29/23 - Filed with Secretary of State	
Confirm governor's appointees for board of housing				