

# Montana Board of Housing - Board Meeting

**Meeting Location:** Fairmont Hot Springs Resort, 1500 Fairmont Rd, Fairmont, MT 59711 or via Zoom

**Date:** October 22, 2024

**Time:** 8:30 am

**Board Chair:** Bruce Posey

**Remote Attendance:** Join our meeting in-person or remotely via Zoom and/or phone

**Conference Call:** Dial: 1-646-558-8656, Meeting ID: 845 4813 0998, Password: 475928

**Register for Webinar:** <https://mt-gov.zoom.us/meeting/register/tZAoc-GprTsjE9wLvRtSmu3EgRYo4ktYk4Cw#/>

**Board Offices:**      Montana Department of Commerce  
                                    Montana Board of Housing  
                                    301 S. Park Ave., Room 240, Helena, MT 59601  
                                    Phone: 406-841-2840

## 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 Board.

**Montana Department of Commerce** | [commerce.mt.gov](http://commerce.mt.gov) | Montana Board of Housing  
P.O. Box 200528 | Helena, MT 59620-0528 | Phone: 406-841-2840 | Fax: 406-841-2841  
Montana Relay 711: [dphhs.mt.gov/detd/mtap/traditionalrelayservice](http://dphhs.mt.gov/detd/mtap/traditionalrelayservice)



## Agenda Items (continued):

- Approve prior meeting's minutes
- Multifamily Program (Jason Hanson)
  - 2025 Housing Credit Full Applications – Board Discussion and Decisions
    - Subject to Board Decisions, the following 9% Projects are seeking Board approval for Coal Trust Multifamily Homes (CTMH) Loans:
      - Skyview Apartments
      - Polson Gardens
      - Homestead
  - Hidden Creek Multifamily Loan Program
  - Cabinet Credit Refresh
  - The Aurora Bond Resolution
  - Multifamily Update
- Homeownership Program (Jessica Michel)
  - Participating Lender Approval – Synergy One Lending, Inc.
  - Homeownership Update
- Mortgage Servicing (Mary Palkovich)
  - Servicing Update
- Finance Program (Vicki Bauer)
  - Financial Update
- Operations/Executive Director (Joe DeFilippis + Cheryl Cohen)
  - Operations / Executive Director Update
  - Adopt 2025 MBOH Calendar
  - Rental Assistance Dashboard
- Miscellaneous



- Meeting Adjourns

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

Commerce/MBOH makes every effort to hold meetings at fully accessible facilities. Any person needing reasonable accommodation must notify the MBOH at 406-841-2840 or visit Montana Relay 711: [dphhs.mt.gov/detd/mtap/traditionalrelayservice](http://dphhs.mt.gov/detd/mtap/traditionalrelayservice) before the scheduled meeting to allow for arrangements.

## 2024 Board Calendar

### **November 2024**

4: Board Meeting via Zoom

### **December 2024**

9: No Board Meeting (subject to change)



**Meeting Location:** In Person at Fairmont Hot Springs Resort and via Zoom

**Date:** October 22, 2024

**Roll Call of Board Members:**

|                              |                          |
|------------------------------|--------------------------|
| Bruce Posey, Chair (Present) | Cari Yturri (Present)    |
| Sheila Rice (Present)        | Jeanette McKee (Present) |
| John Grant (Present)         | Amber Parish (Present)   |

**Staff:**

|  |  |
|--|--|
| Cheryl Cohen, Executive Director           | Joe DeFilippis, Operations Manager     |
| Stacey Purvis, Executive Assistant         | Jason Hanson, Multifamily Manager      |
| Vicki Bauer, Finance Manager               | Jessica Michel, Homeownership Manager  |
| Charlie Brown, Homeownership               | Brian Barnes, Multifamily Program      |
| Bruce Brendal, Multifamily Program         | Kellie Guariglia, Multifamily Program  |
| Julles Engel, Housing Development          | Sharon Lofftus, Housing Development    |
| Megan Surginer, Office Manager             | Julie Flynn, Community Housing Manager |
| Danyel Bauer, Mortgage Servicing           | Jesse Ennis, Multifamily Program       |
| Jen Stepleton, Housing Development         | Nicole Newman, Housing Development     |
| Mary Palkovich, Mortgage Servicing Manager |  |

*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 webpage at [Past Meetings and Minutes](#).*

**Counsel:**

Nathan Bilyeu, Jackson Murdo and Grant

Greg Gould, Jackson Murdo and Grant

**Others:**

|                 |                    |                  |
|-----------------|--------------------|------------------|
| Heather McMilin | Drew Page          | John Wagner      |
| Misty Dalke     | Alex Burkhalter    | Jennifer Wheeler |
| Tyler Currence  | Andrew Chanania    | Josh Kendrick    |
| Julia Hope      | Carolyn Pardini    | Mina Choo        |
| Larry Phillips  | Shane Walk         | Beki Brandborg   |
| Tiffany Hapney  | Gene Leuwer        | Gerald Fritts    |
| Angela Getchell | Austin Trunkle     | Bill Cole        |
| Caleb Posey     | Graydon Moll       | Hannah Reno      |
| Jim Morton      | John McGinley      | Karissa Trujillo |
| Ken Emminger    | Kristina Abbey     | Mandy White      |
| Patrick Zhang   | Ryan Hapney        | Cassidy Kipp     |
| Lila Fleishman  | Liz Stotts         | Rick Simkins     |
| Tyson O'Connell | Seth O'Connell     | Sam Oliver       |
| Patti Webster   | Mike Bouchee       | Logan Anderson   |
| Jenn Clary      | Kalina Vander Poel |                  |

**Call Meeting to Order:**

00:00:00 Chair Bruce Posey called the Montana Board of Housing (MBOH) meeting to order at 8:30 a.m.

00:02:29 Introductions of Board members and attendees were made.

00:06:07 Chair Posey asked for public comment on items not listed on the agenda.

**Approval of Minutes:****September 9, 2024 MBOH Board Meeting Minutes – See September Minutes in September Board Packet**

00:07:06 Motion: Cari Yturri

Second: Sheila Rice

The September 9, 2024 MBOH Board meeting minutes were approved unanimously.

**Multifamily Program:****2025 Housing Credit Full Applications**

00:07:26 Presenter: Jason Hanson

**Skyview Apartments, Billings – See Skyview Apartments materials in Board Packet**

00:13:39 Presenter: Jason Hanson

Public Comment: Gene Leuwer, Bill Cole

**LB Lofts, Billings – See LB Lofts materials in Board Packet**

00:25:00 Presenter: Jason Hanson

Public Comment: Patti Webster, Heather McMilin, Hannah Reno

**Opportunity Place, Missoula – See Opportunity Place materials in Board Packet**

00:37:35 Presenter: Jason Hanson

Public Comment: Mike Bouchee, Jenn Clary, Karissa Trujillo, Alex Burkhalter, Annie Gorski

**Polson Gardens, Polson – See Polson Gardens materials in Board Packet**

00:43:32 Presenter: Jason Hanson

Public Comment: Alex Burkhalter, Carolyn Pardini, Graydon Moll

**The Homestead, Dillon – See The Homestead materials in Board Packet**

00:53:35 Presenter: Jason Hanson

Public Comment: Tiffany Hapney, Kristina Abbey

**Hidden Creek, Bozeman – See Hidden Creek materials in Board Packet**

00:56:30 Presenter: Jason Hanson

Public Comment: Tyson O'Connell

**2025 Housing Credit Full Applications – Board Selection of Applications for Award****01:04:22 Board Discussion – See Board Member Worksheet tally in packet**

Board members have category/comparison discussion of the proposed projects, utilizing the Board Member Worksheet as a tool to lead the discussion.

01:16:28 Chair Posey asked for public comment or questions.

**01:24:27 Board Decisions – See tally of votes in packet**

Board members voted for their top five projects, giving their top three projects a score of three points each and their next top two projects a score of two points each. When totaled, the top five projects were Opportunity Place with a score of 18, LB Lofts with a score of 17, Hidden Creek with a score of 16, Polson Gardens with a score of 14, and The Homestead with a score of seven. Skyview Apartments received the lowest score with a total score of six and thus did not make the original slate of the top five projects.

01:39:10 Motion to award 2025 Housing Credits to the following slate of Projects, subject to the conditions specified below. For purposes of the specified conditions, the Projects are awarded Housing Credits in the following order:

1. Opportunity Place in the amount of \$6,500,000 originally requested.
2. LB Lofts in the amount of \$6,500,000 originally requested, contingent upon the applicant also completing the associated 4% application submitted.
3. Hidden Creek in the amount of \$6,500,000 originally requested, contingent upon the applicant also completing the associated 4% application submitted.
4. Polson Gardens in the amount of \$6,500,000 originally requested.
5. The Homestead in the amount of \$6,500,000 originally requested.

**Motion Award Conditions:**

1. **Reduction in Available Credits:** In the event that the amount of 2025 Housing Credits available to MBOH is reduced by the IRS after this award determination, the amount of Credits awarded to the lowest-numbered Project(s) (i.e., in reverse order of numbering) shall be reduced as necessary to reflect the reduction in available 2025 Credits. For example, if, after this award determination, the IRS reduces the amount of 2025 Housing Credits available for award by MBOH by \$500,000, and the last numbered Project (e.g. Project No. 5), was awarded \$600,000, the award to such Project is reduced to \$100,000. If the last numbered Project (e.g. Project No. 5) was awarded \$300,000, and the second to last numbered Project (e.g. Project No. 4) was awarded \$600,000, the last priority Project (Project No. 5) award is reduced to \$0 and the second to last priority Project (Project No. 5) award is reduced to \$400,000.

2. Non Profit award Conditions: Non-profit Projects awarded credits will be subject to the non-profit set-aside under Code Section 42(h)(5) and MBOH shall so designate such allocation on the Project's IRS Form 8609 in accordance with the applicable QAP. The award to the non-profit Project listed first above receiving at least 10% of Montana's Credit ceiling will be designated by MBOH as the award meeting the non-profit set-aside under Code Section 42(h)(5). Two or more of the above-listed Projects may be so designated as necessary to meet the 10% non-profit set-aside under Code Section 42(h)(5) and MBOH shall so designate such allocation on the each such Project's IRS Form 8609. Opportunity Place received the Non-profit designation as the highest scored non-profit project.

Motion: John Grant

Second: Cari Yturri

The motion to award 2025 Housing Credits to the above listed slate of projects, subject to the conditions specified passed unanimously. The original amount of remaining credits was approximately \$3,700,000.

**02:29:50 Additional Information Received Regarding Additional Available Credits**

**– Jason Hanson presented to Board during Executive Director Update portion of meeting**

The Small Tax Credit amount notification was received by staff from the IRS increasing the total amount of tax credits remaining from approximately \$3,700,000 to approximately \$4,700,000.

**02:30:37 Motion for Additional Remaining Credits Less than Full Award – Single Project**

Move to approve Skyview Apartments for purposes of an award of the remaining available Credits in the amount of \$4,700,000 and any additional credits that become available up to the amount of the original full request, the

opportunity to resize and resubmit its application in 30 days according to the required procedure.

Motion: Jeanette McKee

Second: John Grant

The motion to approve Skyview Apartments for purposes of an award of the remaining available credits in the amount of \$4,700,000 and any additional credits that become available up to the amount of the original full request, according to the required procedure passed unanimously.

02:32:53 After the original motion regarding remaining credits, a question arose regarding including any National Pool that might be available. Jeanette McKee amended her original motion to include the National Pool. John Grant seconded this amendment, and the amendment was approved unanimously.

02:33:25 Chair Posey asked for public comment or questions.

**Approval of Skyview Residence - Coal Trust Multifamily Loan – See Memo in packet**  
Skyview was the lowest scoring project and thus was not selected for award, so this request for a Coal Trust Multifamily Loan was not presented to the Board at this time.

**Approval of Polson Gardens - Coal Trust Multifamily Loan – See Memo in packet**

01:43:28 Presenter: Jason Hanson

Motion: Jeanette McKee

Second: Cari Yturri

The motion to approve Move to approve \$1,750,000 Coal Trust Multifamily Homes Loan in first lien position with a 40-year amortization, 16-year term and at a 4.0725% interest rate that will close on or after 3 months of stabilized occupancy, with the staff's discretion to change loan terms or funding pool if needed passed unanimously.

**Approval of The Homestead - Coal Trust Multifamily Loan – See Memo in packet**

01:45:02 Presenter: Jason Hanson

Motion: John Grant

Second: Sheila Rice

The motion to approve \$420,000.00 Coal Trust Multifamily Homes Loan in first lien position with a 40-year amortization, 16-year term and at a 4.0025% interest rate that will close on or after 3 months of stabilized occupancy, with the staff's discretion to change loan terms or funding pool if needed passed unanimously.

**Approval of Hidden Creek Apartments - Multifamily Loan Program – See Memo in packet**

01:46:29 Presenter: Jason Hanson

Motion: Amber Parish

Second: John Grant

The motion to approve \$1,075,249 Multifamily Loan Program in first lien position with a 30-year amortization, 30-year term and at a 4.00% interest rate that will close on or after 3 months of stabilized occupancy, with the staff's discretion to change loan terms or funding pool if needed passed unanimously.

**Approval of Cabinet Affordable Housing – Credit Refresh – See Memo in packet**

01:47:54 Presenter: Jason Hanson

Motion: Sheila Rice

Second: Amber Parish

The motion to approve the Cabinet Affordable Housing credit refresh from 2023 to 2024 credits passed unanimously.

**Approval of The Aurora - Bond Resolution No. 24-1022-MF03 – See bond resolution in packet**

01:50:44 Presenter: Jason Hanson

Motion: Sheila Rice

Second: John Grant

The motion to approve 24-1022-MF03 (The Aurora) passed unanimously.

**Multifamily Update – See Multifamily Dashboard in packet**

01:52:45 Presenter: Jason Hanson

**Homeownership Program:****Approval of Synergy One Lending, Inc – Participating Lender – See Memo in packet**

01:54:20 Presenter: Jessica Michel

Motion: Jeanette McKee

Second: John Grant

The motion to approve Synergy One Lending, Inc as a participating lender for Montana Board of Housing passed unanimously.

**Homeownership Update – See Homeownership Dashboard in packet**

01:57:29 Presenter: Jessica Michel

**Mortgage Servicing Program:****Servicing Update – See Servicing Dashboard in packet**

02:02:37 Presenter: Mary Palkovich

**Accounting:****Accounting Update – See Accounting Dashboard in packet**

02:06:27 Presenter: Vicki Bauer and Mina Choo

**Operations/ Executive Director:****Operations/Executive Director Update – See Operations/Executive Director Dashboard in packet**

02:20:13 Presenters: Joe DeFilippis and Cheryl Cohen

**Approval of the 2025 MBOH Calendar – See Calendar in packet**

02:49:27 Presenter: Cheryl Cohen

Motion: Sheila Rice

Second: Jeanette McKee

The motion to approve the 2025 MBOH calendar passed unanimously.

**Meeting Adjournment:**

02:51:11 Meeting was adjourned at 11:58 a.m.

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Amber Parish, Secretary

Date

# Board Agenda Item

Board Meeting: October 22, 2024

## **Multifamily Program -Housing Credits**

### **2025 Housing Credit Full Applications - Board Selection of Applications for Award**

#### **Background**

The deadline for submittal of the 2025 Housing Credit full applications was August 5, 2024.

There are six (6) applications for consideration. Applications are limited to \$6,500,000 of the available \$33,600,000 credits. Additionally, there are \$2,652,040 credits remaining from 2024, for a total of \$36,252,040.

The Board must designate at least 10% (\$3,360,000) of credit ceiling to applications that applied in the nonprofit pool. There are four (4) applications in the nonprofit pool this round.

If an application were to be partially funded (resize and submit application within 30 days), staff would recommend it not be one of the small rural applications or the acquisition/rehabilitation applications. Those applications are very hard to resize to a lesser amount of credits. Given the complexities in establishing a viable capital stack – including the number of other funders and investors involved in the project - Board staff



does not advise the Board to partially fund any projects. Any remaining credits can be rolled into next year's cycle.

Packet Released to Board Members on October 16, 2024:

Projects are grouped together and include:

1. Cover Letter
2. Project Packet
  - a. Summary cover page
  - b. Photos
  - c. Project letter
  - d. Mini Market Study Summary
  - e. Project Amenities
  - f. Public Support Letters
3. Board member worksheet for notetaking
4. Housing Credit project list award summary
5. Developer past project award and completion
6. Spreadsheets showing project comparative information
7. Demographic and population graph, number of Units in Last 10 years, and 4% and 9% Projects by county
8. Coal Trust Multifamily Home loan memos

### **Non-profit**

Ten percent of each state's credit ceiling must be set aside for buildings which are part of one or more Projects involving Qualified Nonprofit Organizations.



The 10% nonprofit set aside may be met by an Award to an application involving a Qualified Nonprofit Organization out of any other set aside or the general pool.

If no Applications awarded Housing Credits involve a Qualified Nonprofit Organization, the nonprofit set aside (i.e., 10% of the state's credit ceiling) will be held back for later award to an Application involving a Qualified Nonprofit Organization.

### **Small Rural Applications**

For purposes of this status, a Small Rural Application: (1) submitted tax credit Application requesting tax credits in an amount up to but no more than 12.5% of the state's Available Annual Credit Allocation, and (2) proposed to be developed and constructed in a location that is not within the city limits of Billings, Bozeman, Butte, Great Falls, Helena, Kalispell, or Missoula.

### **Board Consideration and Determination Process**

At the Board's May 13, 2024 meeting, the Board considered Letters of Intent and selected seven (7) Projects to submit full Applications for Housing Credit awards.

At the award determination meeting, Board staff will provide Project Application information to Board Members. Applicants should be available to the MBOH Board to answer questions regarding their respective Applications. The MBOH Board may ask questions of Applicants and discuss proposed Projects but there will be no Applicant presentations. MBOH will provide an opportunity for public comment on proposed Affordable Communities and Applications. Applicants shall have a brief opportunity to make comments and respond to any information presented regarding their Applications.



## Full Funding of Applications

Just as MBOH will not allocate more Credits than necessary for the financial feasibility of the development and its viability, MBOH will not award Credits in an amount less than it deems necessary for these purposes. Therefore, if the Board Awards Credits to an Application, it will Award the amount of Credits determined by MBOH staff for the Application based upon the Applicant's requested amount (except for any de minimis reduction because of lack of available Credits to fully fund the full Credit amount).

If the remaining amount of available Credits is insufficient to fully fund an additional Project, before Awarding a Project in an amount less than requested by the Applicant (except for any de minimis reduction) the Board may:

- prioritize the remaining Projects for an Award from the remaining Credits;
- make any remaining Credits available in a future cycle;
- increase the amount of Housing Credits reserved for a previously Awarded Project based upon the Project's application for an increase submitted under Item III, Section K, of the QAP;
- elect to Award less than all available Credits;
- elect to not Award any Credits; or
- adopt any other reasonable option permitted under this QAP.

The first priority Project for an Award will be allowed 30 days to re-submit its Application resized to the amount of Credits remaining available. If MBOH determines that the development is financially feasible, it will enter into a Reservation Agreement. If the first priority Project fails to submit or is not feasible, MBOH will invite the next priority Project(s).



If all of the authorized Credits are Awarded after a particular cycle, MBOH may place qualifying Applications which did not receive an Award on a waiting list for potential Award in the event Credits become available at a later date.

### **Award Determination Selection Standard**

The MBOH Board will select Applications to receive an Award that it determines best meet the most pressing affordable housing needs of low-income people in Montana, taking into consideration:

- All of the requirements, considerations, factors, limitations, Development Evaluation Criteria, set asides, priorities and data (including without limitation the statistical data in the MBOH Statistical Data Form) set forth in this QAP and all federal requirements (together referred to in this QAP as the “Selection Criteria”);
- The Development Evaluation Criteria scoring; and
- All other information provided to the MBOH Board regarding the applicant Projects.

1. The geographical distribution of Housing Credit Projects;
2. The rural or urban location of the Projects;
3. The overall income levels targeted by the Projects (including deeper targeting of income levels);
4. The need for affordable housing in the community, including but not limited to current Vacancy Rates;
5. Rehabilitation of existing low-income housing stock;
6. Sustainable energy savings initiatives;



7. Financial and operational ability of the Applicant to fund, complete and maintain the Project through the Extended Use Period;
8. Past performance of an Applicant in initiating and completing tax credit Projects;
9. Cost of construction, land and utilities, including but not limited to costs/credits per square foot/unit;
10. The Project is being developed in or near a historic downtown neighborhood;
11. The frequency of Awards in the respective areas where Projects are located;
12. Preserving project rental assistance or have or are planning to add Section 811 units to an existing project; and/or
13. Augmentation and/or sources of funds.

If the MBOH Board Awards Credits to an Applicant where the Award is not in keeping with the Selection Criteria of this QAP, it will publish a written explanation that will be made available to the general public pursuant to Section 42(m)(1)(A)(iv) of the Internal Revenue Code.

If all of the authorized Credits are Awarded after a particular cycle, MBOH may place qualifying Applications which did not receive an Award of tax credits on a waiting list for potential Award of Housing Credits in the event Credits become available at a later date. Any available Credits that are not Awarded or reserved in a particular cycle may in the discretion of the MBOH Board be made available for Award in a future cycle or may be used to increase the amount of Housing Credits reserved for a previously Awarded Affordable Community as provided in this QAP.



*Staff will prepare this form with the facts of the project and will have one for each project.*

**Skyview Apartments  
Billings MT  
GL Development**

**Housing Credits  
Staff Notes and Information**

**Income Levels Targeted**

Comments: 5 units at 40%; 7 units at 50%; 6 units at 60%; 8 units at 80% averaging 60%

**Project Efficiency**

|                   |           |
|-------------------|-----------|
| Credits Per Unit: | \$250,000 |
| Cost Per Unit:    | \$349,186 |
| % of Soft Costs:  | 35.8%     |

**Location Considerations**

Comments: Market study shows a vacancy rate of 2.7%.

**Geographic Distribution**

Comments: Yellowstone County has 292 units approved in the last 10 years.

**Community Contributions**

Comments: None

**Other Project Notes**

Project Type: Family

Period of Affordability (yrs): MBOH requires 50 and the County/City requires permanent.

QCT, DDA or Discretionary: Discretionary

Rental Subsidies: No project based rental units.

Developer Performance: No past issues

Substantial Changes: Site change since LOI

Amenities: AC, W/D provided each unit, dog run, play area, community area

Other: Washer and dryer included in units at no cost

*Staff will prepare this form with the facts of the project and will have one for each project.*

**Housing Credits**  
**Staff Notes and Information**

**LB Lofts**  
**Billings MT**  
**Homewood Inc/Homefront**

**Income Levels Targeted**

Comments: 17 units at 50%; 5 units at 60% averaging 52.3%

**Project Efficiency**

|                   |           |
|-------------------|-----------|
| Credits Per Unit: | \$295,455 |
| Cost Per Unit:    | \$291,553 |
| % of Soft Costs:  | 28.7%     |

**Location Considerations**

Comments: Market study shows a vacancy rate of 2.7%.

**Geographic Distribution**

Comments: Yellowstone County has 292 units approved in the last 10 years.

**Community Contributions**

Comments: Land donated on the 4% side and HA placing project based rental assistance units in the project.

**Other Project Notes**

Project Type: Family

Period of Affordability (yrs): 50

QCT, DDA or Discretionary: Discretionary

Rental Subsidies: 17 project based rental assistance units

Developer Performance: No past issues

Substantial Changes: No substantial changes from LOI

Amenities: AC, patios, W/D provided for each unit, corn hole pitch, comm garden, comm room, on-site mgr, outdoor comm area, play area

Other: Washer and dryer included in units at no cost.

*Staff will prepare this form with the facts of the project and will have one for each project.*

**Housing Credits**  
**Staff Notes and Information**

**Opportunity Place**  
**Missoula MT**  
**Bouchee Development**

**Income Levels Targeted**

Comments: 1 unit at 40%; 1 unit at 50%; 20 units at 60%; 1 unit at 70%; 1 unit at 80% averaging 60%

**Project Efficiency**

|                   |           |
|-------------------|-----------|
| Credits Per Unit: | \$270,833 |
| Cost Per Unit:    | \$350,000 |
| % of Soft Costs:  | 23.4%     |

**Location Considerations**

Comments: Market study shows vacancy rate of 3.5%

**Geographic Distribution**

Comments: Missoula County has 174 units approved in the last 10 years.

**Community Contributions**

Comments: Opportunity Resources Inc donating land; City of Missoula to spend almost 2 million in tax increment financing.

**Other Project Notes**

Project Type: Family

Period of Affordability (yrs): 50

QCT, DDA or Discretionary: not in QCT/DDA and not asking for Discretionary Boost

Rental Subsidies: No project based rental units.

Developer Performance: No past issues

Substantial Changes: No substantial changes from LOI

Amenities: A/C; dishwasher; disposal; extra storage outside unit; microwave; patios/balconies; washer/dryer hookups & in units/community room; computer(s) for tenant use; play area; elevator

Other: The project will serve disabled adults. Provide well above the minimum percentage of units dedicated for accessibility; all units will be fully adaptable design to easily modify every unit to a full mobility unit. Washer and dryer provided in each unit at no cost.

*Staff will prepare this form with the facts of the project and will have one for each project.*

**Housing Credits**  
**Staff Notes and Information**

**Polson Gardens**  
**Polson MT**  
**Housing Solutions**

**Income Levels Targeted**

Comments: 2 units at 40%; 13 units at 50%; 9 units at 60% averaging 53%

**Project Efficiency**

|                   |           |
|-------------------|-----------|
| Credits Per Unit: | \$270,833 |
| Cost Per Unit:    | \$303,664 |
| % of Soft Costs:  | 35.5%     |

**Location Considerations**

Comments: Rural area - Market study shows a vacancy rate of 1.2%. Sits within Salish Kootenai tribal boundaries

**Geographic Distribution**

Comments: Lake County has 59 units approved in the last 10 years.

**Community Contributions**

Comments: None

**Other Project Notes**

Project Type: Senior 55+

Period of Affordability (yrs): 50

QCT, DDA or Discretionary: Discretionary

Rental Subsidies: No project based rental units.

Developer Performance: No past issues

Substantial Changes: Adding additional 4 units since LOI with help of Coal Trust funds

Amenities: Dishwasher, Disposal, Microwave, Patio, Washer/Dryer in unit, Community Garden, Community Room, Tenant use computers, on-site Manager, Wi-Fi in community spaces, A/C units

Other: Washer and dryer included in units at no cost

*Staff will prepare this form with the facts of the project and will have one for each project.*

**Housing Credits**  
**Staff Notes and Information**

**The Homestead**  
**Dillon MT**  
**The Housing Company**

**Income Levels Targeted**

Comments: 4 units at 30%; 14 units at 50%; 2 units at 60% averaging 51%.

**Project Efficiency**

|                   |           |
|-------------------|-----------|
| Credits Per Unit: | \$325,000 |
| Cost Per Unit:    | \$328,077 |
| % of Soft Costs:  | 39.2%     |

**Location Considerations**

Comments: Rural area - Market study shows a vacancy rate of 2.3%

**Geographic Distribution**

Comments: Beaverhead County has 86 units approved in the last 10 years.

**Community Contributions**

Comments: None

**Other Project Notes**

Project Type: Senior 55 plus

Period of Affordability (yrs): 50

QCT, DDA or Discretionary: QCT

Rental Subsidies: No project based rental units.

Developer Performance: No past issues

Substantial Changes: No substantial changes from LOI

Amenities: A/C, dishwasher, disposal, microwave, patios/balconies, washer/dryer hookups, community garden, community room, library, on site manager, dog park

Other: Washer and dryer hookups provided in each unit. Washers and dryers provided in community room.

*Staff will prepare this form with the facts of the project and will have one for each project.*

**Housing Credits**  
**Staff Notes and Information**

**Hidden Creek Apartments**  
**Bozeman MT**  
**United Housing Partners**

**Income Levels Targeted**

Comments: 20 units at 60% averaging 60%

**Project Efficiency**

|                   |           |
|-------------------|-----------|
| Credits Per Unit: | \$325,000 |
| Cost Per Unit:    | \$330,198 |
| % of Soft Costs:  | 37.4%     |

**Location Considerations**

Comments: Market study shows vacancy rate of 2.4%.

**Geographic Distribution**

Comments: Gallatin County has 165 units approved in the last 10 years.

**Community Contributions**

Comments: Gallatin County -land donation. 4% side has \$2mm (ARPA),  
\$2.45mm (Gallatin Impact)

**Other Project Notes**

Project Type: Family

Period of Affordability (yrs): Permanent

QCT, DDA or Discretionary: QCT

Rental Subsidies: Potential project based rental units on 4% side.

Developer Performance: No past issues

Substantial Changes: No substantial changes from LOI

Amenities: AC, Carports add'l chg, Diswasher, Microwave, Patios, W/D hookups in units,  
On-site Mgr, Community Area

Other: Washer and dryer have a lease option in each unit for additional fee.

August 5, 2024

Bruce Posey, Chair  
Montana Board of Housing  
301 S. Park Ave  
PO Box 200528  
Helena, MT 59620

RE: 9% Housing Credit Application Cover Letter - **Skyview**

Dear Mr. Posey:

The Skyview development team respectfully submits this application for Housing Credits in support of Skyview, a new affordable housing development in Billings, MT.

### **Project Changes**

Skyview's Letter of Intent and May 13, 2024, presentation contemplated leasing a portion of state land currently controlled by the Department of Natural Resources and Conservation. We do believe there are real opportunities to make use of underutilized state land to develop affordable housing. That said, we've taken the Board's comments to heart and agree that our efforts to leverage this resource are premature.

After careful consideration we reconsidered our approach and found a location on the South Side of Billings in close proximity to a grocery store, public schools, parks and a host of other amenities and services. The property is flat, has ready access to utilities, and is appropriately zoned for the proposed development.

Additionally, we have modified the project's design to maximize use of this new property and more effectively serve Billings' affordable housing needs by changing the unit mix and income targeting. The revised project will offer deeper targeting with 40% AMI homes and also serve some households who need but often do not qualify for affordable housing, that is, households making up to 80% of AMI.

#### **Skyview – LOI Proposal**

| # of Units | Bedroom Size | Target AMI |
|------------|--------------|------------|
| 11         | 1 bedroom    | 50%        |
| 2          |              | 60%        |
| 6          | 2 bedroom    | 50%        |
| 4          |              | 60%        |
| 2          | 3 bedroom    | 50%        |
| 2          |              | 60%        |

#### **Skyview – Full Application**

| # of Units | Bedroom Size | Target AMI |
|------------|--------------|------------|
| 2          | 1 bedroom    | 40%        |
| 2          |              | 50%        |
| 1          |              | 60%        |
| 3          |              | 80%        |
| 2          | 2 bedroom    | 40%        |
| 4          |              | 50%        |
| 3          |              | 60%        |
| 3          |              | 80%        |
| 1          | 3 bedroom    | 40%        |
| 1          |              | 50%        |
| 2          |              | 60%        |
| 2          |              | 80%        |

We are excited to bring this re-tooled, improved project for the Board's consideration.

**Property Description:**

Skyview will be a new family housing development consisting of 26 rental homes Billings' residents can afford, while targeting tenants with incomes of 40%, 50%, 60%, and 80% AMI. Located at the corner of Jackson Street and King Avenue E. in Billings, Skyview will offer 8 one-bedroom, 12 two-bedroom, and 6 three-bedroom homes. It is within walking distance of public parks, schools, grocery stores, job opportunities, and other goods and services, and it is in close proximity to fixed bus routes of MET Transit (Billings' public transportation system).

**Need:**

According to the adopted 2024-2025 City of Billings Annual Action Plan (AAP), <https://www.billingsmt.gov/2006/Consolidated-Plan-Annual-Action-Plan>, over 80% of low-income households have been paying more than 30% - 50% of their income for housing costs. Furthermore, the AAP states, "Housing affordability and availability are the most significant factors in limiting housing choice for both renters and homeowners. While there are an adequate number of housing units in Billings to accommodate the population, there appears to be a housing deficit of over 4,700 units for households with incomes less than 30% of the AMI."

There is a clear and substantial need for new affordable homes for families in the Billings market. According to the market study, Billings has a need for an additional 10,425 new housing units serving households making between 0% and 80% of AMI. Furthermore, the market study shows Billings is expected to gain 108 new renter households per year over the next 5 years.

Net Skyview monthly rents will range from \$657 to \$1,150 per month for one-bedroom, \$783 to \$1,400 for two-bedroom, and \$896 to \$1,800 for three-bedroom apartments, serving the 9,477 Billings households the market study says can afford the proposed rent. Skyview's proposed rents range from 11% to 61% **below** the average market-rate rents in Billings.

**Anticipated Amenities:**

As proposed, Skyview will offer affordable homes in a variety of duplex and 4-plex buildings. The project will offer a play area for children, a dog run and outdoor community area. All apartments will offer air conditioning, energy efficient appliances including a refrigerator, oven/range, microwave, dishwasher, and in-unit washers & dryers. Project design will include sustainable construction practices and energy efficient building designs and components, as well as durable finishes. In addition, the residents of Skyview will have easy access to all the services and amenities Billings has to offer through the MET Transit system which has a fixed stop immediately adjacent to the project site at the corner of Jackson Street and King Avenue E.

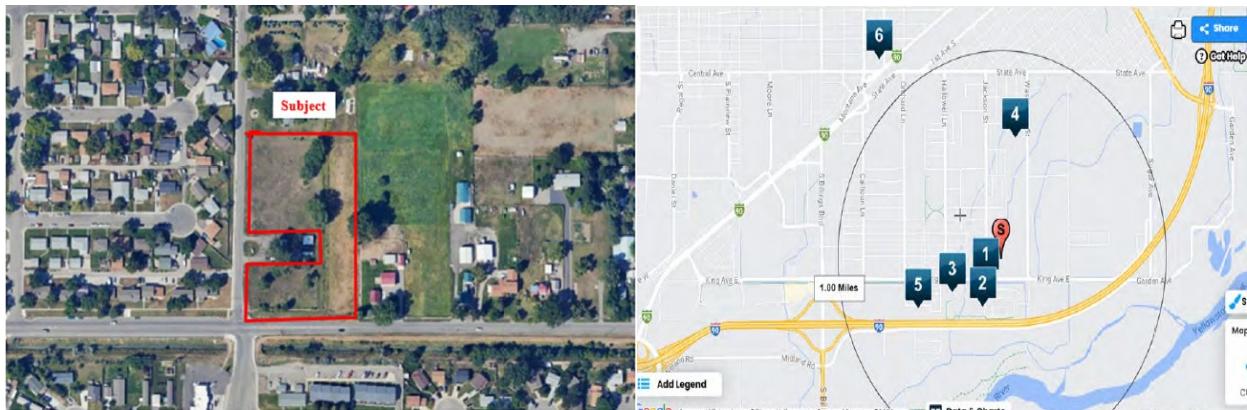
Thank you for considering this worthy project. Please don't hesitate to contact me at (406) 459-5332 or [gleuwer1139@msn.com](mailto:gleuwer1139@msn.com) with any questions.

Sincerely,



Gene Leuwer

Skyview Residences LLLP



View of the Subject



Jackson Street traversing north



King Avenue traversing west

## MARKET STUDY SUMMARY

|                              |   |
|------------------------------|---|
| <b>Market Study Company:</b> | Kinetic Valuation Group   |
| <b>Project Name:</b>         | Skyview Apartments  |
| <b>Project Market Area:</b>  | Northeast Corner of Jackson Street & King Avenue East, Billings, MT |

Is the project, as proposed, viable?

YES

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

|           | <b>Market Rents</b> | <b>% Project Rents Below</b> |  |
|-----------|---------------------|------------------------------|--|
| 0 bedroom |                     |                              |  |
| 1 bedroom | \$ 1,289            | -23.6%                       |  |
| 2 bedroom | \$ 1,581            | -22.4%                       |  |
| 3 bedroom | \$ 2,270            | -38.0%                       |  |
| 4 bedroom |                     |                              |  |
| 5 bedroom |                     |                              |  |

Reference page:

73

# of all New Units Needed:

10,425

Reference page: 82

# of units needed for the targeted AMI of the project:

10,425

Reference page: 82

Vacancy Rate:

2.7%

Reference page: 67

Months to Lease-up:

2-3

Reference page: 68

Capture Rate:

0.2%

Reference page: 82

(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate:

3.8%

Reference page: 83

(proposed units/existing LIH, market area units required)

Penetration Rate:

0.2%

Reference page: 83

(existing LIH units/total eligible households)

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

9,477

Reference page: 82

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

1.28

miles to grocery store (convenience store does not count)

2.70

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  | Transportation                             | 0.10          |
| 2  | Gas N Go                                   | 0.14          |
| 3  | Ponderosa Elementary School                | 0.32          |
| 4  | Riverside Middle School                    | 0.64          |
| 5  | Ponderosa Park                             | 0.87          |
| 6  | Albertsons                                 | 1.28          |
| 7  | United States Postal Office                | 1.73          |
| 8  | Billings Senior High School                | 2.20          |
| 9  | Billings Public Library                    | 2.20          |
| 10 | Billings Community Center                  | 2.31          |
| 11 | Yellowstone Bank                           | 2.53          |
| 13 | Intermountain St. Vicent Regional Hospital | 2.70          |
| 14 | Walmart Supercenter                        | 3.13          |
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| 50 |  |               |

## AMENITIES FORM

Project Name: Skyview

| All Units                  | Yes/No | Incremental<br>Cost<br>Per Unit | Benefit   |
|----------------------------|--------|---------------------------------|---|
|                            |        |                                 |   |
| Air Conditioning           | Yes    | \$ 2,000.00                     | Air conditioning is a health and safety feature for the future residents, as average temperatures in July and August are north of 88 degrees in Billings.   |
| Carport/Garage             | No     |                                 |   |
|                            | Yes    | \$ 500.00                       | Dishwashers are a convenience and economical benefit to future residents. They are more time and water efficient than handwashing.  |
| Disposal                   | No     |                                 |   |
|                            | No     |                                 |   |
| Extra storage outside unit |        |                                 |   |
|                            | Yes    | \$ 300.00                       | Microwaves offer future residents a quick and easy way to warm food, and are common place in all new construction developments. Thus, they are needed to allow the project to be competitive in the |
| Patios or Balconies        | No     |                                 |   |
|                            | Yes    | \$ 250.00                       | Necessary for in-unit washers and dryers.   |
| Washer/dryer hookups       | Yes    | \$ 1,250.00                     | In-unit washers and dryers offer residents convenience. Also, by having the washers and dryers owned by the project, the development can avoid wear and tear by residents moving large              |
|                            | Yes    | \$ 1,250.00                     |   |

| Project Wide               | Yes/No | Incremental<br>Cost<br>Total | Benefit  |
|----------------------------|--------|------------------------------|--|
|                            |        |                              |  |
| Basketball hoop/pad        | No     |                              |  |
| Car plug ins               | No     |                              |  |
|                            | No     |                              |  |
| Community Garden           | No     |                              |  |
|                            | No     |                              |  |
| Community Room             | No     |                              |  |
|                            | No     |                              |  |
| Computer(s) for tenant use | No     |                              |  |
|                            | No     |                              |  |
| Library                    | No     |                              |  |
|                            | No     |                              |  |
| On site Manager            | No     |                              |  |
|                            | Yes    | \$ 25,000.00                 | Gives future residents a place to interact and socialize with other residents. Also, can be a place for residents to host events/gatherings. |
| Play Area                  | Yes    | \$ 16,000.00                 | Gives children a place to play, interact and be active outdoors.   |
|                            | No     |                              |  |
| Hotspot/Wi-Fi              |        |                              |  |
| Other:                     |        |                              |  |



August 16, 2024

**- SENT VIA EMAIL -**

---

**Community  
Development  
Division**

PO Box 1178  
Billings, MT 59103

**P** 406.657.8281  
**TTY** 711

Bruce Posey, Chair  
Montana Board of Housing  
301 S. Park Ave., Suite 240  
P.O. Box 200528  
Helena, MT 59620-0528

**SUBJECT: SKYVIEW APARTMENTS, BILLINGS, MONTANA  
LOW-INCOME HOUSING TAX CREDIT APPLICATION  
GL DEVELOPMENT**

Dear Mr. Posey:

Thank you for the opportunity to comment on the Low-Income Housing Tax Credit application submitted by GL Development. As I understand it, the proposed project will provide 26 income-restricted apartments, most of which will be in a one-story, duplex style. The preliminary unit mix will be 8 one-bedroom units; 12 two-bedroom units; and 6 three-bedroom units. These new rental units will all be targeted to 50% and 60% Area Median Income (AMI) families. Project amenities are to include a play area; full kitchens with microwaves and dishwashers; laundry hookups and machines; energy efficient design and appliances.

The project is in alignment with the City of Billings' Consolidated Plan strategies:

**Housing Cost Burden:** One of the most significant housing issues in Billings is cost burden. Over 80% of low-income households have been paying 30-50% or more of their income for housing costs. Minorities are disproportionately impacted by housing cost burden including Black / African American, Asian, Native American, and Hispanic families.

**Affordable Housing Availability:** Housing affordability is the most significant factor in housing choice for both renters and homeowners. The availability of housing affordable to very low-income households is also a significant issue. While there are an adequate number of housing units in Billings to accommodate the population, there is a housing deficit of over 4,700 units for households with incomes less than 30% of the AMI. There are also over 7,000 households on HomeFront (formerly Housing Authority of Billings) waiting lists. Over 2,000 people are waiting for single-person housing.

The Skyview Apartments project also aligns with the following City of Billings' Consolidated Plan goals:

**Create, preserve, and expand affordable housing options:** Encourage the citywide development of new affordable single-family, multi-family and special needs housing in the community through private developers and nonprofit organizations.

**Neighborhood Revitalization:** Revitalize neighborhoods through foreclosure remediation, redevelopment and infill development.

Affordable housing in Billings is in high demand. As the housing market declines, the rental market has become more competitive over the past few years. This has resulted in increased monthly rental rates, limiting local availability of affordable housing. The 26 housing units proposed by GL Development may be an important step in meeting the affordable housing needs of Billings' growing population.

Should you have questions or require additional information, do not hesitate to contact me via phone at (406) 657-8284 or email [rodiert@billingsmt.gov](mailto:rodiert@billingsmt.gov).

Sincerely,

  
Tam Rodier  
Program Coordinator



# Montana State Legislature

## MONTANA HOUSE OF REPRESENTATIVES

Representative Mike Yakawich  
House District 51 - Billings

---

DURING THE SESSION  
State Capitol Building  
PO Box 200400  
Helena, MT 59620-0400  
Phone: (406) 444-4800  
Web: leg.mt.gov

COMMITTEES  
Human Services  
State Administration

HOME ADDRESS  
PO Box 32004  
Billings, MT 59107  
Phone: (406) 647-6391  
Phone: (406) 254-2445  
mike.yakawich@legmt.gov

September 12, 2024

Dear Montana Board of Housing:

I am writing in regards to the Skyview Apartments under the planning of GL Development. The project, called Skyview Apartments, will be on the South Side of Billings with 26 income-restricted apartments, most of which will be in a one-story duplex style.

I am well aware of the work of GL Developments. They do a fantastic job for our community and I am very proud of that. Living and working on the Southside I have discovered that their development has brought a deeper culture of hope and encouragement. Simply, such developments of GL enhance the quality of life for our neighborhood.

As a State Legislator and community member, I am always noticing pockets of our neighborhood that need love, attention and sound construction. As I recently walked around Jackson Court developed by GL Development, I was struck by the quality and the ambiance of that development. They did well.

I am very confident that GL Development will continue to work hard and be diligent to do the same with Skyview Apartments. At a time when we are looking for good housing at an affordable rate, solid low-income housing, this is one developer that not only talks the talk but walks the walk.

I give my entire endorsement providing tax credits and other support.

Thank you for your time and consideration.

Respectfully yours,

Mike Yakawich  
MT House District 51  
206 South 32<sup>nd</sup> Street  
Billings, MT 59101  
[mike.yakawich@legmt.gov](mailto:mike.yakawich@legmt.gov)  
406-647-6391

9-13-2024

Bruce Posey, Board Chair  
Montana Board of Housing  
Montana Department of Commerce  
301 S. Park Ave, Suite 240  
Helena, Mt 59620-0528

Re: Skyview Apartment Project, Billings, Mt

Dear Mr. Posey,

I am familiar with the real property, and I have reviewed the draft image of the plans for the Skyview Apartments.

These apartments will fulfill the promises made by GL Development. They are affordable and they have the amenities everyone desires, including large windows, air conditioning, washer/dryers, green spaces, a playground and much more.

GL Development is now seeking funding for a similar project next to Jackson Court called Skyview Apartments. The developers have proved that they can and will honor their commitments.

I urge you to approve their request for this needed project on the Billings southside.

Sincerely,

Mike Boyett  
Billings City Council, Ward 5

**CITY COUNCIL**

P.O. Box 1178  
Billings, MT 59103-1178  
Phone 406.657.8433  
FAX 406.657.8390

September 16, 2024

Bruce Posey, Board Chair  
Montana Board of Housing  
Montana Department of Commerce  
301 South Park Avenue, Suite 240  
Helena, MT 59620-0528

Dear Mr. Posey and the Montana Board of Housing:

I am writing in support of GL Development's application for funding its proposed Skyview Apartments development on the Southside neighborhood of Billings. Billings, like many Montana towns and cities, is facing an acute shortage of housing, particularly that people in 50% to 100% AMI can afford. Last time I checked, our local housing authority had a waiting list of over 2,000 families.

GL Development is building affordable housing exactly where we most need it in Billings—at infill locations where we already have existing infrastructure. Their most recent projects in Billings, Jackson Court (completed) and Mitchell Court (under development), exemplify this, and Skyview Apartments would be the next chapter of this most important book of Billings housing. As a councilmember, I know well that using this existing infrastructure instead of building new means that we can keep our property taxes and street assessments lower, benefiting everyone in the community. Furthermore, these projects create more contiguous neighborhoods, strengthening social bonds and filling gaps with “eyes on the street” that deter criminal activity.

The design for Skyview Apartments collection of duplexes and fourplexes applies CPTED (Crime Prevention Through Environmental Design) principles, with dwelling units facing the street and providing natural surveillance. GL Development has also done a good job of reaching out to neighbors to hear their concerns and incorporate their best ideas.

For all these reasons, I hope you will give funding support for the proposed Skyview Apartments your greatest consideration.

Sincerely,

A handwritten signature in blue ink that appears to read 'Ed Gulick'.

Councilmember Ed Gulick, Ward 1



August 15, 2024

Mr. Bruce Posey, Chair  
Montana Board of Housing  
Montana Department of Commerce  
301 S. Park Avenue, Ste 240  
Helena, MT 59620-0528

RE: Skyview Apartments Housing Project-Billings, MT

Dear Mr. Posey and Board Members,

Big Sky Economic Development (BSED) is pleased to provide a letter of support for the Skyview Apartments application to the Montana Board of Housing. BSED serves as the economic development organization for Yellowstone County. We are acutely aware of the need for quality affordable housing in the Billings area. The Skyview Apartments project will be a vital project that will help to meet the growing need for housing. GL Development intends to hire local subcontractors, adding an additional economic boost to the region.

The population and economy of Billings has grown significantly in the past decade, resulting in a very tight housing market with a significant shortage of decent, affordable rentals for people of moderate means.

Billings has a high need for housing with significant wait lists for housing of 2,645 households. Housing needs are increasing at a rapid rate. BSED's most recent housing study shows the need for an additional 2,000 housing units in our downtown core alone.

Skyview Apartments housing project will be an exceptional project for the community and the need is growing. The plan to create 26 new housing units that will be one story duplex style and have energy efficient components, ADA accessibility through universal design, and be family friendly is extremely appealing. This neighborhood infill project dovetails well with the current Growth Policy, and the property has basic infrastructure nearby.

The greatest housing need in Billings is the development and renovation of affordable housing for both owners and renters with incomes from zero to 80% Area Median Income, according to the City County Consolidated Plan. The planned development of Skyview Apartments will provide a housing opportunity for this population and will target 40% to 60% of median income.

Currently, BSED is the recipient of a US EPA Brownfield grant which enables us to complete Phase I and Phase II assessments on properties within downtown Billings. We have also secured a US EPA Revolving Loan Fund to assist property owners with securing funds to clean up contaminated sites.

We are pleased to provide this letter of support for Skyview Apartments. It is a much-needed project for the south side of Billings. Thank you in advance for your thoughtful consideration of this worthy project.

Sincerely,



Dianne R. Lehman  
Community Development Director

# BEARTOOTH

RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.

Bruce Posey, Board Chair  
Montana Board of Housing  
Montana Department of Commerce  
301 S. Park Avenue, Suite 240  
Helena, MT 59620-0528

August 14, 2024

Dear Mr. Posey:

On behalf of Beartooth RC&D, I am writing to support the Skyview Apartments development on the south side of Billings. Beartooth RC&D serves a 5-county area that includes Yellowstone, and every county is struggling with the lack of affordable workforce housing. We were encouraged to see some positive movement happening in the City of Billings with the recent Jackson Court and Mitchell Court developments. The Skyview Apartments will consist of 26 income-restricted apartments and provide even more housing that fits the needs of many workers.

We are in favor of the variety of apartments, most of which will be a duplex-style, that will be offered to meet the needs of many different income-qualified families. Restricting these rentals to those who work in the immediate vicinity will also provide south-side employers with the much-needed workforce that has been lacking over the past few years. As Billings continues to grow, the deficit of necessary employees will increase if the issue of workforce housing is not promptly addressed.

Thank you for making affordable housing a priority. We strongly encourage you to support the Skyview Apartments development and help Billings to be a city that continues to thrive and grow.

Sincerely,



Joel Bertolino  
Executive Director



128 So. Main St.  
P. O. Box 180  
Joliet, MT  
59041

PHONE 406-962-3914  
FAX 406-962-3647  
WEBSITE [www.Beartooth.org](http://www.Beartooth.org)



(406) 698-3153  
SBURABILLINGS@GMAIL.COM  
DICKZIER@GMAIL.COM

2139 BROADWATER AVE. STE F  
BILLINGS, MONTANA 59102

P.O. Box 21271, Billings, Montana 59104  
406-698-3153

Montana Department of Commerce  
Montana Board of Housing  
Atten: Sheila Rice  
301 South Park Avenue, Suite 240  
Helena, MT 59620-0528

Dear Ms. Rice,

The South Billings Urban Renewal Association (SBURA) would like to communicate to you a letter of support for the GL Development, Inc. and its executive team, Gene Leuwer and Beki Brandborg in their application for low-income housing tax credits.

SBURA manages the distribution of tax increment assistance in the South Billings Boulevard Urban Renewal District. In 2021, the Billings City Council awarded GL Development \$547,305 of tax increment assistance to develop Jackson Court Apartments. This project has been completed and is a tremendous addition and benefit to low-income residents in our district. In 2024 the Billings City Council awarded \$500,000 of tax increment financing to develop Mitchell Court Apartments to the South of Jackson Court Apartments. This area is very blighted and will be improved considerably and provide still much needed apartments for low-income residents in our District. Construction should begin in the near future. GL Development is planning for the development of Skyview Apartments in our District.

The SBURA Board greatly welcomes GL Developments' efforts to reduce Blight and promotion of affordable housing in our District and urges the Board of Housing to give positive consideration to this new project.

Regards,

 8/19/2024  
Scott Hanser, Vice President



August 15, 2024

Ms. Sheila Rice, Chair  
Montana Board of Housing  
Montana Department of Commerce  
Helena, MT 59620-0528

Subject: Support for Skyview Apartments Affordable Housing Project in Billings

Dear Ms. Rice and Board Members,

The Billings Chamber of Commerce would like to express our support for the proposed Skyview Apartments Affordable Housing Project in Billings. Two aspects of this proposal will be particularly beneficial to our business community. Increasing housing supply is extremely important to keep housing in Billings affordable.

Our members have indicated that "Increasing Housing Supply" is the second most important issue facing their business or organization. We believe that housing affordability follows housing abundance, and we've been working to reduce onerous government regulations that impede market solutions. At the same time, we recognize that people need affordable housing now. Our local housing authority has a wait list of over 7,000 people waiting for housing to become available. The additional 26 units at Skyview Apartments cannot come soon enough.

In addition to the long-term benefits provided by additional housing supply, we've discussed with the developer incorporating the principles of crime prevention through environmental design (CPTED), a strategy aimed at building safety and deterrence into the built environment, into their plans. We applaud the developer, GL Development, for their proactive approach to utilize CPTED principles in previous properties and appreciate the safety considerations they've given to this proposed project.

We thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Daniel J. Brooks".

Daniel J. Brooks  
Director, Business Advocacy  
Billings Chamber of Commerce

**South Park Senior Citizens Center, Inc.**  
901 South 30<sup>th</sup> Street  
Billings, Montana 59101

---

September 14, 2024

To: Bruce Posey  
Montana Board of Housing  
Montana Department of Commerce  
301 S. Park Avenues, Suite 240  
Helena, MT 59620

Bruce:

After a visit from Beki Brandborg, our members at the South Park Senior Center became aware of the potential Skyview Apartments in Billings. Many seniors are mindful of the current established developments and consistently ask for applications.

Low-income affordable housing is in short supply in this area and too many seniors are on too many waiting lists. Finally, someone is trying to fill this housing shortage, especially in the south side area of Billings.

I understand more such developments are planned for this neighborhood. One affordable complex at a time will certainly help lessen this problem.

I fully support GL Development's application for the Skyview Apartments and strongly encourage a favorable vote by the Board of Housing.

Brenda Eichele  
South Park Senior Center  
Board of Directors



September 16, 2024

Mr. Bruce Posey, Chair  
Montana Board of Housing  
Montana Dept. of Commerce  
Helena, MT 59620-0528

RE: Skyview Apartments Affordable Housing Project

Dear Mr. Posey and board members,

I am writing in support of the proposed Skyview Apartments Affordable Housing project in Billings, MT. As you are no doubt aware, Billings is facing a severe shortage of affordable housing options. This impacts the older adult population dramatically as many seniors are on a fixed budget, unable to respond to the market forces driving rental costs. Each and every project creating a large housing stock helps ease the pressure on housing expense. Projects specifically aimed at low-income populations are particularly beneficial.

The city of Billings was recently recognized as an AARP Age Friendly Community. AARP has identified 10 domains that are of greatest impact to older adults. The Billings Age Friendly Billings Coalition has selected three of the domains for an initial focus, with housing being one of those.

We are currently working on several advocacy fronts to impact the housing crisis and this project is in alignment with our efforts.

Thank you for your consideration of this project and for your efforts to make a positive difference in Montana.

Sincerely,

Erika Purington  
Executive Director  
[erikap@allianceyc.org](mailto:erikap@allianceyc.org)  
406-259-9666

**Activity Program**  
406-294-1588

**AVP Volunteer Program**  
406-245-6177

**Meals on Wheels**  
Billings:  
406-259-9666  
Laurel:  
406-628-7571

**Resource Center**  
406-259-5212

**Senior Lunch Program**  
406-259-9666

**Transportation Services**  
406-294-1591

**AllianceYC.org**

1505 Ave D, Billings, MT 59102  
406-259-9666 | FAX: 406-259-2849

935 Lake Elmo Dr, Billings, MT 59105  
406-606-1170 | FAX: 406-281-8027



September 16, 2024

Mr. Bruce Posey, Chair  
Montana Board of Housing  
Montana Dept. of Commerce  
Helena, MT 59620-0528

RE: Skyview Apartments Affordable Housing Project

Dear Mr. Posey and board members,

I am writing in support of the proposed Skyview Apartments Affordable Housing project in Billings, MT. As you are no doubt aware, Billings is facing a severe shortage of affordable housing options. This impacts the older adult population dramatically as many seniors are on a fixed budget, unable to respond to the market forces driving rental costs. Each and every project creating a large housing stock helps ease the pressure on housing expense. Projects specifically aimed at low-income populations are particularly beneficial.

The city of Billings was recently recognized as an AARP Age Friendly Community. AARP has identified 10 domains that are of greatest impact to older adults. The Billings Age Friendly Billings Coalition has selected three of the domains for an initial focus, with housing being one of those.

We are currently working on several advocacy fronts to impact the housing crisis and this project is in alignment with our efforts.

Thank you for your consideration of this project and for your efforts to make a positive difference in Montana.

Sincerely,

Erika Purington  
Executive Director  
[erikap@allianceyc.org](mailto:erikap@allianceyc.org)  
406-259-9666

**Activity Program**  
406-294-1588

**AVP Volunteer Program**  
406-245-6177

**Meals on Wheels**  
Billings:  
406-259-9666  
Laurel:  
406-628-7571

**Resource Center**  
406-259-5212

**Senior Lunch Program**  
406-259-9666

**Transportation Services**  
406-294-1591

**AllianceYC.org**

1505 Ave D, Billings, MT 59102  
406-259-9666 | FAX: 406-259-2849

935 Lake Elmo Dr, Billings, MT 59105  
406-606-1170 | FAX: 406-281-8027



Bruce Posey, Chair  
MT Board of Housing  
P.O. Box 200528  
Helena MT 59620

September 11, 2024

RE: Letter of Intent to Provide Services at Skyview Apartments, Billings, MT

Big Sky Senior Services believes Senior Citizens deserve the right to live in their homes, safe and free from abuse. Regardless of their ability to pay, Big Sky Senior Services provides services that promote independence, enhance quality of life, and prevent elder abuse.

We believe that supporting in-home independence is cost effective, promotes quality of life, and should be available to all seniors including those who cannot afford services, and who are not receiving duplicate services from another agency, especially those who are vulnerable and at risk.

## OUR PROGRAMS

Senior Helping Hands was started in 1977 to respond to the need for in-home services for Elders in South Central Montana. Today, Senior Helping Hands provides home care and homemaking services to over 200 seniors in Yellowstone County.

Prevention of Elder Abuse has pioneered innovative and comprehensive abuse prevention services since its founding in 1992. We were one of the first organizations in the United States to conduct fraud prevention training, which teaches community volunteers such as Bank Tellers, Meter Readers, and Mail Carriers to spot and report possible elder abuse. Today, we provide information, abuse investigation, case management, and financial payee services to elders and disabled adults throughout South Eastern Montana.

Our new AmeriCorps Senior Companion program is the only program in the Billings area that provides phone and friendly visitor support for the elderly. Many seniors receive either daily phone calls or weekly visits from senior volunteers. They help the isolated elders live independently at home while still being able to stay connected to the community.

Big Sky Senior Services is excited to offer a letter of support and commitment to GL Development to provide the above community support services and refer potential Residents to Skyview Apartments.

Please keep Big Sky Senior Services updated as the timeline is established for this project. We are Excited to see new affordable, safe, senior friendly housing in Billings, MT.



**Agreed and Accepted**

By: Big Sky Senior Services

*Support Service Provider*

A handwritten signature in black ink, appearing to read "Troy" or "Troy Clark".

Authorized Signer

Executive Director

Title

A handwritten signature in black ink, appearing to read "9/12/24".

Date

By: GL Development

*Skyview Apartments*

Authorized Signer

Title

Date



Montana Housing  
MONTANA DEPARTMENT OF COMMERCE  
301 S. Park Ave.  
PO Box 200528  
Helena, MT 59620-0528

August 5, 2024

Dear Montana Housing Staff and Board:

We are excited to present our 2025 Housing Tax Credit application to Montana Housing staff and Montana Board of Housing. This application for a new construction project recycles bedroom and bathroom P.O.D.S., creating new homes in Billings on HomeFront's campus on Sioux Lane in the Heights. This application represents LB Lofts 9%, the 9% portion of a twinned project, which creates 22 of the 101 total new homes.

This project is a strong partnership with two of Montana's strongest housing agencies/organizations. HomeFront has procured Homeword as their developer and this is our second project where Homeword will develop and HomeFront will own. Homeword has extensive experience partnering as Developer on projects with Housing Authorities, other non-profits and for-profit partners for the last 30 years. HomeFront has owned and operated a successful portfolio for the last 50 years.

There are several key updates to our application from the time of our LOI submission. The most visible update is that we have selected a name for the project, LB Lofts. LB Lofts is HomeFront's way of honoring the visionary founding Executive Director, Lucy Brown. Lucy retired in 2017, but left an amazing legacy. Her foresight to purchase the land on Sioux Lane has given the opportunity to create 80 homes to date and this project proposes an additional 101 homes. This is the last large-scale parcel on Sioux Lane and we are honored to name the project after Lucy.

Since the LOI submission, a key update is that we have progressed with our architectural design through the design development stage of the architectural and engineering process. We have further explored the details necessary to make the P.O.D.S. connections to the new construction components of the buildings. We are presenting our most updated cost estimates within this application. If awarded, we'd be ready to procure our general contractor to assist with the design team's construction document phase of the process, helping us to refine costs and find the most efficient way to deliver these new homes.

The largest update from April for this project is that we are now proposing to incorporate Laurel Gardens into the 4% side of the LB Lofts project. Laurel Gardens is a 30-unit senior project that HomeFront was able to acquire and preserve in 2020. This project was at risk of leaving Montana's

affordable portfolio and going to market, most likely displacing the 30 senior and disabled households that currently reside at Laurel Gardens. Since the time of acquisition, HomeFront invested two million dollars of their own limited resources into the most urgent capital needs on the project. The exterior work has been completed and has secured the property's building envelope. This work was all done prior to the contemplation of this project, so those costs cannot be included in this tax credit project. The remaining interior and systems work that remains is still significant. We are proposing including Laurel Gardens into the 4% side of the LB Lofts twinned project. This 4% scattered site project will submit a full application if awarded 9% Housing Credits. Homeword and HomeFront will work with MT Housing staff to best present both projects and leverage them to make both projects feasible and also maximize the benefits provided with this 9% request for valuable Housing Credits. We believe the inclusion of Laurel Gardens helps with overall financial feasibility of LB Lofts and preserves 30 additional home.

As you'll see from our application (letters of support, city council meeting minutes), we have many supporters of this partnership and this project. We respect the challenging decision the MBOH Board must make as the need is great around the state. Our credit request comes with careful consideration in a time of extreme risk with challenging market conditions. We have strived to maximize all efficiencies within this twinned project to create and preserve as many homes as possible. HomeFront's management experience and strong community connections along with Homeword's expansive development experience create a solid team with strengths that will allow us to bring these much-needed projects to fruition.

Thank you for your consideration of this application. We look forward to hearing from you.

Sincerely,

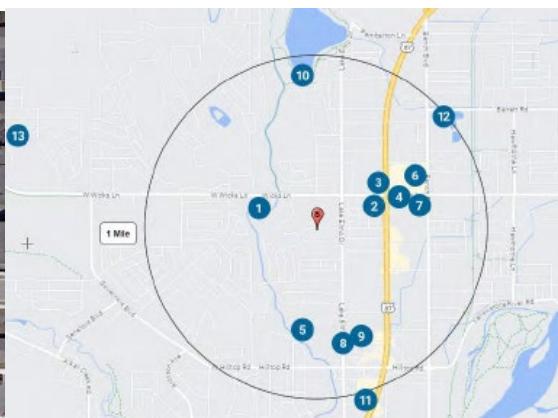


Patti Webster, CEO/ Executive Director  
Director HomeFront



Heather McMillin, Project Development  
Homeword

## LB Lofts Pictures



Community Garden to the East



Condominiums to the North

## MARKET STUDY SUMMARY

|                              |                                    |
|------------------------------|------------------------------------|
| <b>Market Study Company:</b> | Kinetic Valuation Group            |
| <b>Project Name:</b>         | Lucy's Lofts                       |
| <b>Project Market Area:</b>  | 301 Sioux Lane, Billings, MT 59105 |

Is the project, as proposed, viable?

YES

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

|           | <b>Market Rents</b> | <b>% Project Rents Below</b> |  |
|-----------|---------------------|------------------------------|--|
| 0 bedroom |                     |                              |  |
| 1 bedroom |                     |                              |  |
| 2 bedroom | \$ 1,727            | -23.00%                      |  |
| 3 bedroom |                     |                              |  |
| 4 bedroom |                     |                              |  |
| 5 bedroom |                     |                              |  |

Reference page:  
69

# of all New Units Needed: 1,254 Reference page: 77

# of units needed for the targeted AMI of the project: 1,254 Reference page: 77

Vacancy Rate: 2.7% Reference page: 65

Months to Lease-up: 6-8 Reference page: 66

Capture Rate:  
(projected income eligible tenants who will move in next year/proposed units) 8.1% Reference page: 77

Absorption Rate:  
(proposed units/existing LIH, market area units required) 37.1% Reference page: 78

Penetration Rate:  
(existing LIH units/total eligible households) 7.7% Reference page: 78

Number of LI households that can afford rent of proposed project: 1,254 Reference page: 77

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

0.99 miles to grocery store (convenience store does not count)  
0.38 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.**

|    | <b>Other Service</b>                | <b>Distance (mi)</b> |
|----|-------------------------------------|----------------------|
| 1  | Intermountain Health Heights Clinic | 0.38                 |
| 2  | Western Security Bank               | 0.42                 |
| 3  | Walgreens                           | 0.44                 |
| 4  | Cenex Zip Trip                      | 0.49                 |
| 5  | Windsor Estate Community Center     | 0.55                 |
| 6  | Wal-Mart Supercenter                | 0.59                 |
| 7  | USPS                                | 0.60                 |
| 8  | Lake Elmo Dr & Milton Rd            | 0.64                 |
| 9  | Bench Elementary                    | 0.64                 |
| 10 | Lake Elmo State Park                | 0.92                 |
| 11 | Albertson's Grocery Store           | 0.99                 |
| 13 | Medicine Crow Middle School         |                      |
| 14 | Skyview High School                 | 1.83                 |
| 15 | Billings Public Library             | 2.37                 |
| 16 |                                     |                      |
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## AMENITIES FORM

Project Name: LB Lofts 9%

| All Units                  | Yes/No | Incremental<br>Cost<br>Per Unit | Benefit   |
|----------------------------|--------|---------------------------------|---|
|                            |        |                                 |   |
| Air Conditioning           | Yes    | \$ 5,600.00                     | LB Lofts will be using mini splits for their heating, also provide cooling. MT has an ever increasing heat load in the summer. The cost provided is for heating and cooling, so not a true "AC" cost. |
| Carport/Garage             | No     |                                 |   |
| Dishwasher                 | No     |                                 |   |
| Disposal                   | No     |                                 |   |
| Extra storage outside unit | No     |                                 |   |
| Microwave                  | No     |                                 |   |
| Patios or Balconies        | Yes    | \$ 4,200.00                     | Patios and balconies are included to ensure some private outdoor space for each household.  |
| Washer/dryer hookups       | Yes    | \$ 1,200.00                     | We will be ready for appliances, intending to provide them for residents. Hook ups are essential at the time of construction.   |
| Washer/dryer in unit       | No     |                                 | Washer and Dryers being prioritized from our construction contingency - the intention will be to provide the units, just not committing to them due to cost concerns.                                 |

| Project Wide               | Yes/No | Incremental<br>Cost<br>Total | Benefit   |
|----------------------------|--------|------------------------------|---|
|                            |        |                              |   |
| Basketball hoop/pad        | Yes    | \$ 5,000.00                  | LB Lofts will be providing a corn hole pitch on site and will be making it available to the other projects located on the HomeFront campus.   |
| Car plug ins               | No     |                              |   |
| Community Garden           | Yes    | \$ -                         | There are community gardens provided to the entire HomeFront campus, LB Lofts will have access.   |
| Community Room             | Yes    | \$ -                         | The community room provided at Falcon Run will serve the entire campus and will be available to LB Lofts residents.   |
| Computer(s) for tenant use | No     |                              |   |
| Library                    | No     |                              |   |
| On site Manager            | Yes    | \$ -                         | There is an onsite Manager at Falcon Run serving the HomeFront campus and will provide services to LB Lofts.  |
| Outdoor community area     | Yes    | \$ -                         | There will be picnic areas and benches throughout the LB Loft site, but there are also additional outdoor community areas available on the HomeFront campus and available to LB Lofts residents.    |
| Play Area                  | Yes    | \$ -                         | HomeFront has provided a playground for the entire campus and this will be available for LB Lofts residents. The campus is adjacent to a City park as well, easily serving the campus and LB Lofts. |
| Hotspot/Wi-Fi              | No     |                              |   |
| Dog Park                   | Yes    | \$ -                         | HomeFront has provided a dog park for the entire campus and this will be available for LB Lofts residents.  |



Brenda Beckett  
Billings Community Development  
2825 3<sup>rd</sup> Ave N 4<sup>th</sup> floor  
Billings, MT 59101

Jason Hanson  
Montana Board of Housing  
P.O. Box 200528  
Helena, MT 59620-0528

Julie Flynn  
Montana Department of Commerce  
Community Development Division  
P.O. Box 200523  
Helena, MT 59620-0523

July 29, 2024

To whom it may concern,

On behalf of District 7 Human Resources Development Council (HRDC), I am writing to offer my wholehearted support of LB Lofts project's Montana Housing Tax Credit application and the HOME Investment Partnerships Program applications. I understand that you have many worthy and important projects that you are looking at for support. I believe that the inclusion of 101 new two-bedroom, two-bathroom homes is one of the most important projects that is in need of funding in Billings at this time.

Our Billings community is facing a crisis regarding the availability and affordability of safe housing. Many of our residents are currently paying more than 50% of their income on housing. This has created a huge housing cost burden on families and individuals. Many residents are not able to move to more affordable or safer neighborhoods due, in part, to this housing cost burden.

The LB Lofts project's Montana Housing Tax Credit application and the HOME Investment Partnerships Program applications will help meet several of the City's Action Plan needs by creating, preserving and expanding safe, affordable housing that is centrally located to bus routes, bike trails, grocery stores and medical facilities. Being centrally located will allow community members to gain and maintain employment, meet their medical needs, and participate in the city's commerce.

Allowing for more affordable housing options will enable community members to obtain and maintain safe, affordable housing, become housing self-sufficient and can lead to being first time homeowners. This will help foster suitable living environments and a higher quality of life through the improvement of



housing projects and housing developments. Homeownership helps lead to financial security, home equity and family stability.

In our 2024 Community Needs Assessment 67% of respondents identified availability of safe and affordable housing as a top need in our communities. These findings are similar across urban and rural communities in our services areas. HRDC offers many housing services including housing navigation, Section 8 Housing Choice Vouchers, security deposits, rental assistance for unhoused individuals and/or families (including youth), as well as assistance for the prevention of homelessness. From 2022 to 2023 HRDC saw participation in our emergency housing assistance increase by 28%. However, funding levels remain stagnant. This project will help ease the impact of the lack of affordable and available housing that the City of Billings is facing.

HRDC supports the LB Lofts project and encourages your favorable consideration.

Sincerely,

A handwritten signature in blue ink that reads "Denise Jordan".

Denise Jordan, CEO



Brenda Beckett  
Billings Community Development  
2825 3<sup>rd</sup> Ave N 4<sup>th</sup> floor  
Billings, MT 59101

Jason Hanson  
Montana Board of Housing  
P.O. Box 200528  
Helena, MT 59620-0528

Julie Flynn  
Montana Department of Commerce  
Community Development Division  
P.O. Box 200523  
Helena, MT 59620-0523

July 23, 2024

To Whom It May Concern:

Please see the attached Letter of Support of Homeword's Housing Tax Credit and HOME applications for LB Lofts located in Billings, Montana.

Sincerely,

David O'Leary  
Executive Director  
Phone: (406) 609-8990  
david@mtcoc.org

2825 Stockyard Road, Unit I-1  
Missoula, Montana 59808  
[www.mtcoc.org](http://www.mtcoc.org)



July 23, 2024

To Whom It May Concern:

The Montana Continuum of Care Coalition would like to express its full support of Homeword's Housing Tax Credit and HOME applications for LB Lofts located in Billings, Montana.

As the administrator of Montana's Statewide Continuum of Care, the coalition is aware of the significant need for increased access to affordable housing options in Montana. Meeting this need is an ever-growing challenge. Increases in the cost of rent across Montana has diminished the ability of existing resources to meet the housing needs of Montanans, and the availability of new resources to expand housing stock is limited, and often falls short of adding the number of units needed.

The growing need for affordable housing in Billings is no exception. We know that as individuals and families struggle finding access to affordable housing they often move from place to place searching for a place to call home. Those who have been unable to find affordable housing in Billings may find themselves in Great Falls, Missoula, Helena, or Kalispell; further stressing the rental markets in those communities. The 101 new rental units at LB Lofts will not only allow individuals and families from Billings to stay in their community, but it will also benefit communities across Montana by diminishing the need to move in order to find affordable housing.

The Montana Continuum of Care Coalition knows it takes full spectrum of housing options to meet the needs of all Montanans, and LB Lofts will be a significant step in meeting the need for affordable housing in Billings.

Sincerely,

Jim McGrath  
Board President

David O'Leary  
Executive Director

July 24, 2024

Patti Webster, CEO

HomeFront

2415 1<sup>st</sup> Sve North

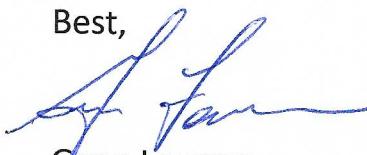
Billings, Mt. 59101

Dear Patti,

I'm pleased to support your application to the MBOH for the PODS project. Having recently worked with you on four Tax Credit projects in the Billings area, I can certainly attest to the community need, to you and your organization's incredible capacity and your commitment to the folks you serve.

You do an excellent job. Best of luck with your PODS project. It is a great idea.

Best,



Gene Leuwer

GL Development LLC

406-459-5332

# United Way of Yellowstone County

2173 Overland Avenue  
Billings, MT 59102  
tel 406.252.3839  
fax 406.252.3830

LIVE UNITED



July 29, 2024

**To:** Brenda Beckett  
Billings Community Dev.  
2825 3rd Ave N, 4th Floor  
Billings, MT 59101

Jason Hanson  
Montana Board of Housing  
P.O. Box 200528  
Helena, MT 59620-0528

Julie Flynn  
Montana Department of Commerce  
Community Development Division  
301 S. Park Ave. P.O. Box 200523  
Helena, MT 59620-0523

**Re:** Letter of Support for HomeFront's Applications

Dear Ms. Beckett, Mr. Hanson, and Ms. Flynn,

I am writing on behalf of United Way of Yellowstone County to express our strong support for HomeFront and their LB Lofts project's Montana Housing Tax Credit application and the City and State HOME Investment Partnerships Program application. Affordable housing has long been a concern in our community and this project will make a significant impact on the problem.

United Way of Yellowstone County is dedicated to improving the lives of individuals and families in our community by addressing critical issues such as education, health, and financial stability. A key component of all these goals is access to safe, affordable housing. Housing stability is foundational for individuals and communities to thrive. When people have affordable homes, they are better able to maintain employment, support their children's education, and contribute positively to the community.

The LB Lofts project aligns well with our mission and the needs of our community. We continue to see affordable housing as an ongoing concern discussed by many groups as contributing to homelessness, mental health concerns, addiction, and other issues. Therefore, addressing affordable housing is critical to addressing the overall well-being of our community. By providing affordable housing, this project will not only benefit the families directly but also strengthen our community as a whole.

Thank you for your consideration of HomeFront's applications. We believe that the LB Lofts project will be a significant step towards addressing the affordable housing shortage in our community. We urge you to approve HomeFront's LB Lofts applications and support this vital initiative. The impact of your support will be felt across our community, fostering stability and growth for countless families.

Sincerely,

A handwritten signature in black ink that reads "Kim Lewis".

Kim Lewis, President/CEO  
United Way of Yellowstone County  
406-272-8507  
[klewis@uwyellowstone.org](mailto:klewis@uwyellowstone.org)



Brenda Beckett  
Billings Community Development  
2825 3<sup>rd</sup> Ave N 4<sup>th</sup> floor  
Billings, MT 59101

Jason Hanson  
Montana Board of Housing  
P.O. Box 200528  
Helena, MT 59620-0528

Julie Flynn  
Montana Department of Commerce  
Community Development Division  
301 S. Park Ave.  
P.O. Box 200523  
Helena, MT 59620-0523

I am writing on behalf of the Downtown Billings Alliance to express our enthusiastic support for the LB Loft's project and its applications for the Montana Housing Tax Credit and the City and State HOME Investment Partnerships Program.

The Downtown Billings Alliance is dedicated to enhancing the vitality and livability of our downtown area. We recognize that affordable rental housing is a critical component of a thriving community. Access to affordable homes helps ensure that all individuals, including those with lower incomes, have the opportunity to live in safe, stable, and vibrant neighborhoods. This inclusivity fosters economic diversity, supports local businesses, and strengthens our community's social fabric.

The LB Loft's project aligns perfectly with our mission to improve housing options in downtown Billings. The development of affordable rental units will not only address a significant need in our community but also contribute to the revitalization of our urban core. We believe that the Montana Housing Tax Credit and HOME Investment Partnerships Program funding are crucial for the success of this project and will greatly benefit our city by providing quality housing options to those who need them most.

We wholeheartedly support the LB Loft's funding applications and urge you to give them favorable consideration. This project represents a valuable investment in the future of our community and aligns with our shared goals of fostering inclusive and sustainable growth.

Thank you for considering our support.

Sincerely,

A handwritten signature in black ink, appearing to read "Katy Schreiner".

Katy Schreiner  
CEO  
Downtown Billings  
katy@downtownbillings.com



Jessica Kannegger  
1020 Cook Avenue  
Billings, MT. 59102  
(406) 259-2007  
[ed@billingsearlyheadstart.org](mailto:ed@billingsearlyheadstart.org)

July 30, 2024

Jason Hanson  
Montana Board of Housing  
P.O. Box 200528  
Helena, Mt. 59620-0528

Mr. Hanson,

Thank you for taking the time to read this letter. I currently am the Executive Director of Young Families Early Head Start and prior to that I was the Emergency Services Program Director at HRDC District 7. Both careers have given me firsthand experience dealing with the significant housing problem we have in Billings, Montana. Individuals, both young and old, families, and single families are unable to afford the outrageous rent being charged in this city. The people without homes, who are living on the streets, continue to grow in numbers. This problem requires more than just additional resources, yes, but offering affordable housing through the project that Home Front is proposing is at least substantial starting point. Home Front has been the center for equal opportunity, decent, and affordable housing for years in this state and they continue to move the needle forward continuing their work putting a dent in the demand for affordable housing. Without this project, where would people go? Decent, respectable people who work every day to provide for themselves and their families and pay their taxes and bills are still ending up homeless. Nobody is exempt from this danger; it can literally happen to the best of us. The older generation who receives social as their only income cannot make it. I am currently paying \$400 of my mother's rent because she cannot do it alone. She worked 35 years for the same company on hard concrete floors to the point where she is now heavily disabled and her SSDI and minimal retirement are not enough to cover her basic needs such as housing, food, and utilities. This is ridiculous and a real shame that that is what is she left with. She and thousands just like her are really struggling. Many people in this city are literally one paycheck away from a disaster, from homelessness. This is the reality that this market has led us to.

The young families I work with here at Young Families Early Head Start cannot afford a roof over their head for them and their children. They are forced to live in indecent overcrowded housing with friends or families or are trying to survive week to week in hotels or are literally homeless with nowhere to rest their heads at night. Nowhere to bathe or eat a meal. Nowhere to be safe from the rising crime. 60% of our families meet the definition of homelessness according to the McKenny-Vento Act and 50% of them all work full-time. The simply cannot afford the rent landlords are charging.

When I was working at HRDC most of the people seeking assistance for rent were elderly and/or single parent families who all worked their whole life or were currently working full-time but couldn't afford their rent and got behind. To get caught up after falling behind is next to impossible with the amount of fees that get added each day you are late. If people have family or friends they can move in with, they do, but if they don't, or their friends and family are barely making it as is, they end up in shelters or homeless. The shelters are overflowing and unable to meet the demand. Many of the people staying there are working full-time jobs and trying to better themselves, they just cannot find affordable housing, or if their lucky, their only housing options is a completely run down trailer in a rough neighborhood that is infested and falling apart. Even places like that are charging significantly more than they should be, it's a real crisis.

HomeFront is proposing to develop 101 new rental homes in Billings that people earning 60% and below the Area Median Income (AMI) can afford. For context, 60% AMI means \$41,400 gross income for a one-person household to \$59,100 for a four-person household. Half of the homes will be targeted to households earning 50% or less than the AMI (\$34,500 to \$49,250, depending on household size or \$16.58 to \$23.67/hour). This is the majority of middle-class workers in Billings who cannot afford the current rentals available. All 101 homes will be two-bedroom, two-bathroom homes. The site will be conveniently located to many essential services (grocery store and health clinic) and useful community amenities (bus line, dog park and community gardens). The proposed project will even include on-site parking. What more needs to be considered, this is a no brainer to me.

Young people fresh out of college working the entry level jobs that are essential to our community cannot afford to provide a roof over their head. Why would they then stay in Billings and make their life here and utilize their degree here? We are losing out on essential workers. The Baby Boomers are faced with overpriced accommodated living, living with family or friends, or homelessness. This is not how we should treat our elderly population. They should be treated with dignity and respect and be able to afford a rental or a home. New developers are overwhelmed with impediments and barriers, such as, land costs,

zoning restrictions, lack of funding, etc., that make it hard to create homes people can afford in Billings. We must do better. We can't change it overnight, but we can start somewhere by allowing organizations, such as HomeFront, to take advantage of the LB Lofts project's Montana Housing Tax Credit program and the City and State HOME Investment Partnerships Program. Please consider this letter as our organization's unwavering support behind HomeFront's application for these programs.

Sincerely,

A handwritten signature in black ink, appearing to read "Jessica Kannegger".

Jessica Kannegger  
Young Families Early Head Start  
Executive Director



Jessica Kannegiesser  
1020 Cook Avenue  
Billings, MT. 59102  
(406) 259-2007  
[ed@billingsearlyheadstart.org](mailto:ed@billingsearlyheadstart.org)

July 30, 2024

Julie Flynn  
Montana Department of Commerce  
Community Development Division  
301 S. Park Avenue  
P.O. Box 200523  
Helena, MT. 59620-0523

Julie,

Thank you for taking the time to read this letter. I currently am the Executive Director of Young Families Early Head Start and prior to that I was the Emergency Services Program Director at HRDC District 7. Both careers have given me firsthand experience dealing with the significant housing problem we have in Billings, Montana. Individuals, both young and old, families, and single families are unable to afford the outrageous rent being charged in this city. The people without homes, who are living on the streets, continue to grow in numbers. This problem requires more than just additional resources, yes, but offering affordable housing through the project that Home Front is proposing is at least substantial starting point. Home Front has been the center for equal opportunity, decent, and affordable housing for years in this state and they continue to move the needle forward continuing their work putting a dent in the demand for affordable housing. Without this project, where would people go? Decent, respectable people who work every day to provide for themselves and their families and pay their taxes and bills are still ending up homeless. Nobody is exempt from this danger; it can literally happen to the best of us. The older generation who receives social as their only income cannot make it. I am currently paying \$400 of my mother's rent because she cannot do it alone. She worked 35 years for the same company on hard concrete floors to the point where she is now heavily disabled and her SSDI and minimal retirement are not enough to cover her basic needs such as housing, food, and utilities. This is ridiculous and a real shame that that is what is she left with. She and thousands just like her are really struggling. Many people in this city are

literally one paycheck away from a disaster, from homelessness. This is the reality that this market has led us to.

The young families I work with here at Young Families Early Head Start cannot afford a roof over their head for them and their children. They are forced to live in indecent overcrowded housing with friends or families or are trying to survive week to week in hotels or are literally homeless with nowhere to rest their heads at night. Nowhere to bathe or eat a meal. Nowhere to be safe from the rising crime. 60% of our families meet the definition of homelessness according to the McKenny-Vento Act and 50% of them all work full-time. The simply cannot afford the rent landlords are charging.

When I was working at HRDC most of the people seeking assistance for rent were elderly and/or single parent families who all worked their whole life or were currently working full-time but couldn't afford their rent and got behind. To get caught up after falling behind is next to impossible with the amount of fees that get added each day you are late. If people have family or friends they can move in with, they do, but if they don't, or their friends and family are barely making it as is, they end up in shelters or homeless. The shelters are overflowing and unable to meet the demand. Many of the people staying there are working full-time jobs and trying to better themselves, they just cannot find affordable housing, or if their lucky, their only housing options is a completely run down trailer in a rough neighborhood that is infested and falling apart. Even places like that are charging significantly more than they should be, it's a real crisis.

HomeFront is proposing to develop 101 new rental homes in Billings that people earning 60% and below the Area Median Income (AMI) can afford. For context, 60% AMI means \$41,400 gross income for a one-person household to \$59,100 for a four-person household. Half of the homes will be targeted to households earning 50% or less than the AMI (\$34,500 to \$49,250, depending on household size or \$16.58 to \$23.67/hour). This is the majority of middle-class workers in Billings who cannot afford the current rentals available. All 101 homes will be two-bedroom, two-bathroom homes. The site will be conveniently located to many essential services (grocery store and health clinic) and useful community amenities (bus line, dog park and community gardens). The proposed project will even include on-site parking. What more needs to be considered, this is a no brainer to me.

Young people fresh out of college working the entry level jobs that are essential to our community cannot afford to provide a roof over their head. Why would they then stay in Billings and make their life here and utilize their degree here? We are losing out on essential workers. The Baby Boomers are faced with overpriced accommodated living, living with

family or friends, or homelessness. This is not how we should treat our elderly population. They should be treated with dignity and respect and be able to afford a rental or a home. New developers are overwhelmed with impediments and barriers, such as, land costs, zoning restrictions, lack of funding, etc., that make it hard to create homes people can afford in Billings. We must do better. We can't change it overnight, but we can start somewhere by allowing organizations, such as HomeFront, to take advantage of the LB Lofts project's Montana Housing Tax Credit program and the City and State HOME Investment Partnerships Program. Please consider this letter as our organization's unwavering support behind HomeFront's application for these programs.

Sincerely,

A handwritten signature in black ink that reads "Jessica Kannegger". The signature is fluid and cursive, with "Jessica" on the top line and "Kannegger" on the bottom line.

Jessica Kannegger  
Young Families Early Head Start  
Executive Director

June 26, 2024

Brenda Beckett  
Billings Community Development  
2825 3rd Ave N 4th floor  
Billings, MT 59101

Jason Hanson, Montana Board of Housing  
P.O. Box 200528  
Helena, MT 59620-0528

Julie Flynn  
Montana Department of Commerce  
Community Development Division  
301 S. Park Ave.  
P.O. Box 200523  
Helena, MT 59620-0523

Dear Ms. Beckett, Mr. Hanson, and Ms. Flynn,

RiverStone Health is pleased to support HomeFront's proposal to develop 101 new rental homes in Billings, MT. This project is especially important to us at RiverStone Health as we serve a large population of patients who earn 60% and below the Area Median Income (AMI) as well as a high number of unhoused patients. For our patients and for many families across Billings, affordable housing is becoming harder to find. This project would provide stability and certainty to those it supports.

Our mission at RiverStone Health (Yellowstone City-County Health Department) is: To Improve Life, Health & Safety. RiverStone Health is a leader in empowering better health, community well-being, and healthcare innovation. We support our mission with clinic services, community health and wellness initiatives, an active learning environment including residencies, new program innovation, disease prevention, regulatory inspections and permitting, home care and hospice and more. We have centrally located services, clinics in schools and surrounding communities, and mobile outreach services. We are committed to improving the life, health and safety of each person in our community.

We understand that social determinants of health are a significant factor in addressing the health of our patients and our community. Homelessness (in all of its forms) and/or not having a stable place to live contribute to increase in health disparities which leads to a ripple effect though the entire community. To address the whole person in a healthcare setting we must consider that not all of our patients have a safe place to live, and we work regularly with community agencies to help address the need for accessible housing options. We support HomeFront in their efforts to provide housing for

our community and look forward to partnering with them to serve the needs of our patients and our county.

Homefront has a reputation for convening partners and collaborating to improve the lives of those in our area and the health of our community. I am pleased to support this project on behalf of RiverStone Health and look forward to sharing the outcomes and lessons learned.

Sincerely,



Jon Forte, MHA, FACHE  
President & CEO  
Yellowstone County Health Officer



406.855.1745 

offthesstreetsshelter@gmail.com 

PO Box 867 Billings, MT 59103 

offthestreets.net 

Brenda Beckett

Billings Community Development

2825 3<sup>rd</sup> Ave. N., 4<sup>th</sup> Floor

Billings, MT 59101

Jason Hanson

Montana Board of Housing

P.O. Box 200528

Helena, MT 59620-0528

Julie Flynn

Montana Department of Commerce

Community Development Division

P.O. Box 200523

Helena, MT 59620-0523

July 26, 2024

To Whom It May Concern:

I am writing this letter to ask for your support for HomeFront and Homeword in funding requests this year for the LB Lofts project in Billings.

I represent a Billings nonprofit organization, *Off The Streets*, which exists to address the local homelessness crisis. While organizations like ours, targeting the existing homeless population, are undeniably important, it is just as true that a prudent and comprehensive approach to this problem should include efforts directed at prevention. An excellent example of such an effort is the LB Lofts Project, which will provide 101 new two-bedroom, two-bathroom rental units that are affordable for

for those experiencing homelessness

individuals at or below 60% of the Area Median Income. By providing these affordable units, the LB Lofts Project will be an effective upstream intervention to allow financially fragile individuals and families to remain housed. This, in turn, will extend dignity and safety to the target population and will reduce private and public emergency expenditures that these individuals and families would otherwise generate.

In light of the above considerations, *Off The Streets* supports the LB Lofts project's Montana Housing Tax Credit application as well as the HOME Investment Partnership Program applications.

Sincerely,

James A. Mack

Board Chair, *Off The Streets*

[jim@otsbillings.org](mailto:jim@otsbillings.org)

(406) 530-5787



Date: August 2, 2024

Montana Board of Housing  
PO Box 200528  
Helena MT 59620-0528  
RE: HC-Application (Opportunity Place)

Dear Board of Housing:

Opportunity Place is a 24-unit accessible/adaptable apartment project to-be-built at 901 S. 3<sup>rd</sup> St. W. in Missoula, Montana. The site is owned by Opportunity Resources, Inc. (ORI) and currently houses ORI's wood shop business. ORI partnered with Bouchee Development and Jenn Clary to redevelop the site for a higher and better social use. Without an award of tax credits from MBOH, the mixed-use redevelopment of the site will not move forward. With the allocation, the vision for the project can be realized. This project aligns with ORI's global vision to provide access to employment and independent living opportunities in safe accessible housing for some of the most vulnerable members of our community. The City of Missoula and Missoula Redevelopment Agency as well the neighborhood stakeholders fully support this higher and better use for the site. In anticipation of an allocation of credits from MBOH, the existing wood shop business and equipment have been sold to the Missoula wood products company, Tripp Lumber, which will continue to operate the ORI wood shop business from its better-suited industrial site, preserving the current ORI client and staff wood shop jobs, and the site will be cleared by ORI to prepare for construction of the new Opportunity Place improvements.

The proposed Opportunity Place redevelopment consists of a three-story multifamily building consisting of 24 total affordable housing homes (nine 1-bedroom and fifteen 2-bedroom) serving residents at 40%, 50%, 60%, 70% and 80% AMI utilizing the Income Averaging setaside (60% AMI weighted average) as well as the Artists of Opportunity commercial space directly north of the apartments. These two spaces will become a condominium development.

The multifamily project serves the greater Missoula community with one-quarter (1/4) of the units constructed to enhanced ADA standards and prioritized to house Missoula adults with developmental disabilities. ORI is the non-profit gold standard in Montana for housing and employing adults with developmental disabilities, and the inclusion of these special needs units at Opportunity Place will allow ORI to work with and support those tenants through its programming and other services. The request for tax credits will fund the apartments only. ORI will utilize the wood shop building and equipment sales proceeds to construct a new approx. 2,000 square foot commercial unit for the Artists of Opportunity immediately adjacent to Opportunity Place fronting Third Street. This new commercial building will house ORI's robust art program, thereby creating new jobs for ORI clients and staff, and opportunities to coordinate programming with local artists and schools.

This unique non-profit/for-profit model and mixed-use redevelopment plan will result in a one-of-a-kind affordable housing project – one that if funded by MBOH will (i) relocate a successful Missoula wood products business to a more appropriate site, (ii) ensure the existing wood shop buildings and equipment are re-used and stay out of the landfill, (iii) preserve the existing ORI wood shop client and staff jobs at a new site, (iv) remove low-grade environmental contamination from the site (lead and ACM) and recycle the existing building foundations, (v) construct 24-units of critical affordable housing for Missoula families and adults with developmental disabilities with attendant services and support for the



**Bouchee**  
DEVELOPMENT



special needs tenants, (vi) does not pay for but does allow ORI to construct a new commercial building for ORI to operate its Artists of Opportunity Art program immediately adjacent, thereby creating a highly efficient and integrated mixed-use site in the core of Missoula to both house and employ ORI clients and staff, and (vii) create new ORI client and staff jobs at the new Artists of Opportunity arts center to be located immediately adjacent to Opportunity Place. MBOH operates within the Montana Department of Commerce as a recognition of the inter-relationship of housing and economic development in Montana. MBOH would be hard-pressed to fund another project in Montana where affordable housing and economic development are so clearly linked and dependent upon one another.

Project amenities and enhanced ADA design will include the following: over the minimum IBC/IECC building, accessibility and envelope code requirements, as well as provide well above the minimum percentage of units dedicated to accessibility, and well above the minimum 5% Section 504 typical counts of full mobility accessible ADA units. These units are designed specifically to house adults with developmental disabilities some of which maneuver in heavy power operated wheelchairs; the design is for every unit at Opportunity Place to be fully adaptable in a unique design to easily modify every unit to a full mobility unit.

The proposed apartment buildings includes an accessible ambulatory elevator, large private patios and decks for each unit, energy star appliances, dishwashers, air conditioning, ceiling fans in living rooms, energy saving measures for exterior lighting and water conservation measures, in-unit laundry, private storage for each unit, community space for on-site programming and services, interior and exterior communal space adjoining an open courtyard green space with an accessible play area, open to the south and west for optimal sunlight and solar gain, off-street accessible parking, and an on-site manager's office, as well as meeting the livability, functionality, durability, healthy interior environment, visitable requirements per the 2025 QAP Design Section. In addition, ORI will own and operate its new community arts center immediately adjacent to Opportunity Place. The Opportunity Place apartments are placed amongst well-established surrounding neighborhood homes, and the area includes schools, bus stops, trail system, grocery stores, medical services and other businesses, most within less than a ¼ mile from the property, and as a bonus the Missoula Paddleheads baseball stadium and riverfront are also within a comfortable traversing distance.

While Opportunity Housing Partners LLLP is requesting a full \$650,000 allocation of credit from MBOH, it is also adding a wealth of other resources to the financing stack. To wit, Opportunity Resources, Inc. is donating land valued at \$985,000 for the project, and the City of Missoula committed to spend \$1,878,455 in Tax Increment Financing on the project. Opportunity Housing Partners LLLP hopes that you provide us the opportunity to make Opportunity Place a reality through an allocation of tax credits, thereby making this unique mixed-use redevelopment project in the heart of Missoula a reality.

Thank you in advance for your consideration of this Opportunity Place full application. If you have any questions please contact us at (406) 214-1618 or [mike@boucheevelopment.com](mailto:mike@boucheevelopment.com).

Sincerely,

Mike Bouchee President, Bouchee Development LLC

Jenn Clary Principal Architect, encompass design inc

Opportunity Place photos:



## MARKET STUDY SUMMARY

|                              |                    |
|------------------------------|--------------------|
| <b>Market Study Company:</b> | Prior & Associates |
| <b>Project Name:</b>         | Opportunity Place  |
| <b>Project Market Area:</b>  | City of Missoula   |

Is the project, as proposed, viable?

YES

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

|           | <b>Market Rents</b> | <b>% Project Rents Below</b> |  |
|-----------|---------------------|------------------------------|--|
| 0 bedroom |                     |                              |  |
| 1 bedroom | \$ 1,500            | 28.1%                        |  |
| 2 bedroom | \$ 1,875            | 20.6%                        |  |
| 3 bedroom |                     |                              |  |
| 4 bedroom |                     |                              |  |
| 5 bedroom |                     |                              |  |

Reference page:  
70

# of all New Units Needed: 2,194 Reference page: 59

# of units needed for the targeted AMI of the project: 2,194 Reference page: 59

Vacancy Rate: 3.5% Reference page: 52

Months to Lease-up: 2 Reference page: 60

Capture Rate:  
(projected income eligible tenants who will move in next year/proposed units) 1.1% Reference page: 60

Absorption Rate:  
(proposed units/existing LIH, market area units required) 58.2% Reference page: 60

Penetration Rate:  
(existing LIH units/total eligible households) 0.4% Reference page: 60

Number of LI households that can afford rent of proposed project: 6,649 Reference page: 59

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

1 miles to grocery store (convenience store does not count)

0 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  | Convenience Store            | 0             |
| 2  | Grocery Store                | 1             |
| 3  | Specialty Market             | 0             |
| 4  | Neighborhood Shopping Center | 1             |
| 5  | Community Shopping Center    | 1             |
| 6  | Big Box Retail Store         | 2             |
| 7  | Shopping Mall                | 2             |
| 8  | Elementary School            | 1             |
| 9  | Middle School                | 1             |
| 10 | High School                  | 1             |
| 11 | Head Start                   | 1             |
| 13 | University                   | 1             |
| 14 | Recreation Center            | 0             |
| 15 | Community Center             | 1             |
| 16 | Park                         | 0             |
| 17 | Library                      | 1             |
| 18 | Transit Station              |               |
| 19 | Bus Stop                     | -             |
| 20 | Hospital                     | 1             |
| 21 | Medical Clinic               | 0             |
| 22 | Government Offices           | 1             |
| 23 | Post Office                  | 1             |
| 24 | Police Station               | 1             |
| 25 | Fire Station                 | 1             |
| 26 | Pharmacy                     | 0             |
| 27 | Senior Center                | 1             |
| 28 | Childcare Center             | 1             |
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| 50 |                              |               |

## AMENITIES FORM

Project Name: Opportunity Place

| All Units                  | Yes/No | Incremental<br>Cost<br>Per Unit | Benefit  |
|----------------------------|--------|---------------------------------|--|
| Air Conditioning           | Yes    | \$ 4,166.00                     | cooling in the hot months and during forest fire season                        |
| Carport/Garage             | No     |                                 |  |
| Dishwasher                 | Yes    | \$ 900.00                       | saves on water usage   |
| Disposal                   | Yes    | \$ 100.00                       | helps maintenance costs tenant use versus durability of piping                 |
| Extra storage outside unit | Yes    | \$ 10,416.00                    | breakout of labor & materials for 35 net square footage of each storage room   |
| Microwave                  | Yes    | \$ 200.00                       | one small microwave built into cabinets in unit                                |
| Patios or Balconies        | Yes    | \$ 8,800.00                     | rough estimate of framing, labor, railing, decking, outdoor light, single door |
| Washer/dryer hookups       | Yes    | \$ 1,250.00                     | rough estimate of washer and dryer boxes, piping, venting                      |
| Washer/dryer in unit       | Yes    | \$ 1,666.00                     | cost of appliances only  |

| Project Wide               | Yes/No | Incremental<br>Cost<br>Total | Benefit   |
|----------------------------|--------|------------------------------|---|
| Basketball hoop/pad        | No     |                              |   |
| Car plug ins               | No     |                              |   |
| Community Garden           | No     |                              |   |
| Community Room             | Yes    | \$ 252,455.00                | cost of material & labor to construct fully the community room + outdoor covered patio            |
| Computer(s) for tenant use | Yes    | \$ 2,000.00                  | cost of 2 computers, 2 monitors, 2 mice and 2 keyboards   |
| Library                    | No     |                              |   |
| On site Manager            | No     |                              | MHA will have part-time manager and maintenance staff onsite each day                             |
| Outdoor community area     | Yes    | see above                    | see community room total cost   |
| Play Area                  | Yes    | \$ 25,000.00                 | accessible swing + standard swing + wave style slide with fall protection                         |
| Hotspot/Wi-Fi              | No     |                              | broadband provided  |
| Other:                     | Yes    | \$ 180,000.00                | elevator cost \$150,000 + elec, framing, mech - it benefits the project users, family and friends |



## Missoula City Council

435 Ryman

Missoula, MT 59802

Phone: 406-552-6012

Web: [www.ci.missoula.mt.us/314/City-Council](http://www.ci.missoula.mt.us/314/City-Council)

Montana Board of Housing  
Montana Department of Commerce  
P.O. Box 200528  
Helena, MT 59620-0528

Monday, September 30, 2024

Re: Opportunity Place Housing Project in Missoula, Montana

Dear Staff and Board Members:

The Missoula City Council is writing to share enthusiastic support for the proposed Opportunity Place project in Missoula.

Opportunity Place will contribute to Missoula's vibrant community by providing 24 new units for renters with incomes between 40-80% of Area Median Income. According to the 2023 National Low Income Housing Coalition's Out of Reach report, the housing wage in Missoula to afford a two-bedroom apartment is \$23.13. The average renter's wage is \$16.36, highlighting the gap between wages and available housing. Additionally, like most of Montana, Missoula is experiencing an extremely tight housing market due to the decade-long decline in housing production and the economic impacts of COVID-19. While vacancy rates have begun to increase, the supply of rental properties continues to be inadequate. As nearly half of Missoula's population are renters—and Missoula's population continues to increase—tight supply disproportionately affects low-income residents' housing stability. Due to this, the City maintains an increase in housing supply as a top priority.

In addition to the new housing supply this project will contribute, the intentional design and development of Opportunity Place will include eight units that meet accessibility requirements. Expanding the supply of units that accommodate a wide range of accessibility needs aligns with community needs. According to the American Community Survey, roughly 12% of Missoulians identify as having a disability, and approximately 5% of people identify challenges with independent living. As many of these individuals with disabilities experience additional challenges related to aging, access to stable, supportive housing will significantly improve their health and livelihoods. Opportunity Place will offer tenants the benefits of Supportive Housing and include on-site property management and staff from Opportunity Resources Inc., which will profoundly impact these individuals' lives.

In 2019, the City of Missoula adopted a city-wide housing strategy, *A Place to Call Home*. The strategy considers the landscape for tenants, the needs for new construction and preservation, and processes for securing Low-Income Housing Tax Credit-funded projects in our region. The

proposed project meets several goals in the strategy, including supporting tenants, partnering to create new housing, and reducing barriers to creating new supply.

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 as well as community design and livability, which promotes the design of spaces that promote equity. The location of the Opportunity Place Apartments will be near services, including transit, trails, grocery, and retail to meet basic needs. This connectivity to the built and natural environment promotes well-being and autonomy.

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

In conclusion, the Opportunity Place project will create an essential resource for 24 households with a blend of incomes below 80 percent of the Area Median Income and a range of accessibility needs. Unit creation that promotes residents' health, safety, and well-being aligns with city-wide housing and strategic goals. Respecting 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 the Opportunity Place application and our community goals when deciding where to allocate the essential Housing Tax Credits.

Sincerely,

Missoula City Council

All Members in Support: Stacie Anderson, Mirtha Becerra, Bob Campbell, Daniel Carlino, Sierra Farmer, Gwen Jones, Kristen Jordan, Eric Melson, Mike Nugent, Jennifer Savage, Amber Sherrill, and Sandra Vasecka

cc: Mike Bouchee, Bouchee Development; Jenn Clary, Encompass Design

RECEIVED

APR 24 2024

4.2.24

Hello Staff and Board Members,

MONTANA BOARD OF  
HOUSING

I live two blocks from the proposed Opportunity Place project in Missoula and would like to share my vote of confidence.

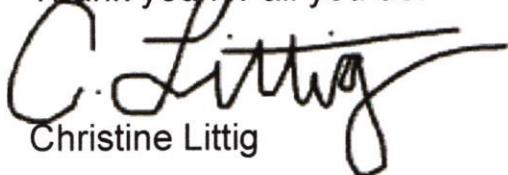
As the previous chair of the Riverfront Neighborhood Council in Missoula I introduced this project to the neighborhood last year. 125+- community members were excited about this project's potential contributions to an extremely tight, and not necessarily inclusive, housing market. Here is what we recorded in our meeting notes from March of 2023:

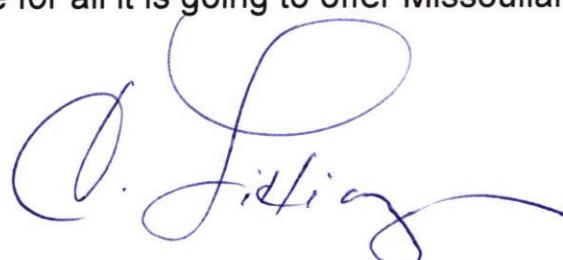
"The team received questions about what is eligible to live here and plans to ensure the building is energy efficient. The proposal was well-supported by those in attendance, with it being described by one attendee in her remarks as a "great" idea."

Safe, healthy, and affordable housing is difficult to come by in our community. Safe, healthy, and affordable homes centrally located are even more difficult. The team has put together a quality project to replace an underutilized and outdated block in our neighborhood. The project is also in alignment with Missoula's growth goals and the Mayor's Strategic Plan that promotes designing spaces that promote equity. It is near grocery stores, trails, parks, and the public library, with public transportation easily accessible.

I imagine your job is difficult. I will close by saying this project focuses on our most vulnerable residents. I am proud of their housing intentions, the way in which they will be supporting continued jobs and community amongst their clients and am excited to see main floor activity the neighborhood can enjoy and be proud of. Please pause an extra moment and consider Opportunity Place for all it is going to offer Missoulians.

Thank you for all you do.

  
Christine Littig



Former leader and chair of the Riverfront Neighborhood Leadership Team and immediate neighbor of Opportunity Place

RECEIVED

APR 24 2024

April 17<sup>th</sup>, 2024

To Whom It May Concern,

MONTANA DEPARTMENT OF  
HOUSING

We are writing to express our enthusiastic support for the Opportunity Project in the Riverfront Neighborhood of Missoula. As residents of this vibrant community, we have witnessed firsthand the positive impact that projects like this one can have on individuals and families striving to achieve their full potential.

The Opportunity Project's commitment to providing housing, resources, support, and opportunities for individuals facing economic and physical challenges is commendable. Stable housing created by this project offers empowerment opportunities for people to overcome barriers and build brighter futures for themselves and their families.

We believe that investing in programs like the Opportunity Project is essential for creating a more equitable and inclusive neighborhood, and a better Missoula. By helping individuals access the housing support they need, systemic barriers will begin to break down and pathways for prosperity begin.

Furthermore, the Opportunity Project plays a crucial role in fostering collaboration and partnership among local organizations, businesses, government, and the neighborhood. By working together, we can leverage our collective resources and expertise to address the root causes of poverty and inequality. Let's create lasting change.

In conclusion, we urge you to support the Opportunity Project in our neighborhood where we can build a stronger, more resilient community. Everyone deserves the opportunity to thrive.

Thank you for your dedication to making a positive difference in the lives of others.

Sincerely, and on behalf of the Missoula Riverfront Neighborhood Leadership Team,

Eva Dunn Froebig

Jonathan Qualben

Deb Bonk

Tristan Hester

Daniel Gundlach

Christine Littig

William Warren



## COMMUNITY PLANNING, DEVELOPMENT AND INNOVATION

435 RYMAN | MISSOULA, MT 59802-4297 | 406.552.6630 | FAX 406.552.6053

Montana Board of Housing  
Montana Department of Commerce  
P.O. Box 200528  
Helena, MT 59620-0528

Friday, September 27, 2024

Re: Opportunity Place Housing Project in Missoula, Montana

Dear Staff and Board Members:

I am writing to express the City of Missoula Community Planning, Development & Innovation's ardent support for the proposed Opportunity Place project in Missoula.

Opportunity Place's 24 new apartment homes will meaningfully impact renters with incomes between 40% and 80% of the Area Median Income (AMI). In the last ten years, as AMIs have increased 59%, housing costs have increased 158%. According to the City's *2024 Housing Landscape Assessment*, most of Missoula's cost-burdened rental households earn less than **\$50,000 annually**—which is less than 80% of the Area Median Income for a two-person household. Developing housing targeted to meet the needs of people with incomes below 80% AMI is essential to addressing a wide range of housing needs, and the City of Missoula regularly partners with industry professionals who share the goal of building a housing market that all Missoulians can afford.

In 2019, the City of Missoula adopted a city-wide housing strategy, *A Place to Call Home*. The strategy considers the landscape for tenants, the need for new construction and preservation, and supporting the development of Low-Income Housing Tax Credit-funded projects in our region. The Opportunity Place project meets several goals in the strategy, by leveraging and using innovative financing, helping tenants, and partnering to create new housing.

The City of Missoula uses three decision-making lenses – Housing, Climate & Resilience, and Equity – to guide the implementation of its strategic goals. The Opportunity Place project embraces all three lenses. This housing development will utilize adaptive reuse, Brownfields funding to clean up lead-contaminated soils, and deconstruction methods to minimize environmental impact and maximize future tenants' health and safety. Adding 24 income-restricted units, with one quarter supporting Missoula adults with developmental disabilities, will continue the legacy of Opportunity Resources, Inc, and support Missoula's community.

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

In conclusion, the Opportunity Place project will create an essential resource for 24 households with a blend of incomes below 80% of the Area Median Income and a range of accessibility needs. The City of Missoula is proud to support this project as we know it will directly benefit Missoula residents. We appreciate the challenge of allocating finite resources and respectfully request your thoughtful

consideration of the Opportunity Place application and our community goals when deciding where to allocate the essential Housing Tax Credits.

Sincerely,

A handwritten signature in blue ink that reads "Eran Pehan".

Eran Pehan  
Director, Community Planning, Development & Innovation, City of Missoula

cc: Mike Bouchee, Bouchee Development; Jenn Clary, Encompass Design



## OFFICE OF THE MAYOR

435 RYMAN MISSOULA, MONTANA 59802-4297 (406) 552-6001

September 27, 2024

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

Dear Honorable Board Members:

On behalf of the City of Missoula, I am pleased to submit this letter of support for the Opportunity Place Housing Project. Missoula is currently facing a critical shortage of affordable housing units, particularly those providing workforce and supportive housing for special needs tenants. The proposed Opportunity Place, with its 24 new units ranging from 40% AMI to 80% AMI, including units dedicated to housing Missoula adults with developmental disabilities, will have a significant impact in addressing this urgent need. Opportunity Resources, Inc. (ORI) in Missoula is the non-profit gold standard in Montana for employing and housing adults with disabilities. Opportunity Place is the result of a unique partnership combining ORI's cutting-edge programming with some of the area's most experienced affordable housing developers and designers, and it helps Missoula achieve its housing goals as detailed in A Place to Call Home – Missoula's housing strategy.

Not only will Opportunity Place provide much-needed multi-family, workforce, and special needs units, but an allocation of 9% tax credits will also unlock a multitude of related economic and other benefits of interest to MBOH and the Department of Commerce. If MBOH allocates credits to build Opportunity Place, ORI can move forward with its plan to sell its existing wood shop business on the site to another Missoula-based wood products company, thereby preserving the business and saving the ORI client and staff wood shop jobs. Once the site is cleaned and cleared, ORI will construct a new commercial storefront on 3rd Street to house its cutting-edge client art program, thereby creating new jobs for ORI clients and staff, while the new Opportunity Place will be constructed immediately adjacent.

While undoubtedly all of the LOIs under consideration provide for important housing for their respective communities, the Opportunity Place project will create vital housing for some of Missoula's most vulnerable residents while also producing a myriad of other unique benefits—redeveloping an essential property to a higher and better use, environmental cleanup of the site, the preservation of an existing Missoula business and its jobs, the creation of a new Missoula business and the creation of new jobs for ORI clients and others in the community. The Opportunity Place project is unique in so many ways and checks so many boxes that we

respectfully urge MBOH to help Missoula unlock all the benefits associated with this project and allocate 9% tax credits to Opportunity Place. With two 9% allocations to Missoula projects in the last nine LIHTC cycles, it is reasonable and equitable for MBOH to award credits this year to Opportunity Place to benefit the Missoula community.

We are deeply grateful for all your work in creating and enhancing housing across Montana. We thank you in advance for considering the Opportunity Place project and for your potential support. Your decision will significantly impact the lives of many in the Missoula community.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrea Davis".

Andrea Davis  
Mayor

GREG GIANFORTE  
GOVERNOR



DEPARTMENT OF  
**PUBLIC HEALTH &**  
**HUMAN SERVICES**

CHARLIE BRERETON  
DIRECTOR

April 4th, 2024

Montana Board of Housing  
Montana Department of Commerce  
P.O Box 200528  
Helena, MT 59620-0528

Re: Letter of Support for Opportunity Place

Hello,

Please accept this letter of support for the Opportunity Place project in Missoula, MT. Opportunity Resources, Inc. is the largest Developmental Disabilities Program (DDP) provider, serving approximately 300 adults with developmental disabilities across the state, but primarily in the Missoula community. Access to residential services for individuals with intellectual and developmental disabilities is a well-known challenge in the DD system in our state. This problem is impacted by both a lack of affordable housing as well as a lack of direct support staff who provide critical support services.

The innovative approach to affordable housing that is being taken with this project aims to solve multiple challenges through one project. It provides affordable housing options for both clients of ORI, as well as the much-needed direct support staff. It also offers individuals with intellectual and developmental disabilities an opportunity to live in a more integrated living environment than a typical DD group home affords. The emphasis on enhanced ADA accessibility is another aspect of the project that I find particularly exciting.

If funded, I believe more communities across Montana will be interested in replicating this project as an innovative solution to both affordable housing for individuals with developmental disabilities as well as the direct support work force.

Sincerely,

Lindsey Carter  
Bureau Chief, DDP



April 4, 2024

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

To Whom It May Concern:

On behalf of the Missoula Redevelopment Agency (MRA), I am very pleased to submit this letter in support of the request submitted by Mike Bouchee of Bouchee Development and Jenn Clary of Encompass Design to allocate nine percent (9%) Low-Income Housing Tax Credits (LIHTCs) for the **Opportunity Place** development proposed at 901 S 3<sup>rd</sup> St W in Missoula, MT.

The proposed development site is located in an Urban Renewal District and the developers are eligible to apply for tax increment financing (TIF) assistance to remove the existing buildings, relocate utilities, and construct sidewalks and other amenities in the public right-of-way. In addition to the traditional use of TIF funding for infrastructure, this project is eligible for the use of TIF funds under the MRA's new Workforce Housing Program. In the 2021 session of the Montana Legislature, workforce housing was added to the definition of infrastructure in 7-15-4283(4), making it eligible for "bricks and mortar" funding through the use of TIF. We believe that Missoula is the first city in the state to create a program under the new definition allowing the use of these funds to address the growing housing crisis in Montana. Combining TIF assistance with 9% LIHTCs creates a powerful tool which can make the project affordable and successful. MRA staff has been working with the developers of this project for well over a year and is poised to support an application for TIF funding if the 9% LIHTC application is successful, making this the first project in the State to combine these two funding sources.

**Opportunity Place** would replace a warehouse building with 24 new units of greatly needed income-restricted housing in a residential area that is near services and well served by transit and a multi-use trail. Providing a mix of one and two-bedroom units, some with enhanced amenities for adults with developmental disabilities, will allow the project to qualify as a supportive housing project in a convenient location. The new commercial facility to be operated by Opportunity Resources (ORI) adjacent to the new housing could potentially provide employment for some of the new tenants. This is the type of infill development that Missoula needs and MRA strongly supports.

We are also delighted that Mike and Jenn have been working with Opportunity Resources to find a new owner for the existing wood shop, keeping it in business, relocating it to a more appropriate location, and continuing to provide jobs. We applaud their proposal to relocate the existing building and equipment, keeping it out of the landfill and in productive use.

**Opportunity Place** would be a win-win-win development for the Missoula community and the State of Montana by creating a model which combines the use of Tax Credits and TIF funds for the vertical construction of income qualified housing. I encourage you to support the LIHTC request.

Please feel free to contact me at [buchanan@ci.missoula.mt.us](mailto:buchanan@ci.missoula.mt.us) or (406) 552-6156 if you have any questions or need additional information about MRA's support for this application.

Sincerely,



Ellen Buchanan  
Director



August 5<sup>th</sup>, 2024

Chairman Posey & Members of the Board  
301 S. Park Ave.  
P.O. Box 200528  
Helena, MT 59620-0528

RE: Polson Gardens / 2025 LIHTC Application

Dear Chairman Posey & Members of the Board:

Thank you for your consideration of Polson Gardens as part of this year's funding round. With this being the project's third application, we have had the opportunity to refine the project's design over the years and feel we are bringing forward our strongest proposal for Polson yet. Since Polson Gardens was invited forward in May, we've held a public hearing before the Polson City Commission to solicit public comment on the need for the project. The Commission was in full support of our proposal. Members of the community have also inquired about when they may be able to fill out an application to live at the property. All of this is evidence of the significant need in Polson for these homes. In addition, as this project sits within the Confederated Salish and Kootenai Tribes ("S&K") tribal boundaries, we expect it will serve members of the S&K community.

With the aid of a \$1,750,000 coal trust multi-family homes loan, we have been able to increase the size of Polson Gardens from 20 to 24 homes since the LOI. Despite the requirement that properties with a coal trust loan must pay property taxes, the benefit of the loan's lower interest rate more than offsets any decrease in loan size due to the required tax expense. This results in additional permanent sources which in this case will finance four additional homes. Another benefit of utilizing coal trust funding is the ability to contribute to the local tax base.

Other than the four additional homes proposed, very little has changed with Polson Gardens since the letter of intent. With its proximity to Flathead Lake in Western Montana, Polson continues to be a desirable place to live which has driven up the cost of housing in the area including rental housing. Anecdotally we have heard that short term rentals in the area have also been a factor leading to increased rental rates and housing costs.

The project still sits in the same great location on Hillcrest/Seventh Ave. E. near downtown Polson and adjacent to the Carol Sampson Sherick walking trail. The local Super 1 Foods grocery store and Credena Health pharmacy are 0.2 miles away and within walking distance (market study – pg 12). The senior center, medical services and a local park are also all less than a mile away (market study – pg 12).

As stated in May, it has been over 20 years since Polson has received a senior housing tax credit award. The last senior award in Polson was Sunnyslope Vista in 2002. The last tax credit award in Polson of any type was Polson Landing, a family project, in 2017.<sup>1</sup> This history of awards, and

specifically the time since the last senior award, was a significant factor in our pursuit of a new construction project in Polson and why we have continued to bring this proposal back to the Board.

Unsurprisingly, the market study showed a great need for these homes in Polson. The report showed a very low 1.2% vacancy rate across the 414 homes surveyed in the primary market area including a 0% vacancy rate among LIHTC properties (market study – pg. 51). The market study also showed a need for 154 new affordable senior homes needed today (market study – pg. 55). Perhaps the most astonishing figure relates to the waitlist for Polson Landing which had a *waitlist of 428 applicants* at the time of the market survey in June of this year (market study – pg 51). In addition, the City of Polson recognizes the need for affordable senior housing in their growth policy which mentions the goal of encouraging development of additional housing units for low-income, rental and elderly populations which is the exact type of housing Polson Gardens would bring to the community (Polson Growth Policy 2016, pg. 85). Polson Gardens will bring tremendous value to seniors in Polson by providing rental rates that are between 49.7% and 11.6% below its achievable market rents with monthly rents ranging from \$645 - \$1,050 *including all utilities* (market study – pg 67).

As mentioned at the LOI stage, we are proposing single story four plex buildings made up of one- and two-bedroom homes. Polson Gardens would include a community room, on site manager and community gardens. The benefit of the single story four-plex design should not be overlooked. Each home has the privacy of no one living above it as well as its own private patio space outside its front door. Each home will also have zero step entry access. Five of the homes will be set aside as 504 fully accessible with three of the five further set aside for those with hearing or visual disabilities. The homes themselves will comply with all design requirements found in Appendix B of the QAP. The size of the homes will be slightly larger than our typical apartment style development with one-bedroom homes at 649 square feet and two-bedroom homes at 920 square feet. Other amenities include in home washer/dryer, air conditioning, garbage disposal, dishwasher, and all other standard appliances.

The same development team is prepared to complete this project. Alex Burkhalter of Housing Solutions, LLC has over 20 years of experience developing with housing tax credits in Montana. The construction team also has over 20 years of experience with housing tax credit properties. The property will be managed by Infinity Management and Investments, LLC, a professional management firm with over 30 years of experience managing all types of affordable housing, including tax credit properties.

We would urge you to consider the significant need in Polson for this proposal. It's been many years since the community has received a housing tax credit award and in particular a senior tax credit award. Polson Gardens would be an incredible opportunity for seniors in the community to find housing they can afford in an excellent location. Thank you for your consideration.

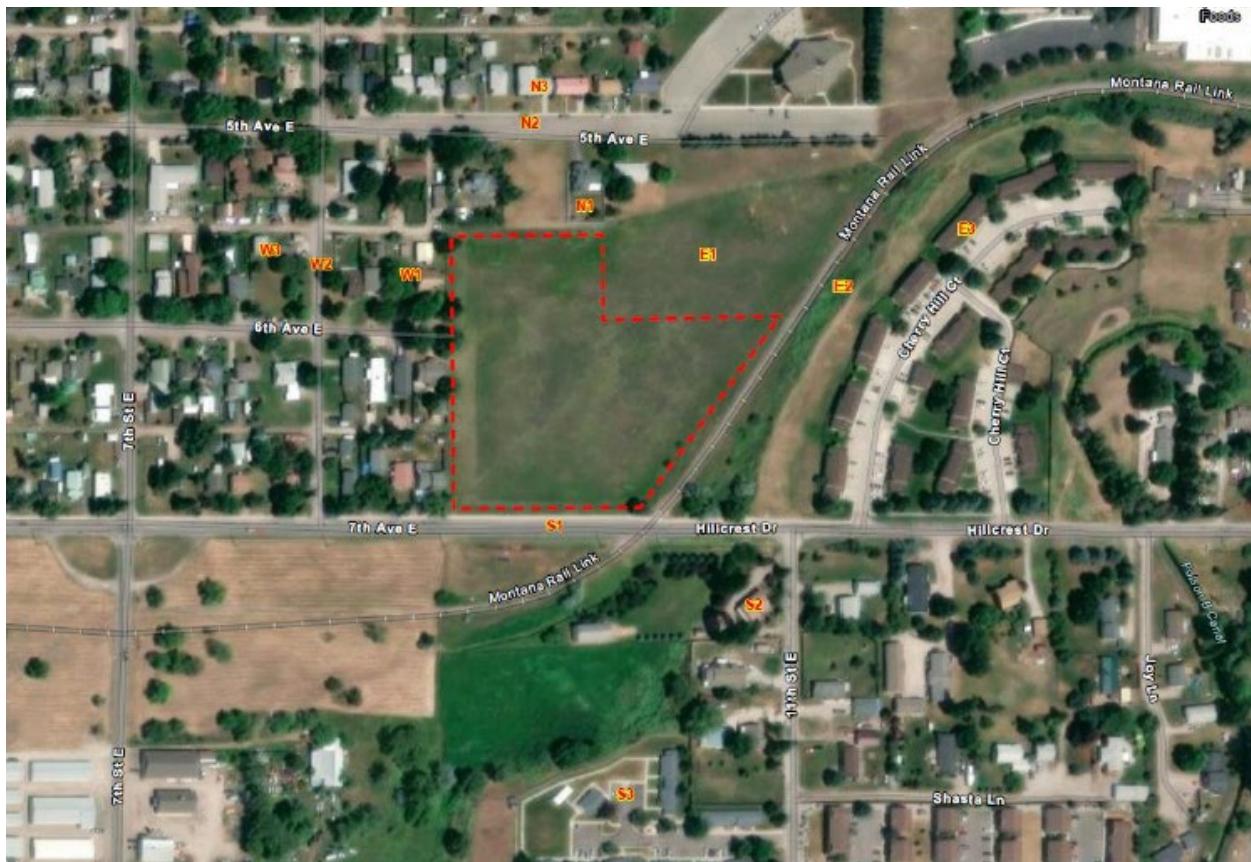
Sincerely,



Alex Burkhalter

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<sup>1</sup> All references to past awards taken from MBOH Current List of Tax Credit Properties Excel file  
[https://housing.mt.gov/\\_shared/Multifamily/docs/websitepropst.xlsx](https://housing.mt.gov/_shared/Multifamily/docs/websitepropst.xlsx) (accessed 7/26/24)







## MARKET STUDY SUMMARY

|                              |                    |
|------------------------------|--------------------|
| <b>Market Study Company:</b> | Prior & Associates |
| <b>Project Name:</b>         | Polson Gardens     |
| <b>Project Market Area:</b>  | Lake County        |

Is the project, as proposed, viable?

YES

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

|           | <b>Market Rents</b> | <b>% Project Rents Below</b> |  |
|-----------|---------------------|------------------------------|--|
| 0 bedroom |                     |                              |  |
| 1 bedroom | \$ 1,035            | 11.6%                        |  |
| 2 bedroom | \$ 1,530            | 31.4%                        |  |
| 3 bedroom |                     |                              |  |
| 4 bedroom |                     |                              |  |
| 5 bedroom |                     |                              |  |

Reference page:  
67

# of all New Units Needed: 154 Reference page: 55

# of units needed for the targeted AMI of the project: 154 Reference page: 55

Vacancy Rate: 1.2% Reference page: 51

Months to Lease-up: 2 Reference page: 56

Capture Rate:  
(projected income eligible tenants who will move in next year/proposed units) 14.9% Reference page: 55

Absorption Rate:  
(proposed units/existing LIH, market area units required) 29.2% Reference page: 55

Penetration Rate:  
(existing LIH units/total eligible households) 5.2% Reference page: 55

Number of LI households that can afford rent of proposed project: 467 Reference page: 55

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

|   |   |
|---|---|
| 0 | miles to grocery store (convenience store does not count)   |
| 1 | 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  | Convenience Store            | 0             |
| 2  | Grocery Store                | 0             |
| 3  | Specialty Market             | 1             |
| 4  | Neighborhood Shopping Center | 0             |
| 5  | Community Shopping Center    | 1             |
| 6  | Big Box Retail Store         | 1             |
| 7  | Shopping Mall                | 57            |
| 8  | University                   | 54            |
| 9  | Recreation Center            | 1             |
| 10 | Community Center             | 11            |
| 11 | Park                         | 1             |
| 13 | Transit Station              | 0             |
| 14 | Bus Stop                     | 0             |
| 15 | Hospital                     | 1             |
| 16 | Medical Clinic               | 1             |
| 17 | Government Offices           | 1             |
| 18 | Post Office                  | 1             |
| 19 | Police Station               | 1             |
| 20 | Fire Station                 | 1             |
| 21 | Pharmacy                     | 0             |
| 22 | Senior Center                | 0             |
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## AMENITIES FORM

Project Name: Polson Gardens

| All Units                  | Yes/No | Incremental Cost Per Unit | Benefit   |
|----------------------------|--------|---------------------------|---|
| Air Conditioning           | Yes    | \$ -                      | July and August average over 80 degrees with peak high temperatures over 100 degrees. For a VTAC system, heating/cooling has become industry standard, therefore there is no additional cost to       |
| Carport/Garage             | No     |                           |   |
| Dishwasher                 | Yes    | \$ 600.00                 | Today's seniors (55+) could be born as recent as 1969. Many have never lived as adults without a dishwasher. Dishwashers have become a part of the standard appliance package in homes.               |
| Disposal                   | Yes    | \$ 200.00                 | Undersink disposal increase the livability and greatly reduce the number of maintenance calls for backed up sinks.  |
| Extra storage outside unit | No     |                           |   |
| Microwave                  | Yes    | \$ 150.00                 | Similar to the dishwasher, almost all households now have a microwave. By including a rangehood/microwave combo we can save precious kitchen counter space in these efficient units.                  |
| Patios or Balconies        | Yes    | \$ 5,000.00               | Each home will have a small covered patio. This provides a private outdoor space for residents to relax.  |
| Washer/dryer hookups       | Yes    | \$ 1,700.00               | Today's seniors are accustomed to having a washer/dryer in their homes. The hookups are about \$1,500 for plumbing, electrical and venting.   |
| Washer/dryer in unit       | Yes    | \$ 1,200.00               | The equipment is around \$1,000 per unit. The extra \$1,000 to include the machines is wisely spent as it saves from move in/out damage from tenant owned equipment. Also tenant owned equipment will |

| Project Wide               | Yes/No | Incremental Cost Total | Benefit  |
|----------------------------|--------|------------------------|--|
| Basketball hoop/pad        | No     |                        |  |
| Car plug ins               | No     |                        |  |
| Community Garden           | Yes    | \$4,000/project        | Incorporated into the landscape plan. No real additional costs for this. Maybe an additional \$2,000 for raised beds.  |
| Community Room             | Yes    | \$100,000/project      | The community room/building is the social hub for the community, facilitating activities and interactions between the residents.   |
| Computer(s) for tenant use | Yes    | \$1,000/project        | So much information and resources are available online. This is a low cost item that is a great amenity for residents. Additionally, initial application, rent payments, and maintenance requests are moving |
| Library                    | No     |                        |  |
| On site Manager            | Yes    | \$50,000/project       | We have included the cost of the manager's office space and equipment in the community building. The actual cost of the site manager is borne in operations. The site manager is essential to the            |
| Outdoor community area     | No     |                        |  |
| Play Area                  | No     |                        |  |
| Hotspot/Wi-Fi              | Yes    | \$1,000/project        | Community spaces will have WiFi available at little to no additional cost to the project.  |
| Other:                     |        |                        |  |



## 40+ Years Proudly Serving Flathead, Lincoln, Lake and Sanders Counties.

Main Office  
214 Main Street  
PO Box 88  
Kalispell, MT 59903  
Phone: 406-752-6565  
Fax: 406-752-6582

Outreach Offices  
933 Farm to Market Rd.  
Suite B  
Libby, MT 59923  
Phone: 406-293-2712  
Fax: 406-293-2979

110 Main Street  
PO Box 132  
Polson, MT 59860  
Phone: 406-883-3470  
Fax: 406-883-3481

HRDC District 10

[www.capnm.net](http://www.capnm.net)



Equally Housing Opportunity

July 15, 2024

Chair Posey & Members of the Board  
Montana Housing  
301 S. Park Ave., Ste. 240  
Helena, MT 59620-0528

RE: Polson Gardens Affordable Housing

Dear Chair Posey & Members of the Board:

Community Action Partnership of Northwest Montana ("CAPNWMT") serves Flathead, Lake, Lincoln and Sanders Counties providing numerous social services to these counties including the Low-Income Home Energy Assistance Program, Weatherization Services, Emergency Rental Assistance, the Pathways TANF Program, and the Section 8 Housing Choice Voucher Program.

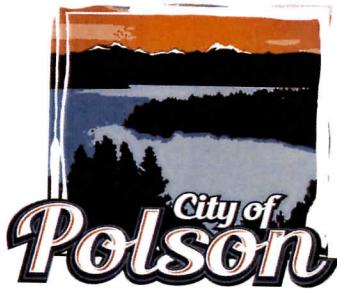
We are familiar with the housing market in Polson and the need for new senior homes in the community. LIHTC development such as this is particularly needed in the community.

The location of the Polson Gardens project, sitting off of 7<sup>th</sup> Ave. E. behind Immaculate Conception Church, is ideal for a senior development. It is near grocery, pharmacy, the Senior Center and downtown Polson. In fact, many of these local amenities are within walking distance of the proposed location.

The single story four plex style of development would allow zero step entry for the senior community.

We are in full support of Polson Gardens project.

Sincerely,  
*Cassidy Kipp*  
Director of Project Development  
Community Action Partnership of NW MT



## CITY OF POLSON

Office of the City Manager  
106 1<sup>st</sup> Street E. | Polson, MT 59860  
T: 406-883-8207 | F: 406-883-8238  
E: [citymanager@cityofpolson.com](mailto:citymanager@cityofpolson.com)  
W: [www.cityofpolson.com](http://www.cityofpolson.com)

July 19, 2024

Chairman Bruce Posey  
Montana Housing Board  
301 S. Park Ave., Ste. 240  
Helena, MT 59620-0528

**RE: Polson Gardens Affordable Housing**

The City of Polson would like to express its support for Housing Solutions, LLC's application for Federal Housing Tax Credits. The proposed project, **Polson Gardens**, would provide 24 new senior homes needed in our community.

The past several years have brought unprecedented price growth and rental increases to our housing market, as a result seniors, who often live on fixed incomes, have particularly struggled to find affordable homes.

The proposed project location is between 7th Ave. E. and 5th Ave. E. behind Immaculate Conception Catholic Church. This location is in direct proximity to a grocery store, health care facilities, pharmacy, and public transportation. In addition, the property sits directly adjacent to the Carol Sampson Sherick Trail.

This development also aligns with the City of Polson's Growth Policy which recognizes the goal of "encouraging the development of additional housing units for low-income, rental and elderly populations" (*Polson Growth Policy 2016*, p. 85).

We thank you in advance for carefully considering this much needed project for our community.

Respectfully,

Eric Huffine, Mayor

Jen Ruggless, Commissioner

Ed Meece, City Manager

Brodi Moll, Commissioner

Carolyn Pardini, Commissioner

Lisa Rehard, Commissioner

# LAKE COUNTY HOUSING ASSISTANCE OFFICE



Housing Assistance Programs Provided by

**Lake County Community Housing Organization and City of Ronan Housing Authority**

P.O. Box 146

111 - 2<sup>nd</sup> Avenue SW

Ronan, MT 59864

Telephone: 406-676-5900

Fax: 406-676-5903

TTY-TDD: 711

E-mail: [housing@ronan.net](mailto:housing@ronan.net)

<http://www.lakecountyhousing.org>

August 30, 2024

Chair Posey & Members of the Board

Montana Housing

301 S. Park Ave., Ste. 240  
Helena, MT 59620-0528

RE: Polson Gardens

Dear Chair Posey & Members of the Board:

As the Executive Director for Lake County Community Housing Organization ("LCCHO"), I would like to take this opportunity to express support for the Polson Gardens senior affordable housing project. At LCCHO our mission is to provide safe, accessible, and affordable housing to residents of Lake County. LCCHO manages 120 units of low-income housing and therefore has direct experience with the housing market in Lake County, and in particular the critical need for new affordable housing in the area.

The senior population in Lake County is especially in need of new affordable homes. The location of the Polson Gardens project, sitting off of 7<sup>th</sup> Ave. E. behind Immaculate Conception Church, is ideal for a senior development. The project is within walking distance of Super 1 Foods and the Healthcare Plus Pharmacy. It's also less than a mile to downtown Polson and under a half mile to the Senior Center.

The single story four plex style of development would allow zero step entry for the senior community with the additional privacy of no one living above you as would be the case with a three-story apartment building.

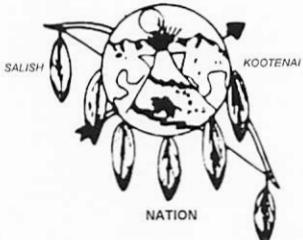
This project is urgently needed in our community and LCCHO is in full support of this proposal.

Sincerely, *Ramonda Addington*

Ramonda Addington, Executive Director  
Lake County Community Housing  
City of Ronan Housing Authority  
P.O. Box 146  
111 2<sup>nd</sup> Ave. SW  
Ronan, MT 59864  
406-676-5900

LCCHO is an equal opportunity provider and employer.

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# THE CONFEDERATED SALISH AND KOOTENAI TRIBES OF THE FLATHEAD NATION

P.O. BOX 278  
Pablo, Montana 59855  
(406) 275-2700  
FAX (406) 275-2806

[www.cskt.org](http://www.cskt.org)

A Confederation of the Salish,  
Pend d' Oreille and  
Kootenai Tribes



## TRIBAL COUNCIL MEMBERS:

Mike Dolson - Chairman  
Tom McDonald - Vice Chair  
Martin Charlo - Secretary  
James Steele Jr - Treasurer  
Jennifer Finley  
Carole Lankford  
Jim Malatare  
Danielle Matt  
James "Bing" Matt  
Len Twoteeth

October 3, 2024

Chair Bruce Posey and  
Members of the Board of Directors  
Montana Board of Housing  
301 S. Park Ave., Ste. 240  
Helena, MT 59620-0528

RE: Polson Gardens by Housing Solutions LLC to be built in Polson, MT

Dear Board Chair Posey & Members of the Board:

On behalf of the Confederated Salish & Kootenai Tribe, I would like to express support for Housing Solutions, LLC's application for use of Federal Housing Tax Credits. The proposed project, named *Polson Gardens*, is planned to provide twenty-four much needed new living spaces for Elderly persons in Polson.

The city of Polson resides within the Confederated Salish & Kootenai Tribe's ("CSKT") lands and, similar to other communities located within CSKT's boundaries, housing in Polson has experienced significant increases in both rental rates and price growth over the past several years. Elderly tribal members in our communities, including Polson, live on fixed incomes and have struggled to find an affordable place to live. In fact, many of our tribal members are now doubled and tripled up in homes, and have an Elder living with them.

This project, proposed to occur between 7th Ave. E. and 5th Ave. E. is behind the Immaculate Conception Catholic Church, adjacent to another affordable housing project, has proximity to a grocery store, pharmacy, public transportation and is near the Carol Sampson Sherick walking trail.

CSKT also notes that we realize there is no special set-aside for CSKT Tribal members with this project and in spirit of our traditional beliefs of the honor and respect of elders, support this project. We thank you in advance for carefully considering this much needed project for Polson.

Sincerely,

Patricia Hibbeler  
Executive Director Tribal Member Services



July 1, 2024

RE: The Homestead- New construction 20 units of multifamily housing

Dear Montana Board of Housing Board Members,

The Housing Company is proposing the development of The Homestead, a 20-unit affordable housing apartment development in Dillon, Montana. The Homestead will provide 20 one bedroom units. Residents will be charged rents at 30% Area Median Income (AMI), 50% AMI and 60% AMI. Through the use of the Low Income Housing Tax Credit (LIHTC) program, The Homestead will offset high construction costs and lack of local investment capital in order to construct an affordable, modern, multi-family housing development in a town that has very limited affordable rental housing.

The proposed development will be in an excellent location that is in close proximity to most services that Dillon has to offer; including grocery stores, medical services, schools, parks, free public transportation and employment opportunities. The Homestead will offer amenities to tenants that are competitive in the current housing stock of Dillon. Each unit will be equipped with Energy Star rated appliances, air conditioning and quality finishes. These amenities will not only provide a more comfortable living environment but will also be beneficial from a management and maintenance standpoint. Using quality appliances, building materials and a time-tested building design reduces ongoing maintenance and operating expenses.

The development will have a community building with a library, game room, laundry facilities and an outdoor covered patio space. The Homestead will be marketed as a senior development for individuals 55+ with a community garden and dog park for added tenant enjoyment. The amenities offered at The Homestead will promote a sense of community while allowing seniors to live independently and age in place.

This project is within the city limits and is consistent with the property's intended use. The parcel of land that The Homestead is proposing to develop is zoned C-2 Community Business District. The proposed multi-family development is an allowable use under the current zoning. We have received the full support of the Mayor and the city officials and fully expect a smooth development process.

The proposed project will provide 20 apartments targeting households making at or below 60% of the area median income (AMI). Rents will be set at or below 30%, 50% and 60% AMI levels. Our market study indicates a significant need in the area at these income levels. Danter & Associates has calculated 156 qualified households at the proposed AMI levels and 62 units needed within the market area (III-48-49). Using a formula of 1.5 people per bedroom, our project should directly benefit 30 seniors in the Dillon community. The population 55+ is growing much faster than the overall population. The study shows between 2010 and 2020 the population of individuals 55+ increased by 13.7% compared to overall population increase of 2.4% (III-25).

The Homestead will set rents at a drastic discount than what is currently found in the Dillon rental market at properties with similar amenities. The rents offered at The Homestead for a one-bedroom

unit will range from \$384-863. The market study found that the net adjusted market rate rents in the primary market area are \$1010 for a one bedroom (III-6 & III-42). The proposed rents at the Homestead will run from 38% to 85.4% under the net adjusted market rents in the Dillon area (III-42). While tax credit resources have been awarded to developments in more populous markets throughout the state, the City of Dillon and Beaverhead County has only had one new tax credit project developed in the last ten years. The market study notes that a large portion of the Dillon housing stock is aging, while a very high percentage of renter households are rent-burdened. Just over half (52.4%) of the renter households in Dillon are currently paying more than 30% of their income to rent (III-34). The market study identifies an extremely low vacancy rate in Dillon of 2.3% (III-5). This low rate indicates that the market is limited by a lack of supply not a lack of demand. It is noted in the market study that The Homestead will not have a negative impact on existing units and will address the aging population growth (III-60). The Homestead will have a very competitive advantage over the existing market-rate properties in the Dillon site EMA.

The Homestead will be developed and managed by The Housing Company. The Housing Company is an experienced affordable housing development company that has utilized a variety of financing tools including LIHTC, HOME funds, HTF, Historic Tax Credits, and many others. Over the years, The Housing Company has developed over 1,150 affordable housing units in nearly two dozen communities. Additionally, 40% of our portfolio are in rural communities. The property management team at The Housing company will provide professional property management services to The Homestead and assist residents in achieving their goals. The Housing Company will acquire the property at the end of the initial 15-year compliance period and keep the project affordable indefinitely.

The Housing Company has contracted with North Folk Development for development consulting services. North Folk Development. is an experienced Montana affordable housing consultant and will assist The Housing Company through the HTF application process and development on an as needed basis.

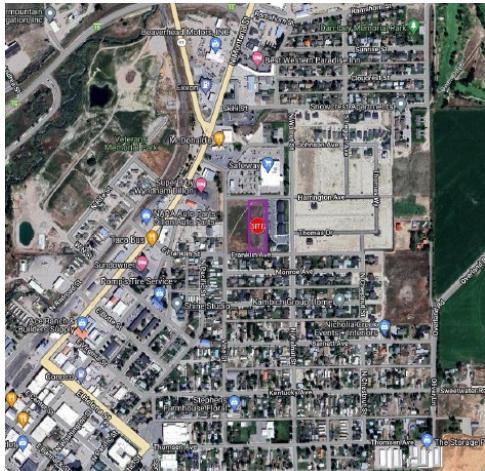
The market study conducted by Danter & Associates illustrates the great need for additional affordable housing in the City of Dillon, as a significant population of renters are currently rent-burdened, paying more than 30% of income for rent. The Homestead will serve a significant demand for additional affordable housing in a community that very few affordable rental options. All members of the development team have extensive experience in managing all phases of development, and the team is confident that The Homestead will have a beneficial impact on an underserved population in the Dillon Community. The Homestead will assist in providing accessible units that will allow seniors to age in place in a home that is safe for mobility and is affordable.

The Housing Company is a non-profit organization whose sole mission is the preservation and development of affordable housing. The Housing Company keeps all of our portfolio affordable indefinitely. We recognize that every community has a need for affordable housing. We ask that you consider supporting The Homestead to benefit the senior population in the City of Dillon and Beaverhead County.

Sincerely,

*Erin Anderson*  
Erin Anderson  
The Housing Company, Director

Homestead photos:



## MARKET STUDY SUMMARY

|                              |                            |
|------------------------------|----------------------------|
| <b>Market Study Company:</b> | Danter and Associates, LLC |
| <b>Project Name:</b>         | Homestead                  |
| <b>Project Market Area:</b>  | Dillon, Montana            |

Is the project, as proposed, viable?

YES

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

|           | <b>Market Rents</b> | <b>% Project Rents Below</b> |  |
|-----------|---------------------|------------------------------|--|
| 0 bedroom |                     |                              |  |
| 1 bedroom | \$ 1,010            | 38.0%/69.7%/85.4%            |  |
| 2 bedroom |                     |                              |  |
| 3 bedroom |                     |                              |  |
| 4 bedroom |                     |                              |  |
| 5 bedroom |                     |                              |  |

Reference page:  
III-38-42

# of all New Units Needed: 62 Reference page: III-48-49

# of units needed for the targeted AMI of the project: 20-62 Reference page: III-48-49

Vacancy Rate: 2.3%/3.1% Reference page: III-36/III-43

Months to Lease-up: 4 Reference page: III-51-52

Capture Rate:  
(projected income eligible tenants who will move in next year/proposed units) 32.1% Reference page: III-49

Absorption Rate:  
(proposed units/existing LIH, market area units required) 51.6% Reference page: III-51-52

Penetration Rate:  
(existing LIH units/total eligible households) 13.9% Reference page: III-51

Number of LI households that can afford rent of proposed project: 156 Reference page: III-49

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

<0.1 miles to grocery store (convenience store does not count)  
2 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  | Montana Street                          | 0.1 Mile      |
| 2  | State Route 91                          | 0.2 Mile      |
| 3  | Interstate 15                           | 1.3 Miles     |
| 4  | Dillon Police Department                | 0.7 Mile      |
| 5  | Dillon Volunteer Fire Department        | 0.4 Mile      |
| 6  | Exxon/Town Pump Gas & Convenience Store | 0.3 Mile      |
| 7  | Rocky Mountain Supply Convenience Store | 0.5 Mile      |
| 8  | Safeway                                 | Borders       |
| 9  | Town and Country Food Dillon            | 1.8 Miles     |
| 10 | Family Dollar                           | 0.2 Mile      |
| 11 | Murdoch's Ranch & Home Supply           | 0.8 Mile      |
| 13 | Atomic 79 Boots & Western Gear          | 0.7 Mile      |
| 14 | Barrett Hospital & Health Care          | 2.0 Miles     |
| 15 | University of Montana Western           | 1.3 Miles     |
| 16 | U.S. Forest Service                     | 1.7 Miles     |
| 17 | Bureau of Land Management               | 0.6 Mile      |
| 18 | Big Sky Cinema                          | 0.1 Mile      |
| 19 | YMCA                                    | 1.0 Mile      |
| 20 | Veterans Memorial Park                  | 0.5 Mile      |
| 21 | Dan Ibey Memorial Park                  | 0.5 Mile      |
| 22 | Vigilante Park                          | 0.7 Mile      |
| 23 | Beaverhead Golf Club                    | 1.3 Mile      |
| 24 | Beaverhead Senior Citizens Center       | 0.8 Mile      |
| 25 | Barrett Hospital & Health Care          | 2.0 Miles     |
| 26 | Safeway Pharmacy                        | Borders       |
| 27 | Blacktail Pharmacy                      | 0.8 Mile      |
| 28 | Stockman Bank                           | 0.2 Mile      |
| 29 | Pioneer Federal Savings & Loan          | 0.8 Mile      |
| 30 | Bank of Commerce                        | 0.9 Mile      |
| 31 | U.S. Post Office                        | 0.9 Mile      |
| 32 | Dillon Public Library                   | 0.9 Mile      |
| 33 |   |               |
| 34 |   |               |
| 35 |   |               |
| 36 |   |               |
| 37 |   |               |
| 38 |   |               |
| 39 |   |               |
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| 47 |   |               |
| 48 |   |               |
| 49 |   |               |
| 50 |   |               |

## AMENITIES FORM

Project Name: The Homestead

| All Units                  | Yes/No | Incremental<br>Cost<br>Per Unit | Benefit  |
|----------------------------|--------|---------------------------------|--|
| Air Conditioning           | Yes    | \$1,000/unit estimat            | Providing in-unit A/C will allow for tenants to cool their apartment in the summer without opening windows. This will reduce noise complaints from other tenants and provide tenants with a more         |
| Carport/Garage             | No     |                                 |  |
| Dishwasher                 | Yes    | \$400/unit estimat              | Dishwashers have become a standard appliance for households. Providing dishwashers will contribute to the development from a marketing perspective as well as added convenience for                      |
| Disposal                   | Yes    | \$200/unit estimat              | Disposals have become a standard appliance for households. Providing disposals will contribute to the development from a marketing perspective as well as added convenience for residents. Additionally, |
| Extra storage outside unit | No     |                                 |  |
| Microwave                  | Yes    | \$150/unit estimat              | Microwaves have become a standard appliance for many households. Providing microwaves will contribute to the development from a market perspective as well as added convenience for residents.           |
| Patios or Balconies        | Yes    | \$3,200/unit estimat            | Patios and/or balconies will contribute to the marketability of the project as well as enhance the overall aesthetics of the development.  |
| Washer/dryer hookups       | Yes    | \$1000/unit estimat             | W/D hookups is a standard amenity for The Housing Company portfolio. Our market research shows the majority of residents prefer to bring their own appliances. A central laundry facility is planned in  |
| Washer/dryer in unit       | No     |                                 |  |

| Project Wide               | Yes/No | Incremental<br>Cost<br>Total | Benefit  |
|----------------------------|--------|------------------------------|--|
| Basketball hoop/pad        | No     |                              |  |
| Car plug ins               | No     |                              |  |
| Community Garden           | Yes    | \$2000/estimate              | The community garden will foster positive relationships with fellow residents while making use of the entire site in an appealing manner. This amenity will enhance the development and increase the |
| Community Room             | Yes    | \$100,000/estimate           | The community building will feature a central laundry facility, library and meeting room. These amenities are based on the QAP requirements and will contribute to the marketability of the project  |
| Computer(s) for tenant use | No     |                              |  |
| Library                    | Yes    | \$60,000/estimate            | The Homestead library will be a room within a community building. The amenity is a QAP requirement that will contribute to the marketability and enhance the development both in                     |
| On site Manager            | Yes    | \$16,000/year                | The Homestead will share an onsite manager with the neighboring Pioneer Meadows. The manager will be key for a successful lease-up period, as well as the day-to-day operations of the development   |
| Outdoor community area     | Yes    | \$10,000                     | Per the QAP requirements a covered outdoor patio area is planned. The amenity will enhance the development both in appearance and betterment of the residents.                                       |
| Play Area                  | No     |                              |  |
| Hotspot/Wi-Fi              | No     |                              |  |
| Other: Dog Park            | Yes    | \$1,000                      | The dog park will provide residents with a central location for their pets and generate a stronger sense of community.   |

# CITY OF DILLON, MONTANA

125 N. IDAHO  
DILLON, MT 59725



406-683-4245  
FAX 406-683-6361

KRISTINA ABBEY  
DIRECTOR OF OPERATIONS

KAMI HOERNING  
CLERK

KAREN KIPP  
TREASURER

CITY ATTORNEY  
406-988-0067

BILL KNOX  
CITY JUDGE  
406-683-6690

JOHN K MCGINLEY  
MAYOR

DEB K. PIERCE  
PARALEGAL  
406-988-0067

Montana Board of Housing

March 06, 2024

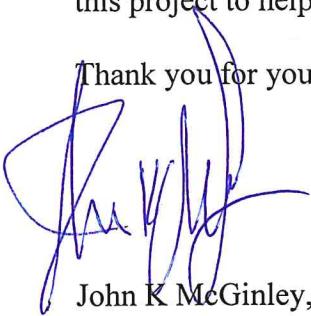
Members,

This letter is to show support for the proposal from The Housing Company from Boise, Idaho for The Homestead, a 20 one-bedroom unit for senior living in the City of Dillon. It has been years since the City of Dillon has received a project to fund new senior housing complex. This project is much needed for the city since there are limited housing opportunities for seniors.

The proposed location for this specific project is located across the street from a large grocery and pharmacy chain store. It is also within walking distance of various other support businesses including an eye doctor, a dental office, a theater, and several restaurants. Dillon is the county seat for Beaverhead County and the hub of several small outlaying communities. This would be a great location for seniors that wish to stay in Dillon and live independently.

Hopefully you will consider Tiffany Hapney from The Housing Company proposal and **choose** this project to help Dillon support seniors.

Thank you for your time

  
John K McGinley, Mayor



UNITED HOUSING PARTNERS

August 5, 2024

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

Dear Board of Housing:

This letter with attachments meets the requirements of the Qualified Allocation Plan (QAP) as it relates to submission of a 9% Low Income Tax Credit (LIHTC) Application.

**Executive Summary:**

United Housing Partners LLC (UHP) in partnership with the Human Resource Development Council (HRDC) propose to build 182 affordable apartments in Bozeman, Montana at 1221 Durston Road on land currently owned by Gallatin County (the County) by twinning 9% & 4% Low Income Housing Tax Credits (LIHTCs) along with a Glacier Bank Back 2 Back loan, a Montana Housing Multifamily Loan, Housing Trust Funds (HTF), Capital Magnet Funds, and other soft loans. This structure will allow the Montana Board of Housing to leverage a single 9% LIHTC award to create 182 new LIHTC homes, eight community land trust (CLT) homes, and a daycare.

In addition to the donated land (5.61 acres), the County has committed \$2.45mm in American Rescue Plan Act (ARPA) funding. The City of Bozeman has also committed an additional \$2mm (Gallatin Impact) toward the Project. Hidden Creek will include 8 extreme low-income apartments for beneficiaries earning 30% area median income (AMI) or lower. Using Income Averaging (IA), the Project will have a weighted average income restriction of 60% across all dwellings and include the following unit mix:

| Project & Unit Mix Summary |           |            |                |           |            |           |             |
|----------------------------|-----------|------------|----------------|-----------|------------|-----------|-------------|
|                            | Bedrooms  | Baths      | Sqft           | 30% Units | 60% Units  | 70% units | Total Units |
| 9% Project                 | 1 Bedroom | 1          | 597            | 0         | 20         | 0         | 20          |
| 9% Project                 | 2 Bedroom | 1          | 852            | 0         | 0          | 0         | 0           |
| 9% Project                 | 3 Bedroom | 2          | 1,113          | 0         | 0          | 0         | 0           |
| <b>TOTAL 9% Project</b>    |           | <b>20</b>  | <b>11940</b>   | <b>0</b>  | <b>20</b>  | <b>0</b>  | <b>20</b>   |
|                            | Bedrooms  | Baths      | Sqft           | 30% Units | 60% Units  | 70% units | Total Units |
| 4% Project                 | 1 Bedroom | 1          | 597            | 0         | 68         | 0         | 68          |
| 4% Project                 | 2 Bedroom | 1          | 852            | 8         | 48         | 24        | 80          |
| 4% Project                 | 3 Bedroom | 2          | 1,113          | 0         | 0          | 0         | 0           |
| 4% Project                 | 4 Bedroom | 2          | 1,330          | 0         | 14         | 0         | 14          |
| <b>TOTAL 4% Project</b>    |           | <b>176</b> | <b>127,376</b> | <b>8</b>  | <b>130</b> | <b>24</b> | <b>162</b>  |
| <b>TOTAL All Buildings</b> |           | <b>196</b> | <b>139316</b>  | <b>8</b>  | <b>150</b> | <b>24</b> | <b>182</b>  |

**Financing Plan:**

Hidden Creek 4 and Hidden Creek 9 will be managed as separate projects with one set of financials for Hidden Creek 4 and another for Hidden Creek 9 kept by the same management company. Common project expenses will be split prorata based on unit count with 88% of expenses going to Hidden Creek 4 and 12% of expenses going to Hidden Creek 9. Project specific expenses such as, but not limited to, financial audits will not be split prorate and will be billed directly to Hidden Creek 4 or Hidden Creek 9.

Hidden Creek 9 will be financed with a construction loan of \$4.5mm that will be paid off with a permanent Multifamily Loan Program Loan from Montana Housing of \$1,075,249 and 9% LIHTC equity of \$5,348,499.

Hidden Creek 4 will be financed with a construction loan of \$35mm, a back to back tax exempt permanent loan of \$16,968,921, an ARPA loan of \$2,450,000, \$1.9mm in National Housing Trust Funds, a \$2mm Capital Magnet Fund Loan, a City of Bozeman Loan of \$2mm, reinvestment income from the \$19.1mm in short term tax exempt mm bonds, 4% LIHTC equity estimated at \$23.5mm, and a substantial deferred developer fee.

Hidden Creek 4 permanent financing: at Stabilization the construction loan will be paid off with a permanent loan from Glacier Bank and the LIHTC equity. HRDC's status as a 501c(3) will allow the Project to qualify for a property tax

exemption (15-6-221(1)(a)(i), MCA) as well as qualify for the Board's non-profit set aside. A summary of all permanent sources is shown below.

| SOURCES OF FUNDS            | Total        | Per-Unit  | % Total | 4% Project   | 9% Project  |
|-----------------------------|--------------|-----------|---------|--------------|-------------|
| First Mortgage              | \$18,044,170 | \$102,057 | 29.5%   | \$16,968,921 | \$1,075,249 |
| ARPA                        | \$2,450,000  | \$13,462  | 3.9%    | \$2,450,000  | \$0         |
| National HTF                | \$1,900,000  | \$10,440  | 3.0%    | \$1,900,000  | \$0         |
| Seller Note (Land)          | \$1,640,000  | \$8,021   | 2.3%    | \$1,459,780  | \$180,220   |
| Capital Magnet Fund         | \$2,000,000  | \$10,989  | 3.2%    | \$2,000,000  | \$0         |
| Bozeman City Loan           | \$2,000,000  | \$10,989  | 3.2%    | \$2,000,000  | \$0         |
| LIHTC Equity (Federal)      | \$28,865,749 | \$153,058 | 44.2%   | \$23,517,250 | \$5,348,499 |
| Bond Reinvestment Income    | \$2,063,411  | \$6,781   | 2.0%    | \$2,063,411  | \$0         |
| Additional Deferred Dev Fee | \$7,105,942  | \$33,644  | 9.7%    | \$7,105,942  | \$0         |
|                             | \$66,069,272 | \$363,018 | 100%    | \$59,465,304 | \$6,603,968 |

#### Project Based Vouchers:

Hidden Creek included thirty 30% AMI units both at LOI submission and when the County and City committed a combined \$4.45mm toward the Project. UHP still hopes to include these in the final project, however, without project-based vouchers (PBV) for these HTF units there is no way financially feasible to include more than eight.

Gallatin County doesn't have a housing authority (HA). HRDC serves as the regional Field Agency (FA), overseeing and administering the County's Housing Choice Vouchers. FAs are not able to project base vouchers the way HAs are. This means PBVs in Bozeman would have to be assigned out of the State's voucher allotment.

If Montana Housing decides to release a competitive proposal to project base a number of the state's HCVs, UHP will apply for 30 PBVs at Hidden Creek. Unfortunately, the 2025 QAP threshold would not allow the Project to include underwriting for these vouchers without a commitment, so they were removed for this application.

The removal of these vouchers reduces the amount of debt Hidden Creek 4 can raise from \$20,338,969 to \$16,968,921<sup>1</sup>. This is \$3,335,048 lost in loan proceeds.

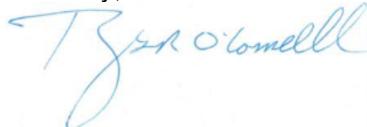
#### Justification for Need:

Bozeman is ground zero for the affordable housing crisis. According to Realtor.com, the median list price of homes for sale in Bozeman is \$862,900 as of June 2024<sup>2</sup>. Gallatin County has prioritized finding a solution and both the County and the City of Bozeman have shown a willingness to make significant financial commitments to deliver Hidden Creek to their community. Finding a project that combines more funding sources to leverage the max \$650,000 annual 9% credits will be difficult, particularly in the current market environment. Adding the eight CLT homes and the County owned daycare only furthers the impact.

The third-party market study found 0 vacancies in existing LIHTC units and a need for 2,244 additional restricted units in Bozeman<sup>2</sup>. This is why both Mayor Terry Cunningham and Gallatin Commissioner Zach Brown both appeared in person to sing its praises at the Board's May LOI presentations, where Commissioner Brown was quoted as saying, "The total cash and land contributions for this project are close to \$7mm. This community will never have this opportunity again."

Hidden Creek Apartments is the result of three and a half years of work by Gallatin County, UHP, and HRDC. It is also a blueprint for future public private housing solutions. It is the sponsors sincere hope the Board rewards the hard work and vision with a 2025 9% award.

Sincerely,



Tyson O'Connell  
Tyson@uhousingpartners.com  
406-531-4745

<sup>1</sup> 7\_PrelimFinLet\_HC4

<sup>2</sup> 13\_FullMktStudy\_HC 9



SITE & NEIGHBORHOOD PHOTOS



**LOOKING SOUTHEAST AT THE SITE**



**LOOKING SOUTH ALONG THE SITE'S EASTERN BORDER**



**NORTH – JUNIPER STREET LOOKING WEST**



## MARKET STUDY SUMMARY

|                              |                            |
|------------------------------|----------------------------|
| <b>Market Study Company:</b> | Prior & Associates         |
| <b>Project Name:</b>         | Hidden Creek Apartments 9% |
| <b>Project Market Area:</b>  | City of Bozeman            |

Is the project, as proposed, viable?

YES

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

|           | <b>Market Rents</b> | <b>% Project Rents Below</b> |  |
|-----------|---------------------|------------------------------|--|
| 0 bedroom |                     |                              |  |
| 1 bedroom | \$ 1,909            | 40.8%                        |  |
| 2 bedroom |                     |                              |  |
| 3 bedroom |                     |                              |  |
| 4 bedroom |                     |                              |  |
| 5 bedroom |                     |                              |  |

# of all New Units Needed: 2,393 Reference page: 59

# of units needed for the targeted AMI of the project: 1,194 Reference page: 59

Vacancy Rate: 2.4% Reference page: 54

Months to Lease-up: 1 Reference page: 72

Capture Rate: 1.7% Reference page: 59  
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate: 43.4% Reference page: 59  
(proposed units/existing LIH, market area units required)

Penetration Rate: 3.3% Reference page: 60  
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: 3,618 Reference page: 41

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

1 miles to grocery store (convenience store does not count)  
2 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  | Convenience Store            | 0.4 miles     |
| 2  | Grocery Store                | 0.4 miles     |
| 3  | Specialty Market             | N/A           |
| 4  | Neighborhood Shopping Center | 0.4 miles     |
| 5  | Community Shopping Center    | 0.5 miles     |
| 6  | Big Box Retail Store         | 0.6 miles     |
| 7  | Shopping Mall                | 1.5 miles     |
| 8  | Elementary School            | 0.5 miles     |
| 9  | Middle School                | 3.2 miles     |
| 10 | High School                  | 0.8 miles     |
| 11 | Head Start                   | 0.9 miles     |
| 13 | University                   | 1.5 miles     |
| 14 | Recreation Center            | 0.5 miles     |
| 15 | Community Center             | one mile      |
| 16 | Park                         | Adjacent      |
| 17 | Library                      | 1.5 miles     |
| 18 | Bus Stop                     | 0.1 mile      |
| 19 | Hospital                     | Two miles     |
| 20 | Medical Clinic               | 0.3 miles     |
| 21 | Government Offices           | 1.2 miles     |
| 22 | Post Office                  | 1.1 miles     |
| 23 | Police Station               | 1.1 miles     |
| 24 | Fire Station                 | 1.4 miles     |
| 25 | Pharmacy                     | 0.4 miles     |
| 26 | Senior Center                | 0.8 miles     |
| 27 | Childcare Center             | 0.5 miles     |
| 28 |                              |               |
| 29 |                              |               |
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| 50 |                              |               |

## AMENITIES FORM

Project Name: Hidden Creek 4 Apartments

| All Units                  | Yes/No | Incremental<br>Cost<br>Per Unit | Benefit  |
|----------------------------|--------|---------------------------------|--|
| Air Conditioning           | Yes    | \$ 1,500.00                     | Included and will benefit residents during summer months.  |
| Carport/Garage             | Yes    | \$ 3,500.00                     | A number of carports will be included and available for rent for residents who chose this option.  |
| Dishwasher                 | Yes    | \$ 1,000.00                     | Included and will benefit residents throughout project.  |
| Disposal                   | Yes    | \$ 450.00                       | Excluded due to long term issues and maintenance costs and dishwashers are better amenity.   |
| Extra storage outside unit | Yes    | \$ 6,500.00                     | Excluded due to extra costs associated with enlarging existing deck plans and long term maintenance, though this could be added when full construction pricing is completed. |
| Microwave                  | Yes    | \$ 200.00                       | Included and will benefit residents throughout project.  |
| Patios or Balconies        | Yes    | \$ 3,500.00                     | Included and sized according to needs and budget. Plans do not currently include extra storage on decks but this may be added later when construction pricing is finalized.  |
| Washer/dryer hookups       | Yes    | \$ 600.00                       | Included and will benefit residents throughout the project.  |
| Washer/dryer in unit       | Yes    | \$ 1,400.00                     | Included and will benefit residents throughout the project. This is the most requested amenity at our other new construction projects.                                       |

| Project Wide               | Yes/No | Incremental<br>Cost<br>Total | Benefit   |
|----------------------------|--------|------------------------------|---|
| Basketball hoop/pad        | No     | \$ 355.00                    | This was analyzed but cut due to lack of space and additional parking added after the public meeting where neighbors expressed concern about parking. |
| Car plug ins               | No     | \$ 400.00                    | Not included.   |
| Community Garden           | No     | \$ 140.00                    | Not included  |
| Community Room             | No     | \$ 575.00                    | Does have leasing office included in design and outdoor patio and gathering space.  |
| Computer(s) for tenant use | No     | \$ 200.00                    | Seldom used at other properties where these have been installed.  |
| Library                    | No     | \$ 400.00                    | Not included  |
| On site Manager            | Yes    | \$ 900.00                    | Included in long term operating budget and leasing office is included in design.  |
| Outdoor community area     | Yes    | \$ 250.00                    | Between two buildings   |
| Play Area                  | No     | \$ 300.00                    | large park directly across the street to the north  |
| Hotspot/Wi-Fi              | No     | \$ 300.00                    | Not included in rent, but high speed fiber internet will be provided in each unit for residents to connect and pay for through a provider.            |
| Other:                     |        |                              |   |



County Administrator

Jim Doar

Phone (406) 582-3008

FAX (406) 582-3009

## GALLATIN COUNTY

311 West Main, Room 311 • Bozeman, MT 59715  
jim.doar@gallatin.mt.gov

May 9, 2024

Montana Board of Housing  
301 S. Park Ave.  
P.O. Box 200528  
Helena, MT 59620-0528

Montana Housing Board Members:

My name is Nicole Rowley, Deputy County Administrator for Gallatin County. I am writing in support of the Hidden Creek Apartment proposal for Low Income Housing Tax Credit (LIHTC) funding during the 2024 award cycle. I have been involved with the County Rest Home property and shepherding Gallatin County's plans to develop it in accordance with the County's needs for over three years. The Hidden Creek proposal is the pinnacle of an extensive, concentrated effort by the County to provide the most impactful and lasting use possible of this land in the heart of the County's population center, Bozeman.

The County's research began with a Gallatin County staff housing meeting in late November of 2021 and was followed up with additional childcare, housing, and neighborhood surveys and meetings throughout 2022. In early 2023 the County released an RFP, followed by an RFQ, seeking developers' proposals surrounding the list of goals the County had gathered from its employees and constituents through their outreach. United Housing Partners (UHP) and the Human Resource Development Council (HRDC) submitted an early version of Hidden Creek Community, which included the LIHTC housing, a community land trust, and daycare.

The County selected UHP/HRDC as the developer and has been working diligently in partnership for the past year in moving this ambitious project forward. Partnering with UHP and HRDC has been a refreshing experience. They are clear and frequent communicators and always open to feedback from the County, the City of Bozeman, and constituents. Their experience and expertise further separate them as exceptional development partners. I am confident Gallatin County selected the best candidates and that UHP/HRDC will deliver on this desperately needed housing for our community.

As a large employer struggling to attract and retain staff in part due to housing costs, and as a community member seeing long-time friends and residents be forced to move to a more affordable place, I urge you to consider awarding this project while the time-limited local funding is available to contribute to the success of the project. We're looking forward to working with UHP and HRDC on Hidden Creek Apartments and the greater Hidden Creek Community and encourage the Montana Board of Housing to support this project with a LIHTC award.

Sincerely,

A handwritten signature in black ink, appearing to read "Nicole Rowley".

Nicole "Cola" Rowley  
Deputy County Administrator, Gallatin County

May 9, 2024

Montana Board of Housing  
301 S. Park Ave.  
P.O. Box 200528  
Helena, MT 59620-0528

**RE: Letter of Support for the Hidden Creek Apartments Project for LIHTC Funding**

Dear Board Members:

I write this letter in support of LIHTC funding for the United Housing Partners proposed Hidden Creek Apartments project. As the Director of Economic Development for the City of Bozeman, my duties allow me to witness both the acute need for affordable housing in our community and the market constraints that make building such housing more difficult in Bozeman than ever before. While I play a professional role in nearly all multifamily development in the City, it is my opinion that this project delivers more substantially than anything seen to date.

While I understand affordable development is needed across the state, I find it hard to imagine another project surpassing the ambitions delivered by Hidden Creek. When considering the number of units, diversity of beneficiaries, particularly including the many **30% AMI** units, while serving as the financial driver behind the community land trust homes, the desperately needed daycare, I don't recall a past project with similar leverage. Additionally, the permanent affordability restrictions make the project even more appealing in regards to the lasting impact it will have on this community.

Our team recently had the opportunity to present a recommendation for earmarking \$2,000,000 in Gallatin County Impact Funds for Hidden Creek Apartments to the City Commission, and the support from the Mayor and Commissioners was unanimous. It is also noteworthy that the City of Bozeman stands unified with Gallatin County in supporting this fantastic project.

I hope the Board sees the benefits this project brings to our community and award it 2023 Credits. Thank you for your service on the Montana Board of Housing.

Sincerely,



Brit Fontenot  
Director of Economic Development



September 5, 2024

Jason Hanson  
Multifamily Program Manager  
Montana Board of Housing  
301 S. Park Ave.  
Helena, MT 59601

RE: Comments for Hidden Creek 9 Apartments

Dear Jason Hanson,

I am writing to express the Bozeman City Commission's enthusiastic support for the Hidden Creek LIHTC project's application for 9% tax credits. The City of Bozeman has pledged to dedicate \$2 million in funding to support this project if it receives its requested allocation of tax credits.

The Hidden Creek project represents the best of community collaboration. In addition to the City's pledge of \$2 million, Gallatin County is committing \$2.5 million in expiring American Rescue Plan Act (ARPA) funds to support the required public infrastructure for the project. Additionally, Gallatin County is donating the land for the project. This application is poised to benefit from one-time local funds and local governments that are working together for the benefit of their community.

Gallatin County is in dire need of long-term affordable housing units. A recent market study by land use economists at Economic Planning Systems showed that of the 16,600 renter households in Gallatin County, 7,451 households were at or below 60% of the area median income, or 45% of all renter households. The current supply of 1,517 LIHTC units in Gallatin County only meets the need of 20.4% of renting households that could qualify, which suggests that most renting households are cost burdened. The units supplied by the Sage Peak and Alder Ridge project will be quickly absorbed into the market.

The Hidden Creek project and the use of 9% credits also allows for numerous units that are affordable at 50% AMI. Due to the area's high AMI, we are unable to deploy a sizeable number of Housing Choice Vouchers due to the lack of qualifying units. This project will provide units needed to use these important resources for housing our community's most vulnerable citizens.

Sincerely,

A handwritten signature in blue ink, appearing to read "Terry Cunningham".

Terry Cunningham  
Mayor, City of Bozeman

**Montana Housing      *Board Member Worksheet:***  
**2025 Housing Credit Full Applications**

| City       | Project Name      | Geographic Distribution | Rural or Urban | Overall Income Levels | Need in the Community | Rehab of Existing Stock | Sustainable Energy Savings |
|------------|-------------------|-------------------------|----------------|-----------------------|-----------------------|-------------------------|----------------------------|
| 1 Billings | Skyview           |                         |                |                       |                       |                         |                            |
| 2 Billings | LB Lofts          |                         |                |                       |                       |                         |                            |
| 3 Missoula | Opportunity Place |                         |                |                       |                       |                         |                            |
| 4 Polson   | Polson Gardens    |                         |                |                       |                       |                         |                            |
| 5 Dillon   | The Homestead     |                         |                |                       |                       |                         |                            |
| 6 Bozeman  | Hidden Creek 9%   |                         |                |                       |                       |                         |                            |

**Montana Housing      *Board Member Worksheet:***  
**2025 Housing Credit Full Applications**

| City       | Project Name      | Applicants<br>Fin & Oper<br>Ability | Past<br>Performance<br>of Applicant | Cost<br>Const<br>etc. | In or Near<br>Historic<br>Downtown | Freq of<br>Awards in<br>Location | Other<br>QAP<br>Factors |
|------------|-------------------|-------------------------------------|-------------------------------------|-----------------------|------------------------------------|----------------------------------|-------------------------|
| 1 Billings | Skyview           |                                     |                                     |                       |                                    |                                  |                         |
| 2 Billings | LB Lofts          |                                     |                                     |                       |                                    |                                  |                         |
| 3 Missoula | Opportunity Place |                                     |                                     |                       |                                    |                                  |                         |
| 4 Polson   | Polson Gardens    |                                     |                                     |                       |                                    |                                  |                         |
| 5 Dillon   | The Homestead     |                                     |                                     |                       |                                    |                                  |                         |
| 6 Bozeman  | Hidden Creek 9%   |                                     |                                     |                       |                                    |                                  |                         |

*The Board will populate this schedule at the award meeting and use it as visual and reference.*

The Board will assign a consensus "x" to projects that meet the category at a higher level in comparison to other projects. This process and schedule are only a tool to lead the discussion around these categories and items the Board members are considering. Projects with more or less "x"s are not automatically considered fundable or not fundable, only that they are part of the discussion. Board members can select more than one project for each discussion point.

**Housing Credits**

**Board Discussion Categories**

| Project                        | Skyview | LB Lofts 9% | Opportunity Place | Polson Gardens | The Homestead | Hidden Creek 9 |
|--------------------------------|---------|-------------|-------------------|----------------|---------------|----------------|
| <u>Income Levels Targeted</u>  |         |             |                   |                | X             |                |
| <u>Project Efficiency</u>      |         | X           | X                 |                |               | X              |
| <u>Location Considerations</u> |         |             |                   | X              |               |                |
| <u>Geographic Distribution</u> |         |             |                   | X              | X             |                |
| <u>Community Contributions</u> | X       |             | X                 |                |               | X              |

**Montana Housing  
2025 Housing Credit Awards**

| City  | County   | Project Name | Sponsor / Developer                | Entity Type                | Set-aside  | Housing Type | Construction Type | Letter of Intent |                           | Full App |                           |
|---|----------|--------------|------------------------------------|----------------------------|------------|--------------|-------------------|------------------|---------------------------|----------|---------------------------|
|   |          |              |                                    |                            |            |              |                   | Units            | HC Request<br>10 yr total | Units    | HC Request<br>10 yr total |
| <b>Full Applications Submitted</b>  |          |              |                                    |                            |            |              |                   |                  |                           |          |                           |
| 1   | Billings | Yellowstone  | Skyview                            | GL Development             | For-Profit | General      | Family            | 25               | \$ 6,500,000              | 26       | \$ 6,500,000              |
| 2   | Billings | Yellowstone  | LB Lofts 9%<br>LB Lofts 4%         | Homewood / HomeFront       | Non-Profit | General      | Family            | 22               | \$ 6,500,000              | 22       | \$ 6,500,000              |
| 3   | Missoula | Missoula     | Opportunity Place                  | 42-44 Developers           | Non-Profit | General      | Family            | 79               |                           | 109      |                           |
| 5   | Polson   | Lake         | Polson Gardens                     | Housing Solutions          | For-Profit | General      | Senior            | 24               | \$ 6,500,000              | 24       | \$ 6,500,000              |
| 6   | Dillon   | Beaverhead   | The Homestead                      | The Housing Company        | Non-Profit | General      | Senior            | 20               | \$ 6,150,000              | 24       | \$ 6,500,000              |
| 4   | Bozeman  | Gallatin     | Hidden Creek 9%<br>Hidden Creek 4% | United Housing Ptrs / HRDC | Non-Profit | General      | Family            | 20               | \$ 6,500,000              | 20       | \$ 6,500,000              |
|   |          |              |                                    |                            |            |              |                   | 21               | \$ 6,500,000              | 20       | \$ 6,500,000              |
|   |          |              |                                    |                            |            |              |                   | 145              |                           | 162      |                           |
|   |          |              |                                    |                            |            |              |                   | 24               | \$ 6,500,000              |          |                           |
|   |          |              |                                    |                            |            |              |                   |                  |                           |          | withdrawn                 |
| * - The above was randomly selected and is the order of presentations at the May meeting. |          |              |                                    |                            |            |              |                   | 380              | 45,150,000                | 407      | 39,000,000                |

2025 Current Year Credits (est fr 2024) 33,600,000

2024 Credits Remaining 2,652,040

Returned Credits -

2024 National Pool Credits in 2025

Available Credits: 36,252,040

Minimum Required to be Awarded to Non-Profits (10%): 3,360,000

Maximum Request for a Small Rural Project (12.5%): 4,200,000

Maximum Credit Per Project: 6,500,000

**2025 Housing Credit Full Applications**  
**Comparative Data for Presentation to the Board**

| Project Name                   | HC Requested | Cost per unit total | Cost per unit Const / Rehab | Construction / Rehab per sq ft |
|--------------------------------|--------------|---------------------|-----------------------------|--------------------------------|
| Skyview                        | 6,500,000    | 349,186             | 241,273                     | 239.87                         |
| LB Lofts 9%                    | 6,500,000    | 291,553             | 222,138                     | 229.87                         |
| LB Lofts 4/Laurel Grdns        | 11,761,520   | 280,487             | 189,211                     | 162.16                         |
| LB Lofts/Laurel Grdns Combined | 18,261,520   | 282,345             | 194,741                     | 172.60                         |
| Opportunity Place              | 6,500,000    | 360,519             | 277,935                     | 155.40                         |
| Polson Gardens                 | 6,500,000    | 303,644             | 205,000                     | 209.79                         |
| The Homestead                  | 6,500,000    | 328,077             | 204,650                     | 207.44                         |
| Hidden Creek 9                 | 6,500,000    | 330,198             | 222,879                     | 297.54                         |
| Hidden Creek 4                 | 27,999,530   | 367,070             | 244,269                     | 280.50                         |
| Hidden Creek Combined          | 34,499,530   | 363,018             | 241,919                     | 251.39                         |

**2025 Housing Credit Full Application  
Comparative Data for Presentation**

| Project Name                   | Total Project Cost per sq ft | % of Project Financed by HC: | Credits per sq ft | Projected Construction Start |
|--------------------------------|------------------------------|------------------------------|-------------------|------------------------------|
| Skyview                        | 405.30                       | 59.42%                       | 290.18            | Jul-25                       |
| LB Lofts 9%                    | 301.71                       | 86.13%                       | 305.74            | Aug-25                       |
| LB Lofts 4/Laurel Grdns        | 262.09                       | 33.47%                       | 100.83            | Aug-25                       |
| LB Lofts/Laurel Grdns Combined | 268.19                       | 42.60%                       | 132.41            | Aug-25                       |
| Opportunity Place              | 218.03                       | 61.98%                       | 163.79            | Apr-25                       |
| Polson Gardens                 | 375.64                       | 73.58%                       | 335.05            | Jul-25                       |
| The Homestead                  | 381.48                       | 83.70%                       | 377.91            | Apr-25                       |
| Hidden Creek 9                 | 456.71                       | 80.99%                       | 449.52            | Aug-25                       |
| Hidden Creek 4                 | 457.79                       | 39.55%                       | 215.55            | Aug-25                       |
| Hidden Creek Combined          | 407.70                       | 43.69%                       | 212.89            | Aug-25                       |

| City<br>County<br>Project Name<br>Developer / General Ptnr | Billings<br>Yellowstone |                | Billings<br>Yellowstone |                         | Billings/Laurel<br>Yellowstone | Billings/Laurel<br>Yellowstone |
|--|-------------------------|----------------|-------------------------|-------------------------|--------------------------------|--------------------------------|
|  | Skyview                 | GL Development | LB Lofts 9%             | LB Lofts 4/Laurel Grdns | LB/Laurel Combined             | Homewood/HAB                   |
|  |                         |                |                         |                         |                                | Homewood/HAB                   |
| Set-aside  | General                 |                | Non-Profit              | Non-Profit              | Non-Profit                     |                                |
| HC Requested   | 6,500,000               |                | 6,500,000               | 11,761,520              | 18,261,520                     |                                |
| Project Type   | Family                  |                | Family                  | Family                  | Family                         |                                |
| Construction Type  | New Const               |                | New Const               | New Const               | New Const                      |                                |
| Projected Construction Start                               | Jul-25                  |                | Aug-25                  | Aug-25                  | Aug-25                         |                                |
| Projected Completion                                       | Oct-26                  |                | Sep-26                  | Nov-27                  | Nov-27                         |                                |
| <u>Unit Numbers</u>  |                         | <u>Target</u>  |                         |                         |                                |                                |
| 1-bdrm   | 30%                     |                | -                       | -                       | -                              | -                              |
| 1-bdrm   | 50% (Low HM)            |                | 1                       | -                       | -                              | -                              |
| 1-bdrm   | 40%                     |                | 2                       | -                       | -                              | -                              |
| 1-bdrm   | 50%                     |                | 1                       | -                       | 29                             | 29                             |
| 1-bdrm   | 60%                     |                | 1                       | -                       | -                              | -                              |
| 1-bdrm   | 70%                     |                | -                       | -                       | -                              | -                              |
| 1-bdrm   | 80%                     |                | 3                       | -                       | -                              | -                              |
| 2-bdrm   | 30%                     |                | -                       | -                       | -                              | -                              |
| 2-bdrm   | 40%                     |                | 2                       | -                       | -                              | -                              |
| 2-bdrm   | 50% (Low HM)            |                | 1                       | -                       | -                              | -                              |
| 2-bdrm   | 50%                     |                | 3                       | 17                      | 34                             | 51                             |
| 2-bdrm   | 60%                     |                | 3                       | 5                       | 33                             | 38                             |
| 2-bdrm   | 70%                     |                | -                       | -                       | -                              | -                              |
| 2-bdrm   | 80%                     |                | 3                       | -                       | -                              | -                              |
| 2-bdrm   | 0%                      |                | -                       | -                       | 3                              | 3                              |
| 2-bdrm   | 0%                      |                | -                       | -                       | 8                              | 8                              |
| 3-bdrm   | 40%                     |                | 1                       | -                       | -                              | -                              |
| 3-bdrm   | 50% (Low HM)            |                | 1                       | -                       | -                              | -                              |
| 3-bdrm   | 60%                     |                | 2                       | -                       | -                              | -                              |
| 3-bdrm   | 80%                     |                | 2                       | -                       | -                              | -                              |
| 4-bdrm   | 60%                     |                | -                       | -                       | -                              | -                              |
| other  | mkt                     |                | -                       | -                       | 1                              | 1                              |
| other  | mgr(60%)                |                | -                       | -                       | 1                              | 1                              |
| Total Units  |                         |                | 26                      | 22                      | 109                            | 131                            |
| Average Income Targeting                                   |                         |                | 59.62%                  | 52.27%                  | 53.51%                         | 53.28%                         |

| City<br>County<br>Project Name<br>Developer / General Ptnr | Billings<br>Yellowstone |              | Billings<br>Yellowstone |                         | Billings/Laurel<br>Yellowstone | Billings/Laurel<br>Yellowstone |
|--|-------------------------|--------------|-------------------------|-------------------------|--------------------------------|--------------------------------|
|  | Skyview                 |              | LB Lofts 9%             | LB Lofts 4/Laurel Grdns | LB/Laurel Combined             |                                |
|  | GL Development          | Homewood/HAB | Homewood/HAB            |                         | Homewood/HAB                   | Homewood/HAB                   |
| <b>Square Footage</b>                                      |                         |              |                         |                         |                                |                                |
| Income Restricted Units                                    |                         | 21,400       | 21,260                  | 114,842                 | 136,102                        |                                |
| Managers Unit(s)   |                         | -            | -                       | 1,290                   | 1,290                          |                                |
| Supportive Services  |                         | -            | -                       | -                       | -                              |                                |
| Common Space   |                         | 1,000        | -                       | 520                     | 520                            |                                |
| Market/Commercial  |                         | -            | -                       | -                       | -                              |                                |
| Total  |                         | 22,400       | 21,260                  | 116,652                 | 137,912                        |                                |
| <b>Unit Rents</b>  |                         |              |                         |                         |                                |                                |
| 1-bdrm   | 30%                     | -            | -                       | -                       | -                              |                                |
| 1-bdrm   | 40%                     | 657          | -                       | -                       | -                              |                                |
| 1-bdrm   | 50% (Low HM)            | 792          | -                       | -                       | -                              |                                |
| 1-bdrm   | 50%                     | 841          | -                       | 850                     | 850                            |                                |
| 1-bdrm   | 60%                     | 1,026        | -                       | -                       | -                              |                                |
| 1-bdrm   | 70%                     | -            | -                       | -                       | -                              |                                |
| 1-bdrm   | 80%                     | 1,150        | -                       | -                       | -                              |                                |
| 2-bdrm   | 30%                     | -            | -                       | -                       | -                              |                                |
| 2-bdrm   | 40%                     | 783          | -                       | -                       | -                              |                                |
| 2-bdrm   | 50% (Low HM)            | 1,004        | -                       | -                       | -                              |                                |
| 2-bdrm   | 50%                     | 1,004        | 1,414                   | 1,414                   | 1,414                          |                                |
| 2-bdrm   | 60%                     | 1,226        | 1,257                   | 1,257                   | 1,257                          |                                |
| 2-bdrm   | 70%                     | -            | -                       | -                       | -                              |                                |
| 2-bdrm   | 80%                     | 1,400        | -                       | -                       | -                              |                                |
| 2-bdrm   | 0%                      | -            | -                       | 1,414                   | 1,414                          |                                |
| 2-bdrm   | 0%                      | -            | -                       | 1,414                   | 1,414                          |                                |
| 3-bdrm   | 40%                     | 896          | -                       | -                       | -                              |                                |
| 3-bdrm   | 50% (Low HM)            | 1,152        | -                       | -                       | -                              |                                |
| 3-bdrm   | 60%                     | 1,408        | -                       | -                       | -                              |                                |
| 3-bdrm   | 80%                     | 1,800        | -                       | -                       | -                              |                                |
| 4-bdrm   | 60%                     | -            | -                       | -                       | -                              |                                |
| other  | mkt                     | -            | -                       | 997                     | 997                            |                                |
| other  | mgr(60%)                | -            | -                       | 1,257                   | 1,257                          |                                |
| Total Monthly Rents  |                         | 29,347       | 30,323                  | 132,015                 | 162,338                        |                                |
| vacancy factor   |                         | 7.00%        | 7.00%                   | 5.00%                   | 5.00%                          |                                |
| Adjusted Rent  |                         | 27,293       | 28,200                  | 125,414                 | 154,221                        |                                |
| other/commercial income                                    |                         | 200          | -                       | 10,517                  | 10,517                         |                                |
| total rent   |                         | 27,493       | 28,200                  | 135,931                 | 164,738                        |                                |
| x 12 months  |                         | 12           | 12                      | 12                      | 12                             |                                |
| Total Annual Income  |                         | 329,913      | 338,405                 | 1,631,171               | 1,976,853                      |                                |

| City<br>County<br>Project Name<br>Developer / General Ptnr | Billings<br>Yellowstone | Billings<br>Yellowstone | Billings/Laurel<br>Yellowstone | Billings/Laurel<br>Yellowstone |
|--|-------------------------|-------------------------|--------------------------------|--------------------------------|
|  | Skyview                 | LB Lofts 9%             | LB Lofts 4/Laurel Grdns        | LB/Laurel Combined             |
|  | GL Development          | Homewood/HAB            | Homewood/HAB                   | Homewood/HAB                   |
| <b>Expenses</b>  |                         |                         |                                |                                |
| Administration   | 12,000                  | 36,080                  | 137,420                        | 173,500                        |
| Management   | 19,617                  | 17,160                  | 83,160                         | 100,320                        |
| Maintenance  | 29,500                  | 27,940                  | 187,724                        | 215,664                        |
| Operating  | 69,190                  | 64,900                  | 306,430                        | 371,330                        |
| Taxes  | 24,000                  | 2,345                   | 10,814                         | 13,159                         |
| Replacement Reserve  | 9,100                   | 7,700                   | 38,150                         | 45,850                         |
| Total Expenses   | 163,407                 | 156,125                 | 763,698                        | 919,823                        |
| Net Income Before<br>Debt Service                          | 166,506                 | 182,280                 | 867,473                        | 1,057,030                      |
| <b>Financing Sources</b>                                   |                         |                         |                                |                                |
| Hard Loan  | 2,400,000               | 550,000                 | 2,450,000                      | 3,000,000                      |
| Hard Loan  | 532,946                 | -                       | 8,500,000                      | 8,500,000                      |
| Soft Loan  | -                       | -                       | 750,000                        | 750,000                        |
| Soft Loan  | -                       | -                       | 750,000                        | 750,000                        |
| State HOME   | 600,000                 | -                       | 1,500,000                      | 1,500,000                      |
| State CDBG   | -                       | -                       | 1,500,000                      | 1,500,000                      |
| State NHTF   | -                       | -                       | -                              | -                              |
| Other  | -                       | -                       | -                              | -                              |
| Other  | -                       | 220,000                 | 450,000                        | 670,000                        |
| Other  | -                       | -                       | 2,000,000                      | 2,000,000                      |
| Other  | -                       | -                       | 730,000                        | 730,000                        |
| Deferred Dev Fee   | 151,420                 | 119,710                 | 1,711,550                      | 1,831,260                      |
| HC Equity Competitive                                      | 5,394,461               | 5,524,448               | -                              | 5,524,448                      |
| HC Equity Non-Competitive                                  | -                       | -                       | 10,231,498                     | 10,231,498                     |
| Total Sources:   | 9,078,827               | 6,414,158               | 30,573,048                     | 36,987,206                     |
| % of Project Financed by HC:                               | 59.42%                  | 86.13%                  | 33.47%                         | 42.60%                         |
| <b>Return on Sale of HTC</b>                               |                         |                         |                                |                                |
| HTC Requested  | 6,500,000               | 6,500,000               | 11,761,520                     | 18,261,520                     |
| HTC Equity   | 5,394,461               | 5,524,448               | 10,231,498                     | 15,755,946                     |
| HTC Return on Sale   | 0.830                   | 0.850                   | 0.870                          | 0.863                          |

| City<br>County<br>Project Name<br>Developer / General Ptnr | Billings<br>Yellowstone | Billings<br>Yellowstone | Billings/Laurel<br>Yellowstone | Billings/Laurel<br>Yellowstone |        |
|--|-------------------------|-------------------------|--------------------------------|--------------------------------|--------|
|  | Skyview                 | LB Lofts 9%             | LB Lofts 4/Laurel Grdns        | LB/Laurel Combined             |        |
|  | GL Development          | Homewood/HAB            | Homewood/HAB                   | Homewood/HAB                   |        |
| <b><u>Ratios</u></b>                                       |                         |                         |                                |                                |        |
| Rent (Income)  | 329,913                 | 338,405                 | 1,631,171                      | 1,976,853                      |        |
| Operating Expenses   | 154,307                 | 148,425                 | 725,548                        | 873,973                        |        |
| Replacement Reserves                                       | 9,100                   | 7,700                   | 38,150                         | 45,850                         |        |
| Net Income Available for DS                                | 166,506                 | 182,280                 | 867,473                        | 1,057,030                      |        |
| Total Debt Service   | 144,563                 | 150,568                 | 742,789                        | 893,357                        |        |
| Debt Coverage Ratio (DCR)                                  | 1.15                    | 1.21                    | 1.17                           | 1.18                           |        |
| Total Expense Ratio  | 1.07                    | 1.10                    | 1.08                           | 1.09                           |        |
| <b><u>Project Costs</u></b>                                |                         |                         |                                |                                |        |
| Land   | 300,000                 | -                       | -                              | -                              |        |
| Building/Acquisition                                       | -                       | -                       | 2,730,000                      | 2,730,000                      |        |
| Site Work  | 900,000                 | -                       | 1,707,910                      | 1,707,910                      |        |
| Construction / Rehab                                       | 5,373,086               | 4,887,038               | 18,916,098                     | 23,803,136                     |        |
| Soft Costs   | 1,530,741               | 600,119                 | 2,780,041                      | 3,380,160                      |        |
| Developer Fees   | 825,000                 | 800,000                 | 3,800,000                      | 4,600,000                      |        |
| Reserves   | 150,000                 | 127,000                 | 639,000                        | 766,000                        |        |
| Total Project Costs  | 9,078,827               | 6,414,157               | 30,573,048                     | 36,987,206                     |        |
| Supportive Services Costs                                  | -                       | -                       | -                              | -                              |        |
| Residential Costs  | 9,078,827               | 6,414,157               | 30,573,048                     | 36,987,206                     |        |
| <b><u>Costs versus Sources</u></b>                         |                         |                         |                                |                                |        |
| Total Project Costs  | 9,078,827               | 6,414,157               | 30,573,048                     | 36,987,206                     |        |
| Total Financing Sources                                    | 9,078,827               | 6,414,158               | 30,573,048                     | 36,987,206                     |        |
| Difference   | -                       | -                       | -                              | -                              |        |
| <b><u>Project Cost Limitations</u></b>                     |                         |                         |                                |                                |        |
|  | Limits                  |                         |                                |                                |        |
| General Requirements                                       | 6.00%                   | 5.90%                   | 5.63%                          | 4.73%                          | 5.19%  |
| Contractor Overhead  | 2.00%                   | 1.91%                   | 1.79%                          | 1.39%                          | 1.57%  |
| Contractor Profit  | 6.00%                   | 5.90%                   | 5.38%                          | 4.52%                          | 4.98%  |
| Developer Fees   | 15.00%                  | 10.57%                  | 14.58%                         | 14.54%                         | 14.55% |
| Soft Cost  | 40.00%                  | 35.84%                  | 28.65%                         | 26.82%                         | 27.13% |

| City<br>County<br>Project Name<br>Developer / General Ptnr | Billings<br>Yellowstone | Billings<br>Yellowstone | Billings/Laurel<br>Yellowstone | Billings/Laurel<br>Yellowstone |
|--|-------------------------|-------------------------|--------------------------------|--------------------------------|
|  | Skyview                 | LB Lofts 9%             | LB Lofts 4/Laurel Grdns        | LB/Laurel Combined             |
|  | GL Development          | Homewood/HAB            | Homewood/HAB                   | Homewood/HAB                   |
| <b>Per Unit Comparison</b>                                 |                         |                         |                                |                                |
|  | Limits                  |                         |                                |                                |
| Cost per unit total  | n/a                     | 349,186                 | 291,553                        | 280,487                        |
| Cost per unit residential only                             | \$350,000               | 349,186                 | 291,553                        | 280,487                        |
| Cost per unit Const / Rehab                                | n/a                     | 241,273                 | 222,138                        | 189,211                        |
| Credits per unit   | n/a                     | 250,000                 | 295,455                        | 107,904                        |
| Operating Cost per unit                                    | \$3,000 min             | 5,935                   | 6,747                          | 6,656                          |
| Replacement Reserves                                       | \$300 min               | 350                     | 350                            | 350                            |
| <b>Per Square Foot Comparison</b>                          |                         |                         |                                |                                |
| Construction / Rehab per sq ft                             |                         | 239.87                  | 229.87                         | 162.16                         |
| Total Project Cost per sq ft                               |                         | 405.30                  | 301.71                         | 262.09                         |
| Credits per sq ft  |                         | 290.18                  | 305.74                         | 100.83                         |
| Credits per sq ft (residential only)                       |                         | 303.74                  | 305.74                         | 101.28                         |
| <b>Utilities Paid by (Tenant / Owner)</b>                  |                         |                         |                                |                                |
|  | Tenant                  | Tenant                  | Tenant                         | Tenant                         |
| <b>Market Study Data:</b>                                  |                         |                         |                                |                                |
| Vacancy Rates  | 2.7%                    | 2.7%                    | 2.7%                           | 2.7%                           |
| Absorption Rate  | 3.8%                    | 37.1%                   | 37.1%                          | 37.1%                          |
| Months to Absorb   | 3                       | 1                       | 6                              | 6                              |
| Average Project Rent                                       | 1,232                   | 1,451                   | 1,264                          | 1,296                          |
| Average Market Rent  | 1,713                   | 1,727                   | 1,727                          | 1,727                          |
| Units needed for Targeted AMI's                            | 10,425                  | 1,254                   | 1,254                          | 1,254                          |
| <b>Market Rents</b>  |                         |                         |                                |                                |
| 1-bdrms  | 1,289                   | -                       | -                              | -                              |
| 2-bdrms  | 1,581                   | 1,727                   | 1,727                          | 1,727                          |
| 3-bdrms  | 2,270                   | -                       | -                              | -                              |

| City<br>County<br>Project Name<br>Developer / General Ptnr     | Billings<br>Yellowstone | Billings<br>Yellowstone | Billings/Laurel<br>Yellowstone | Billings/Laurel<br>Yellowstone |  |  |
|--|-------------------------|-------------------------|--------------------------------|--------------------------------|--|--|
|  | Skyview                 | LB Lofts 9%             | LB Lofts 4/Laurel Grdns        | LB/Laurel Combined             |  |  |
|  | GL Development          | Homewood/HAB            |                                | Homewood/HAB                   |  |  |
| <b><u>Development Evaluation Criteria and Selection</u></b>    |                         |                         |                                |                                |  |  |
| <i><u>Lower Income Tenants</u></i>                             |                         |                         |                                |                                |  |  |
| Income and Rent Level Targeting.                               | 60%                     | 52%                     | 60%                            | 60%                            |  |  |
| Project-Based Rental Subsidy.                                  | NO                      | YES                     | YES                            | YES                            |  |  |
| <i><u>Project Characteristics</u></i>                          |                         |                         |                                |                                |  |  |
| Amenities  | Grocery Store           | Grocery & Medical       | Grocery & Medical              | Grocery & Medical              |  |  |
| Small Town / Tribal Designation Area                           | na                      | na                      | na                             | na                             |  |  |
| Affordable Housing Stock                                       | na                      | na                      | Preservation                   | Preservation                   |  |  |
| Historic Preservation  | na                      | na                      | na                             | na                             |  |  |
| <i><u>Local Involvement</u></i>                                |                         |                         |                                |                                |  |  |
| Community Input  | Local Community Input   | Local Community Input   | Local Community Input          | Local Community Input          |  |  |
| QCT / Local Community Revitalization Plan                      | na                      | na                      | na                             | na                             |  |  |
| Communication / Relationships                                  | na                      | na                      | na                             | na                             |  |  |
| <i><u>Green Building and Energy Conservation Standards</u></i> |                         |                         |                                |                                |  |  |
| Meets Requirements   | Meets Requirements      | Meets Requirements      | Meets Requirements             | Meets Requirements             |  |  |
| <i><u>Tenant Populations with Special Housing Needs</u></i>    |                         |                         |                                |                                |  |  |
| Family Projects  | Family Project          | Family Project          | Family Project                 | Family Project                 |  |  |
| Elderly Projects   | na                      | na                      | Elderly Project                | Elderly Project                |  |  |

| City<br>County<br>Project Name<br>Developer / General Ptnr | Missoula<br>Missoula                      | Polson<br>Lake County               | Dillon<br>Beaverhead                 |
|--|---|-------------------------------------|--------------------------------------|
|  | Opportunity Place<br>42-44 Developers LLC | Polson Gardens<br>Housing Solutions | The Homestead<br>The Housing Company |
|  |   |                                     |                                      |
| Set-aside  | Non-Profit                                | General                             | Non-Profit                           |
| HC Requested   | 6,500,000                                 | 6,500,000                           | 6,500,000                            |
| Project Type   | Family                                    | Elderly                             | Elderly                              |
| Construction Type  | New Const                                 | New Const                           | New Const                            |
| Projected Construction Start                               | Apr-25                                    | Jul-25                              | Apr-25                               |
| Projected Completion                                       | Apr-26                                    | Jul-26                              | Apr-26                               |
| <b>Unit Numbers</b>  | <b>Target</b>                             |                                     |                                      |
| 1-bdrm   | 30%                                       | -                                   | -                                    |
| 1-bdrm   | 50% (Low HM)                              | -                                   | -                                    |
| 1-bdrm   | 40%                                       | -                                   | 1                                    |
| 1-bdrm   | 50%                                       | 1                                   | 6                                    |
| 1-bdrm   | 60%                                       | 7                                   | 4                                    |
| 1-bdrm   | 70%                                       | 1                                   | -                                    |
| 1-bdrm   | 80%                                       | -                                   | -                                    |
| 2-bdrm   | 30%                                       | -                                   | -                                    |
| 2-bdrm   | 40%                                       | 1                                   | 1                                    |
| 2-bdrm   | 50% (Low HM)                              | -                                   | -                                    |
| 2-bdrm   | 50%                                       | -                                   | 7                                    |
| 2-bdrm   | 60%                                       | 13                                  | 4                                    |
| 2-bdrm   | 70%                                       | -                                   | -                                    |
| 2-bdrm   | 80%                                       | 1                                   | -                                    |
| 2-bdrm   | 0%  | -                                   | -                                    |
| 2-bdrm   | 0%  | -                                   | -                                    |
| 3-bdrm   | 40%                                       | -                                   | -                                    |
| 3-bdrm   | 50% (Low HM)                              | -                                   | -                                    |
| 3-bdrm   | 60%                                       | -                                   | -                                    |
| 3-bdrm   | 80%                                       | -                                   | -                                    |
| 4-bdrm   | 60%                                       | -                                   | -                                    |
| other  | mkt                                       | -                                   | -                                    |
| other  | mgr(60%)                                  | -                                   | 1                                    |
| Total Units  |   | 24                                  | 24                                   |
| Average Income Targeting                                   |   | 60.00%                              | 52.92%                               |
|  |   |                                     | 51.00%                               |

| City<br>County<br>Project Name<br>Developer / General Ptnr | Missoula                                  | Polson                              | Dillon                               |
|--|---|-------------------------------------|--------------------------------------|
|  | Missoula                                  | Lake County                         | Beaverhead                           |
|  | Opportunity Place<br>42-44 Developers LLC | Polson Gardens<br>Housing Solutions | The Homestead<br>The Housing Company |
| <b><u>Square Footage</u></b>                               |   |                                     |                                      |
| Income Restricted Units                                    | 28,104                                    | 18,179                              | 13,000                               |
| Managers Unit(s)   | -   | 649                                 | -                                    |
| Supportive Services  | 1,672                                     | -                                   | 200                                  |
| Common Space   | 9,908                                     | 572                                 | 4,000                                |
| Market/Commercial  | -   | -                                   | -                                    |
| Total  | 39,684                                    | 19,400                              | 17,200                               |
| <b><u>Unit Rents</u></b>                                   |   |                                     |                                      |
| 1-bdrm 30%   | -   | -                                   | 389                                  |
| 1-bdrm 40%   | -   | 645                                 | -                                    |
| 1-bdrm 50% (Low HM)  | -   | -                                   | -                                    |
| 1-bdrm 50%   | 740                                       | 805                                 | 712                                  |
| 1-bdrm 60%   | 909                                       | 915                                 | 873                                  |
| 1-bdrm 70%   | 1,078                                     | -                                   | -                                    |
| 1-bdrm 80%   | -   | -                                   | -                                    |
| 2-bdrm 30%   | -   | -                                   | -                                    |
| 2-bdrm 40%   | 676                                       | 770                                 | -                                    |
| 2-bdrm 50% (Low HM)  | -   | -                                   | -                                    |
| 2-bdrm 50%   | -   | 965                                 | -                                    |
| 2-bdrm 60%   | 1,082                                     | 1,050                               | -                                    |
| 2-bdrm 70%   | -   | -                                   | -                                    |
| 2-bdrm 80%   | 1,488                                     | -                                   | -                                    |
| 2-bdrm 0%  | -   | -                                   | -                                    |
| 2-bdrm 0%  | -   | -                                   | -                                    |
| 3-bdrm 40%   | -   | -                                   | -                                    |
| 3-bdrm 50% (Low HM)  | -   | -                                   | -                                    |
| 3-bdrm 60%   | -   | -                                   | -                                    |
| 3-bdrm 80%   | -   | -                                   | -                                    |
| 4-bdrm 60%   | -   | -                                   | -                                    |
| other mkt  | -   | -                                   | -                                    |
| other mgr(60%)   | -   | -                                   | -                                    |
| Total Monthly Rents  | 24,411                                    | 20,860                              | 14,560                               |
| vacancy factor   | 7.00%                                     | 7.00%                               | 10.00%                               |
| Adjusted Rent  | 22,702                                    | 19,400                              | 13,104                               |
| other/commercial income                                    | 208                                       | 200                                 | 50                                   |
| total rent   | 22,910                                    | 19,600                              | 13,154                               |
| x 12 months  | 12  | 12                                  | 12                                   |
| Total Annual Income  | 274,923                                   | 235,198                             | 157,848                              |

| City<br>County<br>Project Name<br>Developer / General Ptnr | Missoula<br>Missoula                      | Polson<br>Lake County               | Dillon<br>Beaverhead                 |
|--|---|-------------------------------------|--------------------------------------|
|  | Opportunity Place<br>42-44 Developers LLC | Polson Gardens<br>Housing Solutions | The Homestead<br>The Housing Company |
|  |   |                                     |                                      |
| <b>Expenses</b>  |   |                                     |                                      |
| Administration   | 8,110                                     | 12,300                              | 12,300                               |
| Management   | 27,475                                    | 16,464                              | 6,100                                |
| Maintenance  | 25,500                                    | 19,536                              | 16,550                               |
| Operating  | 67,518                                    | 55,000                              | 51,575                               |
| Taxes  | 25,000                                    | 21,600                              | 32,826                               |
| Replacement Reserve  | 8,400                                     | 8,400                               | 7,000                                |
| Total Expenses   | 162,003                                   | 133,300                             | 126,351                              |
| Net Income Before<br>Debt Service                          | 112,920                                   | 101,897                             | 31,497                               |
| <b>Financing Sources</b>                                   |   |                                     |                                      |
| Hard Loan  | 1,244,567                                 | 1,750,000                           | 420,000                              |
| Hard Loan  | -   | -                                   | -                                    |
| Soft Loan  | -   | -                                   | -                                    |
| Soft Loan  | -   | -                                   | -                                    |
| State HOME   | -   | -                                   | -                                    |
| State CDBG   | -   | -                                   | -                                    |
| State NHTF   | -   | -                                   | 416,096                              |
| Other  | 1,878,455                                 | -                                   | 143,490                              |
| Other  | -   | -                                   | -                                    |
| Other  | -   | -                                   | -                                    |
| Other  | -   | -                                   | -                                    |
| Deferred Dev Fee   | 166,932                                   | 175,497                             | 90,000                               |
| HC Equity Competitive                                      | 5,362,500                                 | 5,361,964                           | 5,491,951                            |
| HC Equity Non-Competitive                                  | -   | -                                   | -                                    |
| Total Sources:   | 8,652,454                                 | 7,287,461                           | 6,561,537                            |
| % of Project Financed by HC:                               | 61.98%                                    | 73.58%                              | 83.70%                               |
| <b>Return on Sale of HTC</b>                               |   |                                     |                                      |
| HTC Requested  | 6,500,000                                 | 6,500,000                           | 6,500,000                            |
| HTC Equity   | 5,362,500                                 | 5,361,964                           | 5,491,951                            |
| HTC Return on Sale   | 0.825                                     | 0.825                               | 0.845                                |

| City<br>County<br>Project Name<br>Developer / General Ptnr | Missoula<br>Missoula                      | Polson<br>Lake County               | Dillon<br>Beaverhead                 |
|--|---|-------------------------------------|--------------------------------------|
|  | Opportunity Place<br>42-44 Developers LLC | Polson Gardens<br>Housing Solutions | The Homestead<br>The Housing Company |
|  |   |                                     |                                      |
| <b><u>Ratios</u></b>                                       |   |                                     |                                      |
| Rent (Income)  | 274,923                                   | 235,198                             | 157,848                              |
| Operating Expenses   | 153,603                                   | 124,900                             | 119,351                              |
| Replacement Reserves                                       | 8,400                                     | 8,400                               | 7,000                                |
| Net Income Available for DS                                | 112,920                                   | 101,897                             | 31,497                               |
| Total Debt Service   | 98,042                                    | 88,716                              | 21,268                               |
| Debt Coverage Ratio (DCR)                                  | 1.15                                      | 1.15                                | 1.48                                 |
| Total Expense Ratio  | 1.06                                      | 1.06                                | 1.07                                 |
| <b><u>Project Costs</u></b>                                |   |                                     |                                      |
| Land   | 5,890                                     | 360,000                             | 550,000                              |
| Building/Acquisition                                       | -   | -                                   | -                                    |
| Site Work  | 503,619                                   | 850,000                             | 525,000                              |
| Construction / Rehab                                       | 6,166,809                                 | 4,070,000                           | 3,568,000                            |
| Soft Costs   | 710,894                                   | 1,021,661                           | 1,195,700                            |
| Developer Fees   | 1,081,060                                 | 875,000                             | 629,125                              |
| Reserves   | 184,182                                   | 110,800                             | 93,712                               |
| Total Project Costs  | 8,652,454                                 | 7,287,461                           | 6,561,537                            |
| Supportive Services Costs                                  | 252,455                                   | -                                   | -                                    |
| Residential Costs  | 8,399,999                                 | 7,287,461                           | 6,561,537                            |
| <b><u>Costs versus Sources</u></b>                         |   |                                     |                                      |
| Total Project Costs  | 8,652,454                                 | 7,287,461                           | 6,561,537                            |
| Total Financing Sources                                    | 8,652,454                                 | 7,287,461                           | 6,561,537                            |
| Difference   | -   | -                                   | -                                    |
| <b><u>Project Cost Limitations</u></b>                     |   |                                     |                                      |
| <b><u>Limits</u></b>                                       |   |                                     |                                      |
| General Requirements                                       | 6.00%                                     | 4.88%                               | 4.62%                                |
| Contractor Overhead  | 2.00%                                     | 1.63%                               | 1.26%                                |
| Contractor Profit  | 6.00%                                     | 4.88%                               | 4.62%                                |
| Developer Fees   | 15.00%                                    | 14.65%                              | 14.73%                               |
| Soft Cost  | 40.00%                                    | 23.41%                              | 35.45%                               |
|  |   |                                     | 39.19%                               |

| City<br>County<br>Project Name<br>Developer / General Ptnr | Missoula<br>Missoula                      | Polson<br>Lake County               | Dillon<br>Beaverhead                 |
|--|---|-------------------------------------|--------------------------------------|
|  | Opportunity Place<br>42-44 Developers LLC | Polson Gardens<br>Housing Solutions | The Homestead<br>The Housing Company |
| <b>Per Unit Comparison</b>                                 |   |                                     |                                      |
| Cost per unit total  | n/a                                       | 360,519                             | 303,644                              |
| Cost per unit residential only                             | \$350,000                                 | 350,000                             | 303,644                              |
| Cost per unit Const / Rehab                                | n/a                                       | 277,935                             | 205,000                              |
| Credits per unit   | n/a                                       | 270,833                             | 270,833                              |
| Operating Cost per unit                                    | \$3,000 min                               | 6,400                               | 5,204                                |
| Replacement Reserves                                       | \$300 min                                 | 350                                 | 350                                  |
| <b>Per Square Foot Comparison</b>                          |   |                                     |                                      |
| Construction / Rehab per sq ft                             |   | 155.40                              | 209.79                               |
| Total Project Cost per sq ft                               |   | 218.03                              | 375.64                               |
| Credits per sq ft  |   | 163.79                              | 335.05                               |
| Credits per sq ft (residential only)                       |   | 231.28                              | 345.23                               |
| <b>Utilities Paid by (Tenant / Owner)</b>                  |   |                                     |                                      |
| Market Study Data:   | Tenant                                    | Owner                               | Tenant                               |
| Vacancy Rates  | 3.5%                                      | 1.2%                                | 2.3%                                 |
| Absorption Rate  | 58.2%                                     | 29.2%                               | 51.6%                                |
| Months to Absorb   | 2   | 2                                   | 4                                    |
| Average Project Rent                                       | 1,142                                     | 869                                 | 822                                  |
| Average Market Rent  | 1,688                                     | 1,283                               | 1,010                                |
| Units needed for Targeted AMI's                            | 2,194                                     | 154                                 | 62                                   |
| <b>Market Rents</b>  |   |                                     |                                      |
| 1-bdrms  | 1,500                                     | 1,035                               | 1,010                                |
| 2-bdrms  | 1,875                                     | 1,530                               | -                                    |
| 3-bdrms  | -   | -                                   | -                                    |

| City<br>County<br>Project Name<br>Developer / General Ptnr     | Missoula<br>Missoula                      | Polson<br>Lake County               | Dillon<br>Beaverhead                 |
|--|---|-------------------------------------|--------------------------------------|
|  | Opportunity Place<br>42-44 Developers LLC | Polson Gardens<br>Housing Solutions | The Homestead<br>The Housing Company |
| <b><u>Development Evaluation Criteria and Selection</u></b>    |   |                                     |                                      |
| <b><u>Lower Income Tenants</u></b>                             |   |                                     |                                      |
| Income and Rent Level Targeting.                               | 60%                                       | 53%                                 | 51%                                  |
| Project-Based Rental Subsidy.                                  | NO  | NO                                  | NO                                   |
| <b><u>Project Characteristics</u></b>                          |   |                                     |                                      |
| Amenities  | Grocery & Medical                         | Grocery & Medical                   | Grocery & Medical                    |
| Small Town / Tribal Designation Area                           | na  | Small & Tribal                      | Small Town                           |
| Affordable Housing Stock                                       | na  | na                                  | na                                   |
| Historic Preservation  | na  | na                                  | na                                   |
| <b><u>Local Involvement</u></b>                                |   |                                     |                                      |
| Community Input  | Local Community Input                     | Local Community Input               | Local Community Input                |
| QCT / Local Community Revitalization Plan                      | na  | na                                  | na                                   |
| Communication / Relationships                                  | Local Entity Participation                | Local Entity Participation          | na                                   |
| <b><u>Green Building and Energy Conservation Standards</u></b> |   |                                     |                                      |
|  | Meets Requirements                        | Meets Requirements                  | Meets Requirements                   |
| <b><u>Tenant Populations with Special Housing Needs</u></b>    |   |                                     |                                      |
| Family Projects  | Family Project                            | na                                  | na                                   |
| Elderly Projects   | na  | Elderly Project                     | Elderly Project                      |

| City<br>County<br>Project Name<br>Developer / General Ptnr | Bozeman<br>Gallatin |                   | Bozeman<br>Gallatin |                   | Bozeman<br>Gallatin |                   |
|--|---------------------|-------------------|---------------------|-------------------|---------------------|-------------------|
|  | Hidden Creek 9      |                   | Hidden Creek 4      |                   | Hidden Cr Combined  |                   |
|  | United Hsing Ptrs   | United Hsing Ptrs | United Hsing Ptrs   | United Hsing Ptrs | United Hsing Ptrs   | United Hsing Ptrs |
| Set-aside  |                     | Non-Profit        |                     | Non-Profit        |                     | Non-Profit        |
| HC Requested   |                     | 6,500,000         |                     | 27,999,530        |                     | 34,499,530        |
| Project Type   |                     | Family            |                     | Family            |                     | Family            |
| Construction Type  |                     | New Const         |                     | New Const         |                     | New Const         |
| Projected Construction Start                               |                     | Aug-25            |                     | Aug-25            |                     | Aug-25            |
| Projected Completion                                       |                     | Oct-26            |                     | Sep-27            |                     | Sep-27            |
| <b>Unit Numbers</b>  | <b>Target</b>       |                   |                     |                   |                     |                   |
| 1-bdrm   | 30%                 | -                 | -                   | -                 | -                   | -                 |
| 1-bdrm   | 50% (Low HM)        | -                 | -                   | -                 | -                   | -                 |
| 1-bdrm   | 40%                 | -                 | -                   | -                 | -                   | -                 |
| 1-bdrm   | 50%                 | -                 | -                   | -                 | -                   | -                 |
| 1-bdrm   | 60%                 | 20                | 68                  | 88                |                     |                   |
| 1-bdrm   | 70%                 | -                 | -                   | -                 | -                   | -                 |
| 1-bdrm   | 80%                 | -                 | -                   | -                 | -                   | -                 |
| 2-bdrm   | 30%                 | -                 | 8                   | 8                 |                     |                   |
| 2-bdrm   | 40%                 | -                 | -                   | -                 | -                   | -                 |
| 2-bdrm   | 50% (Low HM)        | -                 | -                   | -                 | -                   | -                 |
| 2-bdrm   | 50%                 | -                 | -                   | -                 | -                   | -                 |
| 2-bdrm   | 60%                 | -                 | 48                  | 48                |                     |                   |
| 2-bdrm   | 70%                 | -                 | 24                  | 24                |                     |                   |
| 2-bdrm   | 80%                 | -                 | -                   | -                 | -                   | -                 |
| 2-bdrm   | 0%                  | -                 | -                   | -                 | -                   | -                 |
| 2-bdrm   | 0%                  | -                 | -                   | -                 | -                   | -                 |
| 3-bdrm   | 40%                 | -                 | -                   | -                 | -                   | -                 |
| 3-bdrm   | 50% (Low HM)        | -                 | -                   | -                 | -                   | -                 |
| 3-bdrm   | 60%                 | -                 | -                   | -                 | -                   | -                 |
| 3-bdrm   | 80%                 | -                 | -                   | -                 | -                   | -                 |
| 4-bdrm   | 60%                 | -                 | 14                  | 14                |                     |                   |
| other  | mkt                 | -                 | -                   | -                 | -                   | -                 |
| other  | mgt(60%)            | -                 | -                   | -                 | -                   | -                 |
| Total Units  |                     | 20                | 162                 | 182               |                     |                   |
| Average Income Targeting                                   |                     | 60.00%            | 60.00%              | 60.00%            |                     |                   |

| City<br>County<br>Project Name<br>Developer / General Ptnr | Bozeman<br>Gallatin                 | Bozeman<br>Gallatin                 | Bozeman<br>Gallatin                     |
|--|-------------------------------------|-------------------------------------|---|
|  | Hidden Creek 9<br>United Hsing Ptrs | Hidden Creek 4<br>United Hsing Ptrs | Hidden Cr Combined<br>United Hsing Ptrs |
|  |                                     |                                     |   |
| <b><u>Square Footage</u></b>                               |                                     |                                     |   |
| Income Restricted Units                                    | 11,940                              | 127,376                             | 142,453                                 |
| Managers Unit(s)   | -                                   | -                                   | -                                       |
| Supportive Services  | -                                   | -                                   | -                                       |
| Common Space   | 2,520                               | 2,520                               | 19,602                                  |
| Market/Commercial  | -                                   | -                                   | -                                       |
| Total  | 14,460                              | 129,896                             | 162,055                                 |
| <b><u>Unit Rents</u></b>                                   |                                     |                                     |   |
| 1-bdrm 30%   | -                                   | -                                   | -                                       |
| 1-bdrm 40%   | -                                   | -                                   | -                                       |
| 1-bdrm 50% (Low HM)  | -                                   | -                                   | -                                       |
| 1-bdrm 50%   | -                                   | -                                   | -                                       |
| 1-bdrm 60%   | 1,122                               | 1,122                               | 1,127                                   |
| 1-bdrm 70%   | -                                   | -                                   | -                                       |
| 1-bdrm 80%   | -                                   | -                                   | -                                       |
| 2-bdrm 30%   | -                                   | 595                                 | 602                                     |
| 2-bdrm 40%   | -                                   | -                                   | -                                       |
| 2-bdrm 50% (Low HM)  | -                                   | -                                   | -                                       |
| 2-bdrm 50%   | -                                   | -                                   | -                                       |
| 2-bdrm 60%   | -                                   | 1,331                               | 1,338                                   |
| 2-bdrm 70%   | -                                   | 1,576                               | 1,583                                   |
| 2-bdrm 80%   | -                                   | -                                   | -                                       |
| 2-bdrm 0%  | -                                   | -                                   | -                                       |
| 2-bdrm 0%  | -                                   | -                                   | -                                       |
| 3-bdrm 40%   | -                                   | -                                   | -                                       |
| 3-bdrm 50% (Low HM)  | -                                   | -                                   | -                                       |
| 3-bdrm 60%   | -                                   | -                                   | -                                       |
| 3-bdrm 80%   | -                                   | -                                   | -                                       |
| 4-bdrm 60%   | -                                   | 1,682                               | 1,694                                   |
| other mkt  | -                                   | -                                   | -                                       |
| other mgr(60%)   | -                                   | -                                   | -                                       |
| Total Monthly Rents  | 22,440                              | 206,316                             | 229,924                                 |
| vacancy factor   | 5.00%                               | 5.00%                               | 5.00%                                   |
| Adjusted Rent  | 21,318                              | 196,000                             | 218,428                                 |
| other/commercial income                                    | 701                                 | 5,678                               | 6,379                                   |
| total rent   | 22,019                              | 201,678                             | 224,807                                 |
| x 12 months  | 12                                  | 12                                  | 12                                      |
| Total Annual Income  | 264,228                             | 2,420,139                           | 2,697,683                               |

| City<br>County<br>Project Name<br>Developer / General Ptnr | Bozeman<br>Gallatin<br>Hidden Creek 9<br>United Hsing Ptrs | Bozeman<br>Gallatin<br>Hidden Creek 4<br>United Hsing Ptrs | Bozeman<br>Gallatin<br>Hidden Cr Combined<br>United Hsing Ptrs |
|--|--|--|--|
| <b>Expenses</b>  |  |  |  |
| Administration   | 25,630   | 127,276  | 152,906  |
| Management   | 14,841   | 120,211  | 135,052  |
| Maintenance  | 27,761   | 224,866  | 252,627  |
| Operating  | 53,984   | 431,497  | 485,481  |
| Taxes  | -  | -  | -  |
| Replacement Reserve  | 7,000  | 56,700   | 63,700   |
| <b>Total Expenses</b>                                      | <b>129,216</b>   | <b>960,550</b>   | <b>1,089,766</b>   |
| Net Income Before<br>Debt Service                          | 135,012  | 1,459,589  | 1,607,917  |
| <b>Financing Sources</b>                                   |  |  |  |
| Hard Loan  | 1,075,249  | 16,968,921   | 16,968,921   |
| Hard Loan  | -  | -  | 1,075,249  |
| Soft Loan  | -  | 2,000,000  | 2,000,000  |
| Soft Loan  | -  | 2,000,000  | 2,000,000  |
| State HOME   | -  | -  | -  |
| State CDBG   | -  | -  | -  |
| State NHTF   | -  | 1,900,000  | 1,900,000  |
| Other  | 180,220  | 2,063,411  | 2,063,411  |
| Other  | -  | 2,450,000  | 2,450,000  |
| Other  | -  | 1,459,780  | 1,640,000  |
| Other  | -  | -  | -  |
| Deferred Dev Fee   | -  | 7,105,942  | 7,105,942  |
| HC Equity Competitive                                      | 5,348,500  | -  | 5,348,500  |
| HC Equity Non-Competitive                                  | -  | 23,517,250   | 23,517,250   |
| <b>Total Sources:</b>                                      | <b>6,603,969</b>   | <b>59,465,304</b>  | <b>66,069,273</b>  |
| % of Project Financed by HC:                               | 80.99%   | 39.55%   | 43.69%   |
| <b>Return on Sale of HTC</b>                               |  |  |  |
| HTC Requested  | 6,500,000  | 27,999,530   | 34,499,530   |
| HTC Equity   | 5,348,500  | 23,517,250   | 28,865,750   |
| HTC Return on Sale   | 0.823  | 0.840  | 0.837  |

| City                     | Bozeman<br>Gallatin | Bozeman<br>Gallatin | Bozeman<br>Gallatin |
|--------------------------|---------------------|---------------------|---------------------|
| County                   | Hidden Creek 9      | Hidden Creek 4      | Hidden Cr Combined  |
| Project Name             | United Hsing Ptrs   | United Hsing Ptrs   | United Hsing Ptrs   |
| Developer / General Ptnr |                     |                     |                     |

#### Ratios

|                             |         |           |           |
|-----------------------------|---------|-----------|-----------|
| Rent (Income)               | 264,228 | 2,420,139 | 2,697,683 |
| Operating Expenses          | 122,216 | 903,850   | 1,026,066 |
| Replacement Reserves        | 7,000   | 56,700    | 63,700    |
| Net Income Available for DS | 135,012 | 1,459,589 | 1,607,917 |
| Total Debt Service          | 61,601  | 1,230,222 | 1,291,822 |
| Debt Coverage Ratio (DCR)   | 2.19    | 1.19      | 1.24      |
| Total Expense Ratio         | 1.38    | 1.10      | 1.13      |

#### Project Costs

|                           |           |            |            |
|---------------------------|-----------|------------|------------|
| Land                      | 180,220   | 1,459,780  | 1,640,000  |
| Building/Acquisition      | -         | -          | -          |
| Site Work                 | 259,090   | 4,100,628  | 4,359,718  |
| Construction / Rehab      | 4,302,384 | 36,436,186 | 40,738,570 |
| Soft Costs                | 961,914   | 9,229,032  | 10,190,946 |
| Developer Fees            | 813,000   | 7,317,006  | 8,130,006  |
| Reserves                  | 87,361    | 922,672    | 1,010,033  |
| Total Project Costs       | 6,603,969 | 59,465,304 | 66,069,273 |
| Supportive Services Costs | -         | -          | -          |
| Residential Costs         | 6,603,969 | 59,465,304 | 66,069,273 |

#### Costs versus Sources

|                         |           |            |            |
|-------------------------|-----------|------------|------------|
| Total Project Costs     | 6,603,969 | 59,465,304 | 66,069,273 |
| Total Financing Sources | 6,603,969 | 59,465,304 | 66,069,273 |
| Difference              | -         | -          | -          |

#### Project Cost Limitations

|                      | <u>Limits</u> |        |        |        |
|----------------------|---------------|--------|--------|--------|
| General Requirements | 6.00%         | 4.22%  | 3.84%  | 3.88%  |
| Contractor Overhead  | 2.00%         | 1.41%  | 1.28%  | 1.29%  |
| Contractor Profit    | 6.00%         | 4.22%  | 3.84%  | 3.88%  |
| Developer Fees       | 15.00%        | 15.00% | 14.99% | 14.99% |
| Soft Cost            | 40.00%        | 37.43% | 39.40% | 39.20% |

| City                     | Bozeman<br>Gallatin | Bozeman<br>Gallatin | Bozeman<br>Gallatin |
|--------------------------|---------------------|---------------------|---------------------|
| County                   | Hidden Creek 9      | Hidden Creek 4      | Hidden Cr Combined  |
| Project Name             | United Hsing Ptrs   | United Hsing Ptrs   | United Hsing Ptrs   |
| Developer / General Ptnr |                     |                     |                     |

#### Per Unit Comparison

|                                | <u>Limits</u> |         |         |         |
|--------------------------------|---------------|---------|---------|---------|
| Cost per unit total            | n/a           | 330,198 | 367,070 | 363,018 |
| Cost per unit residential only | \$350,000     | 330,198 | 367,070 | 363,018 |
| Cost per unit Const / Rehab    | n/a           | 222,879 | 244,269 | 241,919 |
| Credits per unit               | n/a           | 325,000 | 172,837 | 189,558 |
| Operating Cost per unit        | \$3,000 min   | 6,111   | 5,579   | 5,638   |
| Replacement Reserves           | \$300 min     | 350     | 350     | 350     |

#### Per Square Foot Comparison

|                                      |        |        |        |
|--------------------------------------|--------|--------|--------|
| Construction / Rehab per sq ft       | 297.54 | 280.50 | 251.39 |
| Total Project Cost per sq ft         | 456.71 | 457.79 | 407.70 |
| Credits per sq ft                    | 449.52 | 215.55 | 212.89 |
| Credits per sq ft (residential only) | 544.39 | 219.82 | 242.18 |

#### Utilities Paid by (Tenant / Owner)

Tenant      Tenant      Tenant

#### Market Study Data:

|                                 |       |         |       |
|---------------------------------|-------|---------|-------|
| Vacancy Rates                   | 2.4%  | 2.4%    | 2.4%  |
| Absorption Rate                 | 47.3% | 4970.0% | 49.7% |
| Months to Absorb                | 1     | 8       | 8     |
| Average Project Rent            | 1,226 | 1,405   | 1,385 |
| Average Market Rent             | 1,909 | 2,192   | 2,192 |
| Units needed for Targeted AMI's | 2,393 | 2,244   | 2,244 |

#### Market Rents

|         |       |       |       |
|---------|-------|-------|-------|
| 1-bdrms | 1,909 | 1,909 | 1,909 |
| 2-bdrms | -     | 2,178 | 2,178 |
| 3-bdrms | -     | 2,490 | 2,490 |

| City                     | Bozeman<br>Gallatin | Bozeman<br>Gallatin | Bozeman<br>Gallatin |
|--------------------------|---------------------|---------------------|---------------------|
| County                   | Hidden Creek 9      | Hidden Creek 4      | Hidden Cr Combined  |
| Project Name             | United Hsing Ptrs   | United Hsing Ptrs   | United Hsing Ptrs   |
| Developer / General Ptnr |                     |                     |                     |

#### Development Evaluation Criteria and Selection

##### Lower Income Tenants

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

##### Project Characteristics

|                                      |                   |               |                   |
|--------------------------------------|-------------------|---------------|-------------------|
| Amenities                            | Grocery & Medical | Grocery Store | Grocery & Medical |
| Small Town / Tribal Designation Area | na                | na            | na                |
| Affordable Housing Stock             | na                | na            | na                |
| Historic Preservation                | na                | na            | na                |

##### Local Involvement

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

##### Green Building and Energy Conservation Standards

Meets Requirements      Meets Requirements      Meets Requirements

##### Tenant Populations with Special Housing Needs

|                  |                |                |                |
|------------------|----------------|----------------|----------------|
| Family Projects  | Family Project | Family Project | Family Project |
| Elderly Projects | na             | na             | na             |

# 10 Year Developer History

| Developer                    | Project Name               | Year Awarded | Actual or Estimated Completion |
|------------------------------|----------------------------|--------------|--------------------------------|
| GL Development, LLC          | Laurel Depot               | 2021         | 2024                           |
|                              | Jackson Court              | 2021         | 2024                           |
|                              | Spruce Grove               | 2022         | 2023                           |
|                              | Mitchell Court             | 2023         | 2025                           |
|                              | Red Alder Residences       | 2019         | 2020                           |
|                              | Cottonwood Creek Villas    | 2018         | 2019                           |
|                              | Roosevelt Villas           | 2017         | 2018                           |
|                              | North Star Apartments      | 2016         | 2017                           |
| Developer                    | Project Name               | Year Awarded | Actual or Estimated Completion |
| Homewood, Inc.               | Alpenglow Apartments       | 2018         | 2020                           |
|                              | Baatz Block Apartments     | 2021         | 2024                           |
|                              | Bluebunch Flats            | 2017         | 2021                           |
|                              | Cedar View Apartments      | 2014         | 2015                           |
|                              | Creekside                  | 2022         | 2026                           |
|                              | Crowley Flats              | 2021         | 2023                           |
|                              | Junegrass Place            | 2021         | 2024                           |
|                              | Larkspur Commons           | 2018         | 2016                           |
|                              | Little Jon                 | 2016         | 2016                           |
|                              | Starner Gardens            | 2018         | 2020                           |
|                              | Sweetgrass Commons         | 2014         | 2016                           |
|                              | Trinity Apartments         | 2021         | 2023                           |
| Developer                    | Project Name               | Year Awarded | Actual or Estimated Completion |
| Opportunity Resources, Inc   | Vista Villas               | 2017         | 2017                           |
|                              |                            |              |                                |
| Developer                    | Project Name               | Year Awarded | Actual or Estimated Completion |
| Housing Solutions, LLC       | Riverstone Senior Residenc | 2023         | 2026                           |
|                              | Carter Commons             | 2022         | 2025                           |
|                              | Creekside Commons          | 2020         | 2024                           |
|                              | Skyview                    | 2019         | 2021                           |
|                              | Meadowlark Vista           | 2018         | 2021                           |
|                              | Polson Landing             | 2017         | 2017                           |
|                              |                            |              |                                |
| Developer                    | Project Name               | Year Awarded | Actual or Estimated Completion |
| The Housing Company          | Pioneer Meadows            | 2019         | 2021                           |
|                              |                            |              |                                |
| Developer                    | Project Name               | Year Awarded | Actual or Estimated Completion |
| United Housing Partners, LLC | Twin Creek                 | 2023         | 2025                           |
|                              | Vista Villa Apartments     | 2017         | 2017                           |
|                              | Fire Tower                 | 2019         | 2022                           |

| Geographic Region | Geographic Location    | Population 2010 | Population 2020 | Population 2023 | Total 4% Bond Homes Created | % of 2020 State Population | % of Statewide 9% Homes |
|-------------------|------------------------|-----------------|-----------------|-----------------|-----------------------------|----------------------------|-------------------------|
| Statewide         | Total                  | 989,415         | 1,084,225       | 1,132,812       | 3,418                       | 100.00%                    | 100.00%                 |
| Beaverhead        | Total                  | 9,246           | 9,371           | 9,885           | 0                           | 0.86%                      | 1.63%                   |
|                   | Dillon                 | 4,134           | 3,880           | 4,176           | 0                           | 0.36%                      | 1.63%                   |
| Big Horn          | Total                  | 12,865          | 13,124          | 12,751          | 0                           | 1.21%                      | 1.79%                   |
|                   | Crow Agency            | 1,616           | 1,657           |                 | 0                           | 0.15%                      | 1.20%                   |
|                   | Hardin                 | 3,505           | 3,818           | 3,709           | 0                           | 0.35%                      | 0.59%                   |
| Blaine            | Total                  | 6,491           | 7,044           | 6,899           | 0                           | 0.65%                      | 1.63%                   |
|                   | Chinook                | 1,203           | 1,185           | 1,160           | 0                           | 0.11%                      | 0.18%                   |
|                   | Fort Belknap           | 1,293           | 1,567           |                 | 0                           | 0.14%                      | 1.29%                   |
|                   | Hays                   | 843             | 996             |                 | 0                           | 0.09%                      | 0.16%                   |
| Carbon            | Total                  | 10,078          | 10,473          | 11,419          | 12                          | 0.97%                      | 0.49%                   |
|                   | Joliet                 | 595             | 577             | 620             | 12                          | 0.05%                      | 0.01%                   |
|                   | Red Lodge              | 2,125           | 2,257           | 2,610           | 0                           | 0.21%                      | 0.47%                   |
| Cascade           | Total                  | 81,327          | 84,414          | 84,900          | 349                         | 7.79%                      | 7.38%                   |
|                   | Great Falls            | 58,505          | 60,442          | 60,422          | 349                         | 5.57%                      | 7.38%                   |
| Chouteau          | Total                  | 5,813           | 5,895           | 5,847           | 0                           | 0.54%                      | 0.15%                   |
|                   | Fort Benton            | 1,464           | 1,449           | 1,425           | 0                           | 0.13%                      | 0.15%                   |
| Custer            | Total                  | 11,699          | 11,867          | 11,985          | 0                           | 1.09%                      | 0.78%                   |
|                   | Miles City             | 8,410           | 8,354           | 8,438           | 0                           | 0.77%                      | 0.78%                   |
| Daniels           | Total                  | 1,751           | 1,661           | 1,633           | 0                           | 0.15%                      | 0.16%                   |
|                   | Scobey                 | 1,017           | 999             | 983             | 0                           | 0.09%                      | 0.16%                   |
| Dawson            | Total                  | 8,966           | 8,940           | 8,810           | 0                           | 0.82%                      | 0.41%                   |
|                   | Glendive               | 4,935           | 4,873           | 4,796           | 0                           | 0.45%                      | 0.41%                   |
| Deer Lodge        | Total                  | 9,298           | 9,421           | 9,673           | 0                           | 0.87%                      | 0.15%                   |
|                   | Anaconda               | 9,298           | 9,421           | 9,673           | 0                           | 0.87%                      | 0.15%                   |
| Fergus            | Total                  | 11,586          | 11,446          | 11,772          | 0                           | 1.06%                      | 1.35%                   |
|                   | Lewistown              | 5,901           | 5,952           | 6,149           | 0                           | 0.55%                      | 1.35%                   |
| Flathead          | Total                  | 90,928          | 104,357         | 113,679         | 421                         | 9.63%                      | 10.56%                  |
|                   | Big Fork               | 4,270           | 5,118           |                 | 0                           | 0.47%                      | 0.81%                   |
|                   | Columbia Falls         | 4,688           | 5,308           | 5,723           | 36                          | 0.49%                      | 0.83%                   |
|                   | Kalispell              | 19,927          | 24,558          | 29,886          | 385                         | 2.27%                      | 6.73%                   |
|                   | Whitefish              | 6,357           | 7,751           | 9,163           | 0                           | 0.71%                      | 2.19%                   |
| Gallatin          | Total                  | 89,513          | 118,960         | 126,409         | 727                         | 10.97%                     | 9.18%                   |
|                   | Belgrade               | 7,389           | 10,460          | 12,509          | 0                           | 0.96%                      | 1.36%                   |
|                   | Big Sky                | 2,308           | 3,591           |                 | 0                           | 0.33%                      | 0.37%                   |
|                   | Bozeman                | 37,280          | 53,293          | 57,305          | 727                         | 4.92%                      | 6.98%                   |
|                   | Manhattan              | 1,520           | 2,086           | 2,109           | 0                           | 0.19%                      | 0.24%                   |
|                   | Belgrade.              |                 |                 |                 | 0                           |                            | 0.24%                   |
| Glacier           | Total                  | 13,399          | 13,778          | 13,609          | 0                           | 1.27%                      | 3.21%                   |
|                   | Browning               | 1,016           | 1,018           | 1,005           | 0                           | 0.09%                      | 2.20%                   |
|                   | Browning & Heart Butte |                 |                 |                 | 0                           |                            | 0.52%                   |
|                   | Cut Bank               | 2,869           | 3,056           | 3,017           | 0                           | 0.28%                      | 0.21%                   |
|                   | Cutbank                |                 |                 |                 | 0                           |                            | 0.28%                   |
| Hill              | Total                  | 16,096          | 16,309          | 16,276          | 0                           | 1.50%                      | 3.33%                   |
|                   | Box Elder              | 87              | 85              |                 | 0                           | 0.01%                      | 0.49%                   |
|                   | Havre                  | 9,310           | 9,362           | 9,330           | 0                           | 0.86%                      | 2.84%                   |

Population Source: Data compiled 9/12/2024 by the Research & Information Services Bureau (RIS), MT Dept of Commerce.

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet.

Population 2010, Population 2020, Population 2023, Total 4% Bond Homes Created, Number of 9% HC Projects, Total 9% HC Homes Created, Percent of State 9% Units and % of 2020 State Population broken down by Geographic Region and Geographic Location. Filtered by Active and Comp Fulfilled. Credit Type filtered keeping 4% and 9%.

| Geographic Region | Geographic Location    | Population 2010 | Population 2020 | Population 2023 | Total 4% Bond Homes Created | % of 2020 State Population | % of Statewide 9% Homes |
|-------------------|------------------------|-----------------|-----------------|-----------------|-----------------------------|----------------------------|-------------------------|
| Lake              | Total                  | 28,746          | 31,134          | 33,338          | 0                           | 2.87%                      | 4.94%                   |
|                   | Arlee                  | 636             | 720             |                 | 0                           | 0.07%                      | 0.15%                   |
|                   | Elmo                   | 180             | 244             |                 | 0                           | 0.02%                      | 0.15%                   |
|                   | Pablo                  | 2,254           | 2,138           |                 | 0                           | 0.20%                      | 1.49%                   |
|                   | Polson                 | 4,488           | 5,148           | 5,613           | 0                           | 0.47%                      | 2.03%                   |
|                   | Ronan                  | 1,871           | 1,955           | 2,172           | 0                           | 0.18%                      | 0.99%                   |
|                   | St. Ignatius           | 842             | 768             | 820             | 0                           | 0.07%                      | 0.13%                   |
| Lewis and Clark   | Total                  | 63,395          | 70,973          | 75,011          | 48                          | 6.55%                      | 8.97%                   |
|                   | Fort Harrison (Helena) |                 |                 |                 | 0                           |                            | 0.62%                   |
|                   | Helena                 | 28,190          | 32,091          | 34,464          | 48                          | 2.96%                      | 8.35%                   |
| Lincoln           | Total                  | 19,687          | 19,677          | 21,895          | 0                           | 1.81%                      | 0.86%                   |
|                   | Libby                  | 2,628           | 2,775           | 3,169           | 0                           | 0.26%                      | 0.86%                   |
| Madison           | Total                  | 7,691           | 8,623           | 1,676           | 0                           | 0.80%                      | 0.71%                   |
|                   | Big Sky                | 2,308           | 3,591           |                 | 0                           | 0.33%                      | 0.71%                   |
| Meagher           | Total                  | 1,891           | 1,927           | 2,071           | 0                           | 0.18%                      | 0.15%                   |
|                   | White Sulphur Springs  | 939             | 955             | 1,022           | 0                           | 0.09%                      | 0.15%                   |
| Mineral           | Total                  | 4,223           | 4,535           | 5,090           | 0                           | 0.42%                      | 0.47%                   |
|                   | St. Regis              | 319             | 313             |                 | 0                           | 0.03%                      | 0.12%                   |
|                   | Superior               | 812             | 830             | 925             | 0                           | 0.08%                      | 0.35%                   |
| Missoula          | Total                  | 109,299         | 117,922         | 121,849         | 667                         | 10.88%                     | 13.16%                  |
|                   | Lolo                   | 3,892           | 4,399           |                 | 0                           | 0.41%                      | 0.59%                   |
|                   | Missoula               | 66,788          | 73,489          | 77,757          | 667                         | 6.78%                      | 12.57%                  |
| Park              | Total                  | 15,636          | 17,191          | 17,903          | 89                          | 1.59%                      | 1.67%                   |
|                   | Livingston             | 7,044           | 8,040           | 8,908           | 89                          | 0.74%                      | 1.67%                   |
| Petroleum         | Total                  | 494             | 496             | 554             | 0                           | 0.05%                      | 0.09%                   |
|                   | Winnett                | 182             | 188             | 209             | 0                           | 0.02%                      | 0.09%                   |
| Phillips          | Total                  | 4,253           | 4,217           | 4,249           | 0                           | 0.39%                      | 0.47%                   |
|                   | Malta                  | 1,997           | 1,860           | 1,872           | 0                           | 0.17%                      | 0.47%                   |
| Powell            | Total                  | 7,027           | 6,946           | 7,133           | 24                          | 0.64%                      | 0.67%                   |
|                   | Deer Lodge             | 3,111           | 2,938           | 3,030           | 24                          | 0.27%                      | 0.67%                   |
| Ravalli           | Total                  | 40,212          | 44,174          | 47,738          | 112                         | 4.07%                      | 3.47%                   |
|                   | Corvallis              | 976             | 1,125           |                 | 36                          | 0.10%                      | 0.00%                   |
|                   | Darby                  | 720             | 783             | 860             | 16                          | 0.07%                      | 0.00%                   |
|                   | Hamilton               | 4,348           | 4,659           | 5,268           | 60                          | 0.43%                      | 2.79%                   |
|                   | Stevensville           | 1,809           | 2,002           | 2,210           | 0                           | 0.18%                      | 0.68%                   |
| Richland          | Total                  | 9,746           | 11,491          | 11,173          | 0                           | 1.06%                      | 0.83%                   |
|                   | Sidney                 | 5,191           | 6,346           | 6,112           | 0                           | 0.59%                      | 0.83%                   |
| Roosevelt         | Total                  | 10,425          | 10,794          | 10,319          | 0                           | 1.00%                      | 1.63%                   |
|                   | Poplar                 | 810             | 758             | 727             | 0                           | 0.07%                      | 0.62%                   |
|                   | Poplar/Wolf Point      |                 |                 |                 | 0                           |                            | 0.35%                   |
|                   | Wolf Point             | 2,621           | 2,517           | 2,517           | 0                           | 0.23%                      | 0.41%                   |
|                   | Wolf Point/Culbertson  |                 |                 |                 | 0                           |                            | 0.24%                   |
| Rosebud           | Total                  | 9,233           | 8,329           | 8,160           | 0                           | 0.77%                      | 1.05%                   |
|                   | Forsyth                | 1,777           | 1,647           | 1,616           | 0                           | 0.15%                      | 0.53%                   |
|                   | Lame Deer              | 2,052           | 1,897           |                 | 0                           | 0.17%                      | 0.52%                   |
| Sanders           | Total                  | 11,413          | 12,400          | 13,684          | 0                           | 1.14%                      | 0.13%                   |

Population Source: Data compiled 9/12/2024 by the Research & Information Services Bureau (RIS), MT Dept of Commerce.

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet.

Population 2010, Population 2020, Population 2023, Total 4% Bond Homes Created, Number of 9% HC Projects, Total 9% HC Homes Created, Percent of State 9% Units and % of 2020 State Population broken down by Geographic Region and Geographic Location. Filtered by Active and Comp Fulfilled. Credit Type filtered keeping 4% and 9%.

| Geographic Region | Geographic Location | Population 2010 | Population 2020 | Population 2023 | Total 4% Bond Homes Created | % of 2020 State Population | % of Statewide 9% Homes |
|-------------------|---------------------|-----------------|-----------------|-----------------|-----------------------------|----------------------------|-------------------------|
| Sanders           | Plains              | 1,048           | 1,106           | 1,222           | 0                           | 0.10%                      | 0.13%                   |
| Sheridan          | Total               | 3,384           | 3,539           | 3,498           | 0                           | 0.33%                      | 0.06%                   |
|                   | Medicine Lake       | 225             | 244             | 244             | 0                           | 0.02%                      | 0.06%                   |
| Silver Bow        | Total               | 34,200          | 35,133          | 36,360          | 434                         | 3.24%                      | 2.74%                   |
|                   | Butte               | 33,525          | 34,494          | 35,701          | 434                         | 3.18%                      | 2.74%                   |
| Stillwater        | Total               | 9,117           | 8,963           | 9,173           | 0                           | 0.83%                      | 0.95%                   |
|                   | Absarokee           | 1,150           | 1,000           |                 | 0                           | 0.09%                      | 0.95%                   |
| Sweet Grass       | Total               | 3,651           | 3,678           | 3,763           | 0                           | 0.34%                      | 0.35%                   |
|                   | Big Timber          | 1,641           | 1,650           | 1,686           | 0                           | 0.15%                      | 0.35%                   |
| Toole             | Total               | 5,324           | 4,971           | 5,133           | 0                           | 0.46%                      | 0.35%                   |
|                   | Shelby              | 3,376           | 3,169           | 3,270           | 0                           | 0.29%                      | 0.35%                   |
| Treasure          | Total               | 718             | 762             | 772             | 0                           | 0.07%                      | 0.18%                   |
|                   | Hysham              | 312             | 276             | 278             | 0                           | 0.03%                      | 0.18%                   |
| Valley            | Total               | 7,369           | 7,578           | 7,474           | 0                           | 0.70%                      | 0.09%                   |
|                   | Glasgow             | 3,250           | 3,202           | 3,180           | 0                           | 0.30%                      | 0.09%                   |
| Yellowstone       | Total               | 147,972         | 164,731         | 170,843         | 535                         | 15.19%                     | 13.31%                  |
|                   | Billings            | 104,170         | 117,116         | 120,864         | 485                         | 10.80%                     | 12.43%                  |
|                   | Laurel              | 6,718           | 7,222           | 7,193           | 50                          | 0.67%                      | 0.87%                   |
| Jefferson         | Total               | 11,406          | 12,085          | 13,048          | 0                           | 1.11%                      | 0.53%                   |
|                   | Boulder             | 1,183           | 1,201           | 1,283           | 0                           | 0.11%                      | 0.53%                   |

Population Source: Data compiled 9/12/2024 by the Research & Information Services Bureau (RIS), MT Dept of Commerce.

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet.

Population 2010, Population 2020, Population 2023, Total 4% Bond Homes Created, Number of 9% HC Projects, Total 9% HC Homes Created, Percent of State 9% Units and % of 2020 State Population broken down by Geographic Region and Geographic Location. Filtered by Active and Comp Fulfilled. Credit Type filtered keeping 4% and 9%.

## No. of Units by Project Name - Last 10 Years

| Credit Year | Credit Type | Project Name   | City                  | No. of Units |
|-------------|-------------|--|-----------------------|--------------|
| 2015        | 4%          | Larkspur Commons 4%                                    | Bozeman               | 136          |
|             | 9%          | Antelope Court   | Havre                 | 30           |
|             |             | Cascade Ridge II (See Add'L Credits In 2016)           | Great Falls           | 16           |
|             |             | Gallatin Forks   | Manhattan             | 16           |
|             |             | Guardian Apartments                                    | Helena                | 118          |
|             |             | River Ridge  | Missoula              | 70           |
|             |             | Stoneridge Apartments                                  | Bozeman               | 47           |
|             |             | Sweet Grass Commons                                    | Missoula              | 27           |
| 2016        | 4%          | River Run Apartments 4%                                | Great Falls           | 96           |
|             | 9%          | Big Sky Villas   | Belgrade              | 24           |
|             |             | Cascade Ridge II - Additional Allocation See 2015 Orig | Great Falls           |              |
|             |             | Little Jon Rehab (resyndicated)                        | Big Fork              | 31           |
|             |             | North Star (see add'L credits 2018)                    | Wolf Point            |              |
|             |             | Red Fox  | Billings              | 30           |
|             |             | Valley Villas  | Hamilton              | 34           |
| 2017        | 4%          | Big Sky Manor resynd 4%                                | Kalispell             | 60           |
|             |             | Rockcress 4%   | Great Falls           | 92           |
|             | 9%          | Blackfeet VI   | Browning              | 30           |
|             |             | Gateway Vista  | Billings              | 24           |
|             |             | Polson Landing   | Polson                | 35           |
|             |             | Rockcress 9%   | Great Falls           | 32           |
|             |             | Roosevelt Villas (see add'L credits 2018)              | Wolf Point/Culbertson |              |
| 2018        | 4%          | Copper Ridge 4%  | Butte                 | 32           |
|             |             | Starner Gardens 4%                                     | Billings              | 101          |
|             | 9%          | Bluebunch Flats (see add'l credits 2019)               | Livingston            | 37           |
|             |             | Copper Ridge 9% (includes orig + add'L credit)         | Butte                 | 32           |
|             |             | Cottonwood Creek (see add'l credits 2019)              | Deer Lodge            | 21           |
|             |             | Courtyard Apartments                                   | Kalispell             | 32           |
|             |             | Freedoms Path (refreshed credits fr 2016)              | Ft Harrison (Helena)  | 42           |
|             |             | Meadows Senior   | Lewistown             | 35           |
|             |             | North Star (see orig credits 2016)                     | Wolf Point            | 28           |
|             |             | Roosevelt Villas (see orig credits 2017)               | Wolf Point/Culbertson | 16           |
| 2019        |             | Starner Gardens 9%                                     | Billings              | 40           |
|             | 4%          | Red Alder 4%   | Helena                | 48           |
|             | 9%          | Alpenglow  | Whitefish             | 38           |
|             |             | Bluebunch Flats (see original credits 2018)            | Livingston            | 34           |
|             |             | Chapel Court   | Billings              | 54           |
|             |             | Cottonwood Creek (see orig credits 2018)               | Deer Lodge            |              |
|             |             | Meadowlark Vista                                       | Ronan                 | 24           |
|             |             | Oakwood Village  | Havre                 | 60           |
|             |             | Red Alder 9%   | Helena                | 37           |
| 2020        | 4%          | Arrowleaf Park Apartments 4%                           | Bozeman               | 136          |
|             |             | Elm Street 4%  | Butte                 | 35           |
|             |             | Emporda 4%- Resyd Courtyard I & II                     | Corvallis             | 36           |
|             |             | Leggat 4%  | Butte                 | 30           |
|             |             | Perennial Park Apartments 4%                           | Bozeman               | 96           |

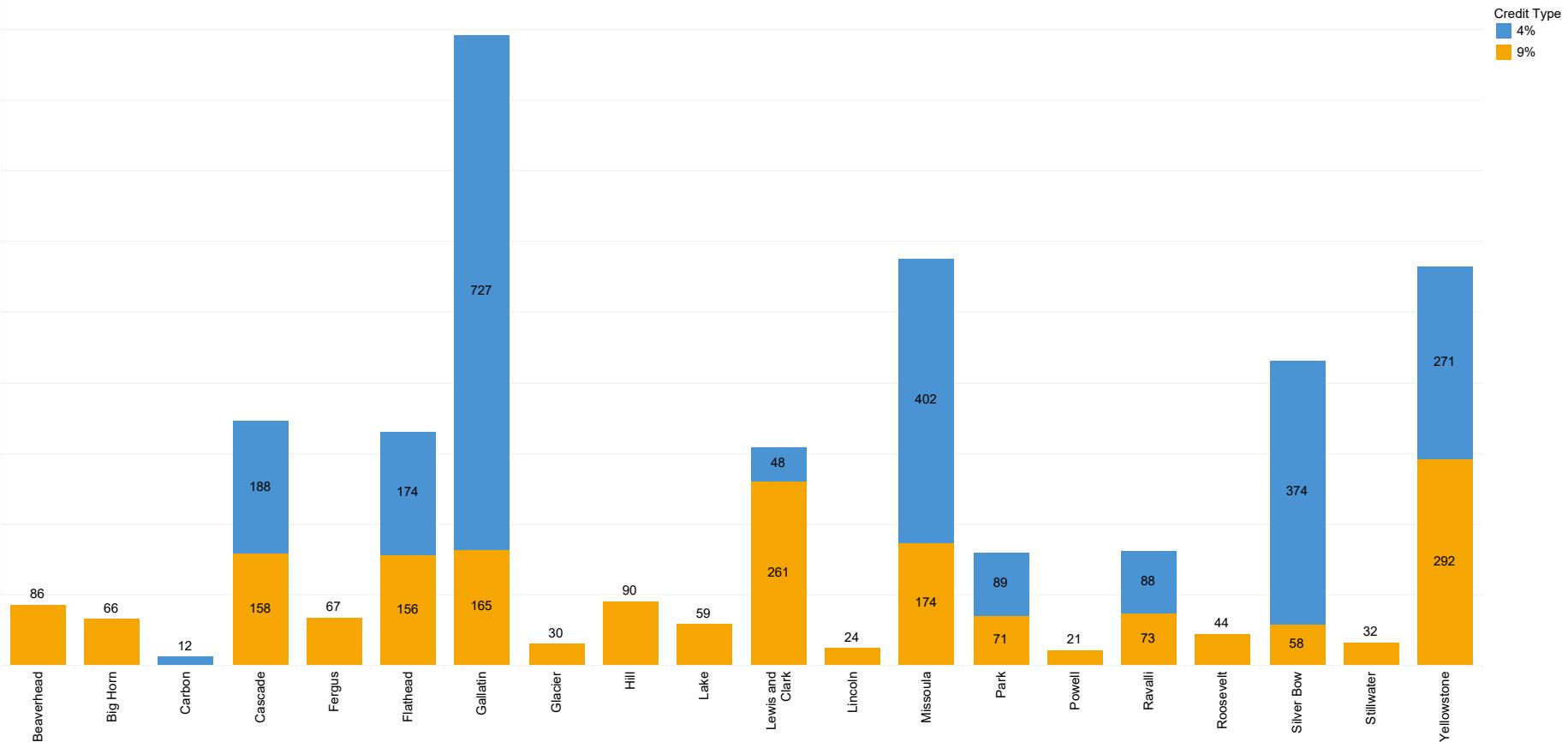
Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2015 to 2024. The ACTIVE or INACTIVE filter keeps Active.

## No. of Units by Project Name - Last 10 Years

| Credit Year | Credit Type | Project Name  | City         | No. of Units |
|-------------|-------------|---|--------------|--------------|
| 2020        | 4%          | Ponderosa Acres 4%  | Billings     | 120          |
|             |             | Rosalie Manor 4%  | Butte        | 65           |
|             |             | Silver Bow 4%   | Butte        | 212          |
|             | 9%          | Burnt Fork Place  | Stevensville | 16           |
|             |             | Fire Tower Apts   | Helena       | 44           |
|             |             | Homestead Lodge   | Absarokee    | 32           |
|             |             | Pioneer Meadows   | Dillon       | 28           |
|             |             | Skyview   | Missoula     | 36           |
|             |             | Timber Ridge Apts (9% of 4/9)                                   | Bozeman      | 30           |
| 2021        | 4%          | Bitterroot Valley Apts (old Bitt Comm2 of 2, 4% of 4/9)**Resyd  | Darby        | 16           |
|             |             | Bitterroot Valley Apts (old Mtn View (1 of 2, 4% of 4/9)**Resyd | Hamilton     | 36           |
|             |             | Boulevards Apts 4%  | Bozeman      | 41           |
|             |             | Castlebar 4%  | Bozeman      | 72           |
|             |             | Darlington Manor Apts 4%  | Bozeman      | 100          |
|             |             | Miles Building 4%   | Livingston   | 40           |
|             |             | Sherwood Apts 4%  | Livingston   | 49           |
|             |             | Trinity 4%  | Missoula     | 202          |
|             |             | Villagio 4%   | Missoula     | 200          |
|             | 9%          | Apsaalooke HA Homes I   | Crow Agency  | 43           |
|             |             | Creekside Commons   | Kalispell    | 31           |
|             |             | Crowley Flats( orig credits see add'l credits above)            | Lewistown    | 16           |
|             |             | Jackson Court 9%  | Billings     | 38           |
|             |             | Laurel Depot  | Laurel       | 19           |
|             |             | MRM Unified Campus  | Billings     | 29           |
| 2022        | 4%          | Comstock Apts (resyn Comstock I, II, II)                        | Bozeman      | 86           |
|             |             | Junegrass Place 4%  | Kalispell    | 114          |
|             |             | Spruce Grove_Joliet 4%  | Joliet       | 12           |
|             |             | Spruce Grove-Laurel 4%  | Laurel       | 50           |
|             | 9%          | Baatz Perm Supp Apts  | Great Falls  | 25           |
|             |             | Bicentennial Apts   | Dillon       | 58           |
|             |             | Crowley Flats (add'l credits see orig below)                    | Lewistown    | 16           |
|             |             | Junegrass Place 9%  | Kalispell    | 24           |
|             |             | Riverview Apts  | Big Sky      | 25           |
|             |             | Tapestry Apts   | Billings     | 26           |
|             |             |   |              |              |
|             |             |   |              |              |
| 2023        | 9%          | ANHA LIHTC #2   | Crow Agency  | 23           |
|             |             | Cabinet Affordable Housing                                      | Libby        | 24           |
|             |             | Carter Commons  | Great Falls  | 25           |
|             |             | Creekside Apartments 9%   | Missoula     | 41           |
|             |             | Meadowlark Senior   | Butte        | 26           |
| 2024        | 9%          | 7th and Aspen 9%  | Bozeman      | 23           |
|             |             | Elmore Roberts  | Great Falls  | 60           |
|             |             | Mitchell Court  | Billings     | 32           |
|             |             | Riverstone Senior Res   | Hamilton     | 23           |
|             |             | Twin Creek Apts 9   | Helena       | 20           |

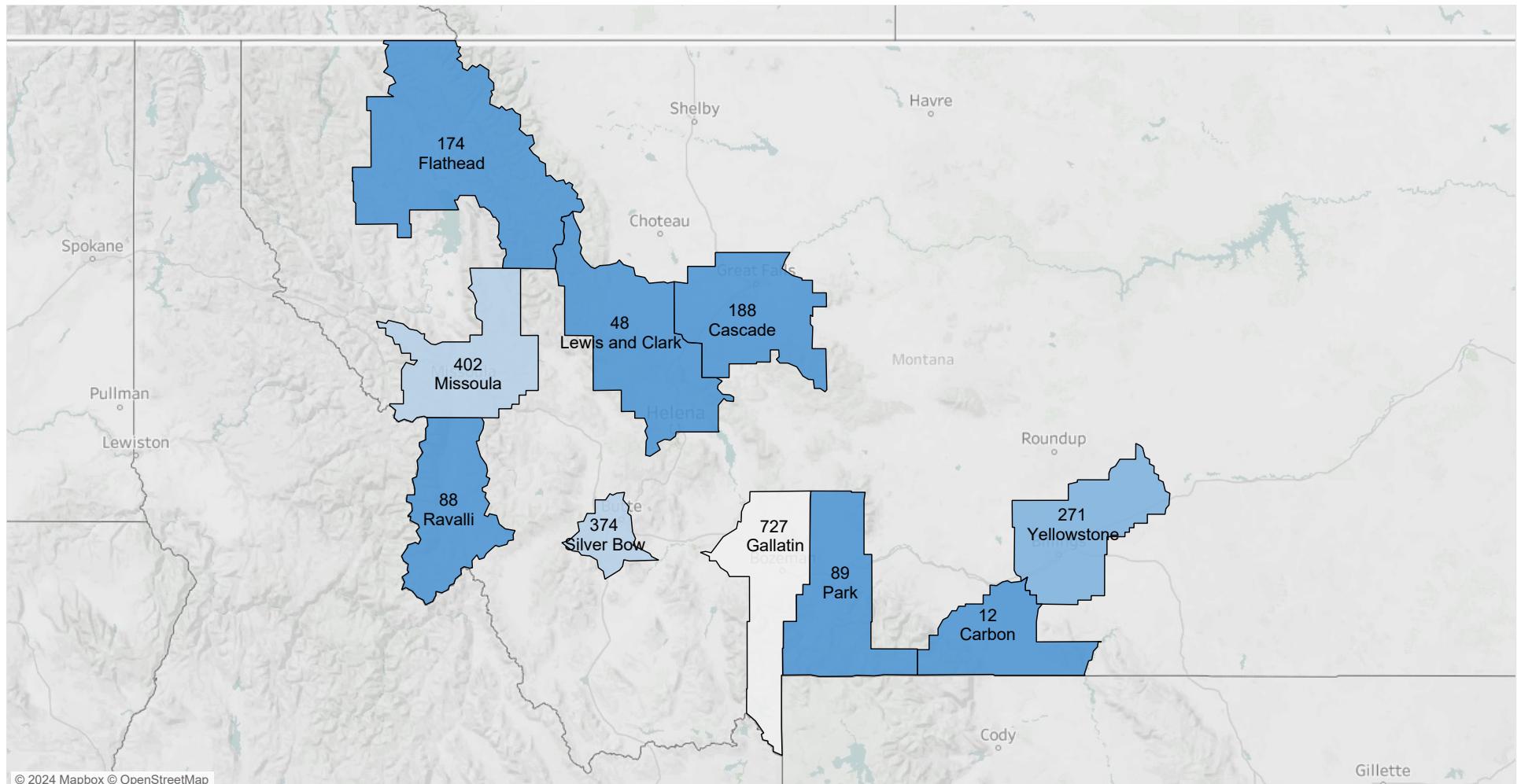
Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2015 to 2024. The ACTIVE or INACTIVE filter keeps Active.

### 4% & 9% Projects by County - Last 10 years



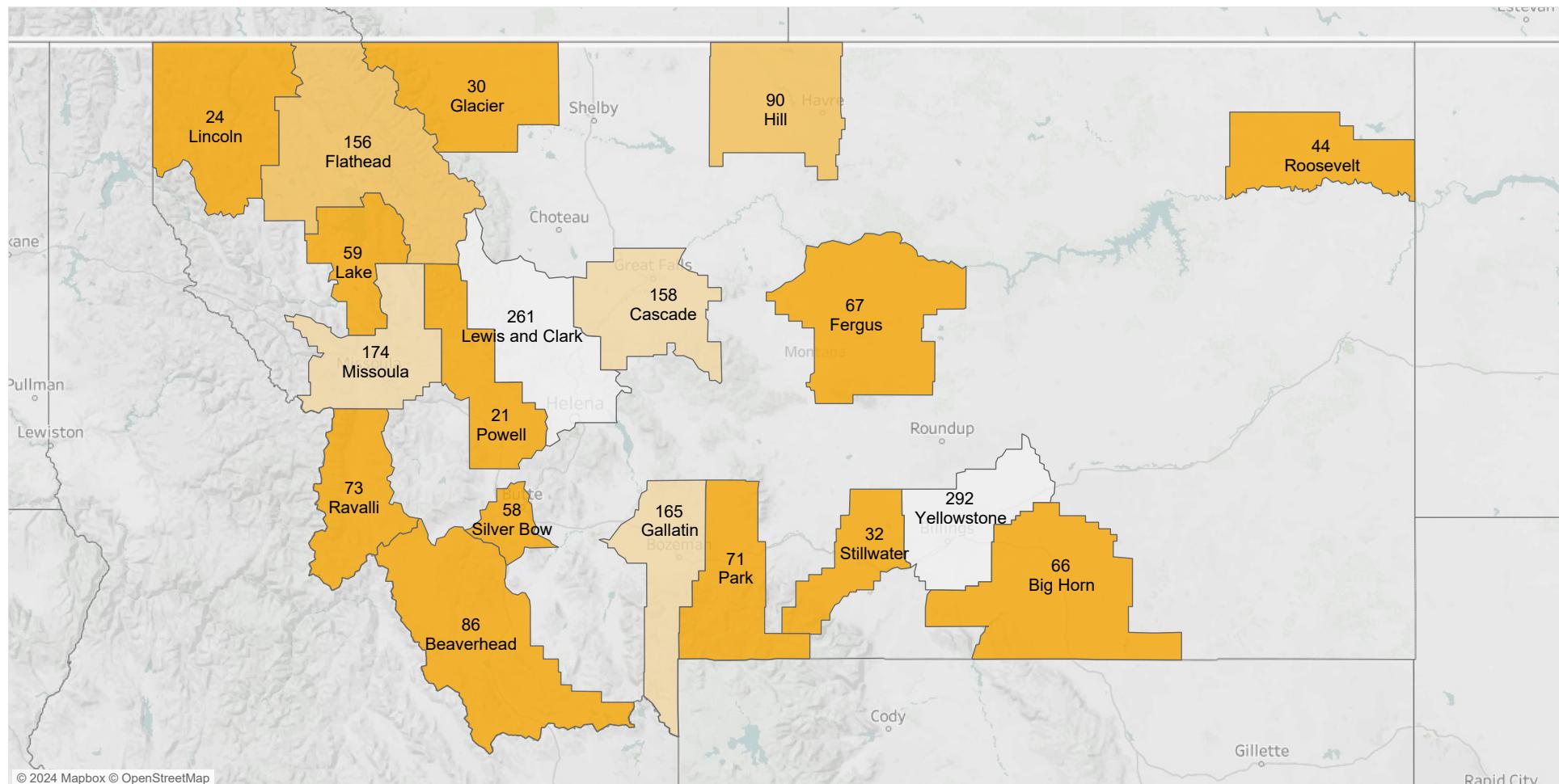
Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units for each County. Color shows details about Credit Type. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2015 to 2024. The ACTIVE or INACTIVE filter keeps Active. The view is filtered on Credit Type, which keeps 4% and 9%.

## No. of units of 4% projects by County - Last 10 Years



Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Map based on Longitude (generated) and Latitude (generated). Color shows sum of No. of Units. The marks are labeled by County and sum of No. of Units. Details are shown for County. The data is filtered on Credit Type, Year Allocated and ACTIVE or INACTIVE. The Credit Type filter keeps 4%. The Year Allocated filter ranges from 2015 to 2022. The ACTIVE or INACTIVE filter keeps Active.

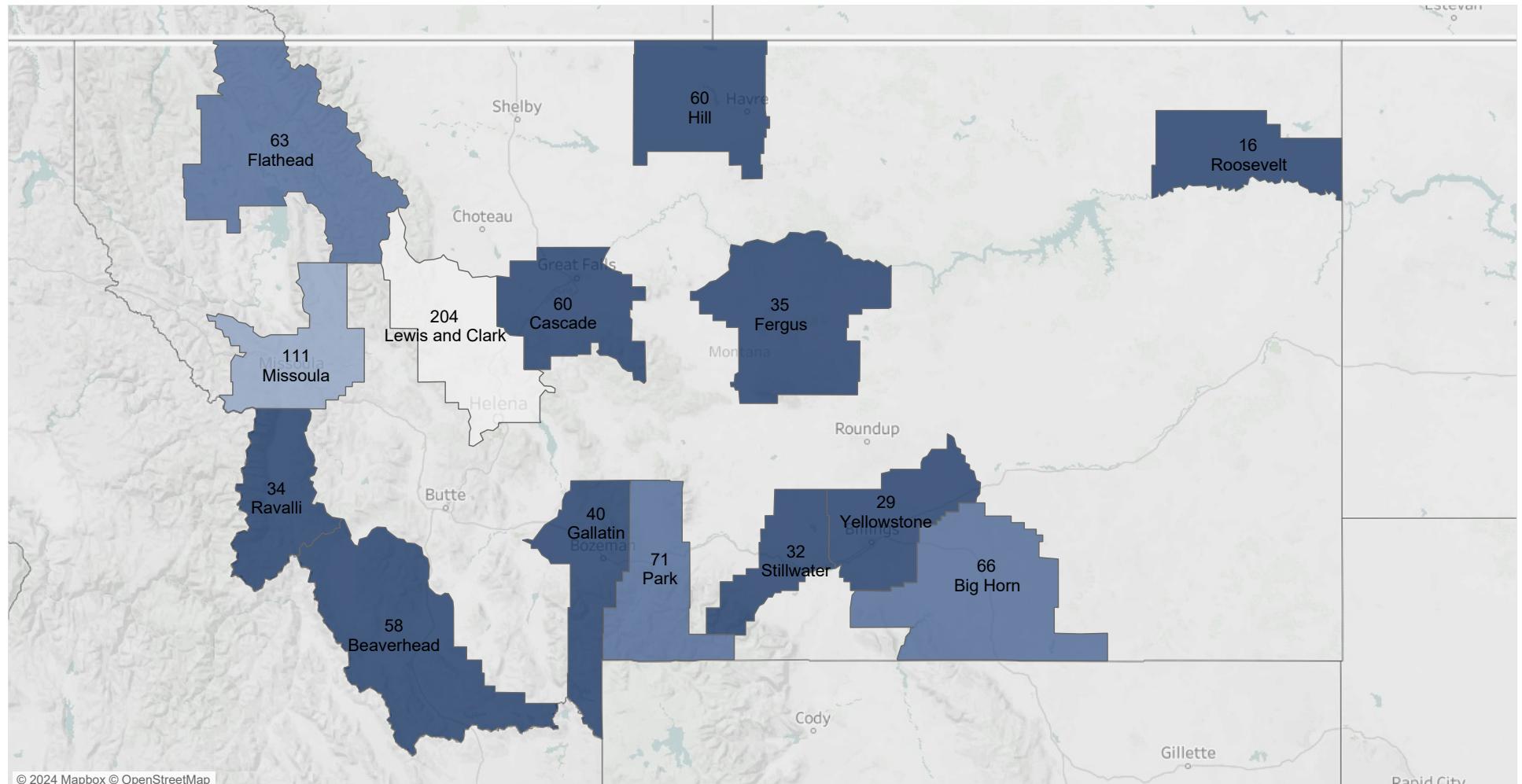
### No. of units of 9% projects by County - Last 10 years



© 2024 Mapbox © OpenStreetMap

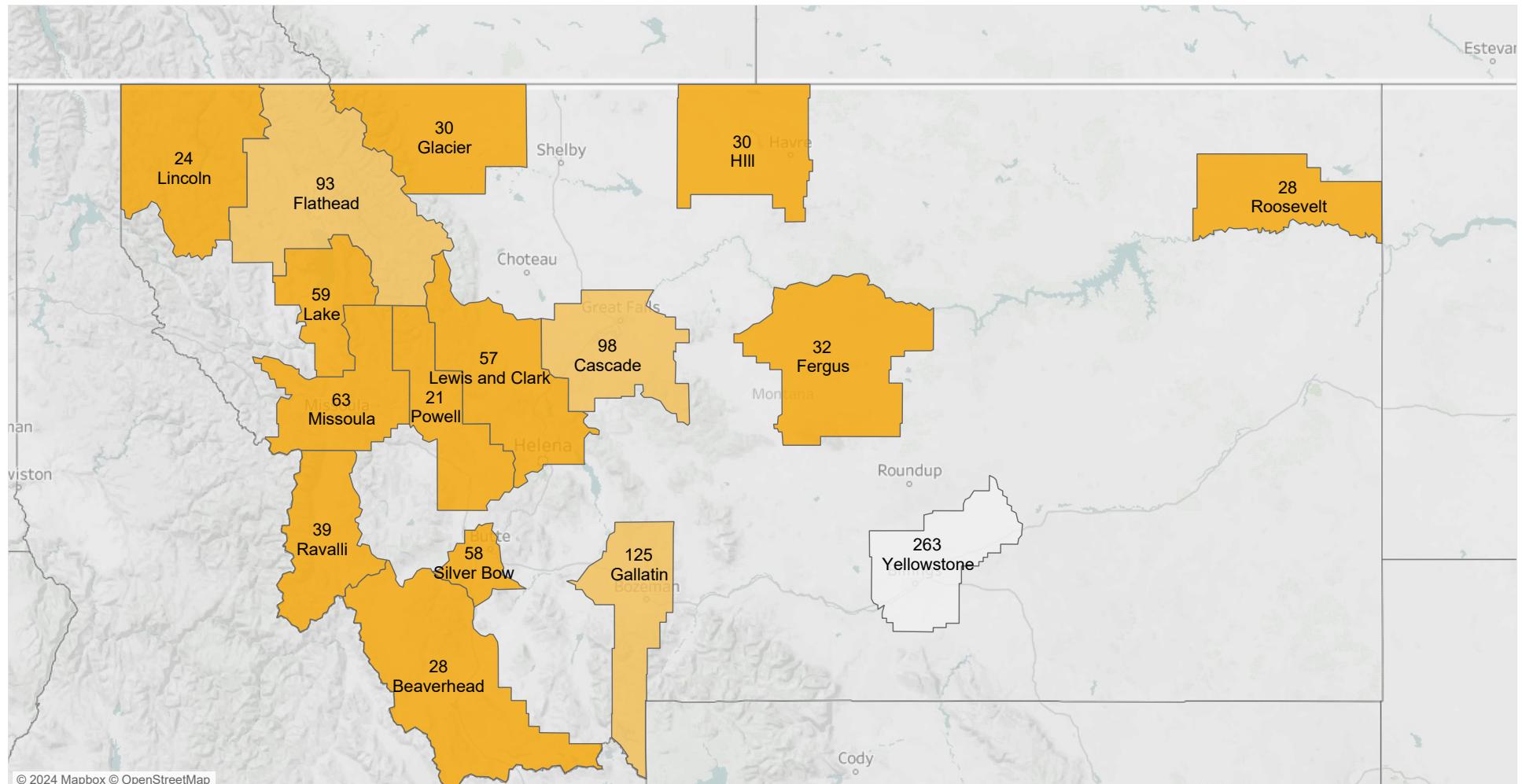
Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Map based on Longitude (generated) and Latitude (generated). Color shows sum of No. of Units. The marks are labeled by sum of No. of Units and County. Details are shown for County. The data is filtered on Credit Type, Year Allocated and ACTIVE or INACTIVE. The Credit Type filter keeps 9%. The Year Allocated filter ranges from 2015 to 2024. The ACTIVE or INACTIVE filter keeps Active.

## No. of Units of Acq/Rehab 9% Projects by County - Last 10 Years



Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Map based on Longitude (generated) and Latitude (generated). Color shows sum of No. of Units. The marks are labeled by County and sum of No. of Units. Details are shown for County. The data is filtered on Credit Type, Year Allocated and ACTIVE or INACTIVE. The Credit Type filter keeps 9%. The Year Allocated filter ranges from 2015 to 2024. The ACTIVE or INACTIVE filter keeps Active.

## No. of Units of New 9% Projects by County - Last 10 Years



Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Map based on Longitude (generated) and Latitude (generated). Color shows sum of No. of Units. The marks are labeled by County and sum of No. of Units. Details are shown for County. The data is filtered on Credit Type, Type of Construction, Year Allocated and ACTIVE or INACTIVE. The Credit Type filter keeps 9%. The Type of Construction filter keeps New Construction. The Year Allocated filter ranges from 2015 to 2024. The ACTIVE or INACTIVE filter keeps Active.

**Montana Housing  
2025 Housing Credit Awards  
\*-small projects/tribal**

**Board Member Tally:**

| <b>Points</b> |        |
|---------------|--------|
| 3             | Top 3  |
| 2             | Next 2 |

| Tally 1 | City | Project Name | POSEY | MCKEE | PARISH | RICE | PLUMMER | YTURRI | GRANT |
|---------|------|--------------|-------|-------|--------|------|---------|--------|-------|
|---------|------|--------------|-------|-------|--------|------|---------|--------|-------|

|          |                   |    |    |    |    |   |    |    |    |    |
|----------|-------------------|----|----|----|----|---|----|----|----|----|
| Missoula | Opportunity Place | 3  | 3  | 3  | 3  |   | 3  | 3  | 18 | NP |
| Billings | LB Lofts          | 3  | 2  | 3  | 3  |   | 3  | 3  | 17 |    |
| Bozeman  | Hidden Creek 9%   | 3  | 3  | 3  | 3  |   | 2  | 2  | 16 |    |
| Polson   | Polson Gardens    | 2  | 3  | 2  | 2  |   | 2  | 3  | 14 |    |
| Dillon   | The Homestead     |    |    |    | 2  |   | 3  | 2  | 7  |    |
| Billings | Skyview           | 2  | 2  | 2  |    |   |    |    | 6  |    |
|          |                   |    |    |    |    |   |    |    | 78 |    |
| Totals:  |                   | 13 | 13 | 13 | 13 | 0 | 13 | 13 | 78 |    |

# Board Agenda Item

Board Meeting: October 22, 2024

## Multifamily Program

### COAL TRUST LOAN APPROVAL

Skyview Residence in Billings, MT

#### **Background:**

Skyview Residences is requesting \$2,400,000 in Coal Trust Multifamily Homes (“CTMH”) permanent loan funding at 4.0725% amortized over 40 years with a 16-year term. Unit income targeting will be 40%, 50%, 60%, and 80% AMI. These will be 26 family units.

#### **Proposal:**

|                             |  |
|-----------------------------|--|
| <b>Borrower:</b>            | Skyview Residences, LLLP                   |
| <b>Program:</b>             | Coal Trust Multifamily Homes Loan Program  |
| <b>Type:</b>                | Permanent Amortizing                       |
| <b>Amount:</b>              | \$2,400,000.00                             |
| <b>Term:</b>                | 16 years                                   |
| <b>Amortization Period:</b> | 40 years                                   |
| <b>Rate:</b>                | 4.0725% based on August 2024 application   |
| <b>Security:</b>            | 1 <sup>ST</sup> lien position non-recourse |



|                                  |  |
|----------------------------------|--|
| <b>Property Taxes:</b>           | Yes, will be subject to property taxes               |
| <b>Loan Fees:</b>                | 1% of Loan amount paid at closing                    |
| <b>Escrows:</b>                  | Will be held with Montana Housing                    |
| <b>Underwriting</b>              |  |
| <b>Assumptions:</b>              | Outlined in Housing Credit Qualified Allocation Plan |
| <b>Closing and Stabilization</b> |  |
| <b>Conditions:</b>               | On or after 3 months of stabilized occupancy         |

**Staff Recommendation (if any):**

Staff supports the proposal noted above.

**Motion Option(s):**

1. Move to approve \$2,400,000 Coal Trust Multifamily Homes Loan in first lien position with a 40-year amortization, 16-year term and at a 4.0725% interest rate that will close on or after 3 months of stabilized occupancy, with the staff's discretion to change loan terms or funding pool if needed
2. No motion, proposal fails



# Board Agenda Item

Board Meeting: October 22, 2024

## Multifamily Program

### COAL TRUST LOAN APPROVAL

Polson Gardens in Polson, MT

#### **Background:**

Polson Gardens is requesting \$1,750,000 in Coal Trust Multifamily Homes (“CTMH”) permanent loan funding at 4.0725% amortized over 40 years with a 16-year term. By providing this loan, the project can support an additional \$650,000 in permanent financing sources relative to what could be achieved using a conventional permanent lender. This CTMH loan makes it possible to bring four more homes to the project. Without the benefit of the additional \$650,000, the project would be stretched at 24 homes and would need to make a reduction to 20 units, similar to what was presented at the LOI stage.

#### **Proposal:**

|                  |   |
|------------------|---|
| <b>Borrower:</b> | Polson Gardens, LLLP                      |
| <b>Program:</b>  | Coal Trust Multifamily Homes Loan Program |
| <b>Type:</b>     | Permanent Amortizing                      |
| <b>Amount:</b>   | \$1,750,000.00                            |



|                                  |  |
|----------------------------------|--|
| <b>Term:</b>                     | 16 years   |
| <b>Amortization Period:</b>      | 40 years   |
| <b>Rate:</b>                     | 4.0725% based on August 2024 application             |
| <b>Security:</b>                 | 1 <sup>ST</sup> lien position non-recourse           |
| <b>Property Taxes:</b>           | Yes, will be subject to property taxes               |
| <b>Loan Fees:</b>                | 1% of Loan amount paid at closing                    |
| <b>Escrows:</b>                  | Will be held with Montana Housing                    |
| <b>Underwriting</b>              |  |
| <b>Assumptions:</b>              | Outlined in Housing Credit Qualified Allocation Plan |
| <b>Closing and Stabilization</b> |  |
| <b>Conditions:</b>               | On or after 3 months of stabilized occupancy         |

**Staff Recommendation (if any):**

Staff supports the proposal noted above.

**Motion Option(s):**

1. Move to approve \$1,750,000 Coal Trust Multifamily Homes Loan in first lien position with a 40-year amortization, 16-year term and at a 4.0725% interest rate that will close on or after 3 months of stabilized occupancy, with the staff's discretion to change loan terms or funding pool if needed
2. No motion, proposal fails



# Board Agenda Item

Board Meeting: October 22, 2024

## Multifamily Program

### COAL TRUST LOAN APPROVAL

The Homestead-Dillon MT

#### **Background:**

The Homestead will include 20 units all one bedroom apartments. Unit AMIs will be targeted 30%, 50%, and 60% of AMI. These units will provide housing for seniors 55 plus.

#### **Proposal:**

|                              |  |
|------------------------------|--|
| <b>Borrower:</b>             | Homestead Apartments, LP                   |
| <b>Program:</b>              | Coal Trust Multifamily Homes Loan Program  |
| <b>Type:</b>                 | Permanent Amortizing                       |
| <b>Amount:</b>               | \$420,000.00                               |
| <b>Term:</b>                 | 16 years                                   |
| <b>Amortization Period:</b>  | 40 years                                   |
| <b>Rate:</b>                 | 4.0025% based on July 2024 application     |
| <b>Security:</b>             | 1 <sup>ST</sup> lien position non-recourse |
| <b>Loan to Total Project</b> | 64%  |



|                                  |  |
|----------------------------------|--|
| <b>Property Taxes:</b>           | Yes, will be subject to property taxes               |
| <b>Loan Fees:</b>                | 1% of Loan amount paid at closing                    |
| <b>Escrows:</b>                  | Will be held with Montana Housing                    |
| <b>Underwriting</b>              |  |
| <b>Assumptions:</b>              | Outlined in Housing Credit Qualified Allocation Plan |
| <b>Closing and Stabilization</b> |  |
| <b>Conditions:</b>               | On or after 3 months of stabilized occupancy         |

**Staff Recommendation (if any):**

Staff supports the proposal noted above.

**Motion Option(s):**

1. Move to approve \$420,000.00 Coal Trust Multifamily Homes Loan in first lien position with a 40-year amortization, 16-year term and at a 4.0025% interest rate that will close on or after 3 months of stabilized occupancy, with the staff's discretion to change loan terms or funding pool if needed
2. No motion, proposal fails



# Board Agenda Item

Board Meeting: October 22, 2024

## Multifamily Program

### **MULTIFAMILY LOAN PROGRAM APPROVAL**

Hidden Creek Apartments in Bozeman, MT

#### **Background:**

Hidden Creek Apartments is requesting \$1,075,249 in the Multifamily Loan Program (“MFLP”) permanent loan funding at 4.00% amortized over 30 years with a 30-year term. Unit income targeting will be 60% for all 20 family units.

#### **Proposal:**

|                             |  |
|-----------------------------|--|
| <b>Borrower:</b>            | United Housing Partners, LLC               |
| <b>Program:</b>             | Multifamily Loan Program                   |
| <b>Type:</b>                | Permanent Amortizing                       |
| <b>Amount:</b>              | \$1,075,249                                |
| <b>Term:</b>                | 30 years                                   |
| <b>Amortization Period:</b> | 30 years                                   |
| <b>Rate:</b>                | 4.00% based on August 2024 application     |
| <b>Security:</b>            | 1 <sup>ST</sup> lien position non-recourse |
| <b>Property Taxes:</b>      | No taxes                                   |



|                                  |  |
|----------------------------------|--|
| <b>Loan Fees:</b>                | 1% of Loan amount paid at closing                    |
| <b>Escrows:</b>                  | Will be held with Montana Housing                    |
| <b>Underwriting</b>              |  |
| <b>Assumptions:</b>              | Outlined in Housing Credit Qualified Allocation Plan |
| <b>Closing and Stabilization</b> |  |
| <b>Conditions:</b>               | On or after 3 months of stabilized occupancy         |

**Staff Recommendation (if any):**

Staff supports the proposal noted above.

**Motion Option(s):**

1. Move to approve \$1,075,249 Multifamily Loan Program in first lien position with a 30-year amortization, 30-year term and at a 4.00% interest rate that will close on or after 3 months of stabilized occupancy, with the staff's discretion to change loan terms or funding pool if needed
2. No motion, proposal fails



# Board Agenda Item

Board Meeting: October 22, 2024

## Multifamily Program

### CREDIT REFRESH

Cabinet Affordable Housing in Libby, MT

**Background:**

Cabinet Affordable Housing located in Libby, is a 9% project awarded \$6,500,000 of 2023 credits. It is being developed by American Covenant Senior Housing Foundation and Community Action Partners of NW Montana.

Cabinet Affordable Housing is requesting a credit refresh that would push their placed in-service date out one year. If approved, the credit refresh would effectively make the 2023 credits, 2024 credits. The placed in-service deadline then would be the end of 2025.

**Staff Recommendation (if any):**

Staff supports the proposal noted above.

**Motion Option(s):**

**Montana Department of Commerce | [commerce.mt.gov](http://commerce.mt.gov) | Montana Board of Housing**  
P.O. Box 200528 | Helena, MT 59620-0528 | Phone: 406-841-2840 | Fax: 406-841-2841  
Montana Relay 711: [dphhs.mt.gov/detd/mtap/traditionalrelayservice](http://dphhs.mt.gov/detd/mtap/traditionalrelayservice)



1. Move to approve the credit refresh from 2023 credits to 2024 credits.
2. No motion, proposal fails





Cabinet Affordable Housing – Libby, Montana

9/18/2024

Mr. Jason Hanson  
Montana Board of Housing  
Multi-family Director

Dear Mr. Hanson:

We would like to request a refresh of credits and moving you from 2023 credits to 2024 credits.

The project suffered under several elements that kept it from going forward earlier because of costs exceeding those under the QAP. We bid the project several time (3) and finally decided to redesign the project costing us several months and certainly more in design costs. Now we face a winter that is estimated to be severe.

We have successfully bid the project and have a bonded contractor. The majority of sub-contractors are from Lincoln County and the Flathead Valley.

We would appreciate this consideration of this modification at your next board meeting.

*Gerald Fritts*

# Board Agenda Item

Board Meeting: October 22, 2024

## Multifamily Program

### BOND RESOLUTION APPROVAL

The Aurora in Billings, MT

**Background:**

The Aurora is a 156-unit family property to be located in Billings, MT. This is a new construction project costing approximately \$264,695 per unit.

Kamaka Affordable Housing is the developer and is requesting a Bond amount not to exceed \$30,000,000. This includes the buffer. AMI's will target 60%.

**Staff Recommendation (if any):**

Staff supports the proposal noted above.

**Motion Option(s):**

1. Move to approve bond resolutions in the amount not to exceed \$30,000,000
2. No motion, proposal fails



MBOH  
301 S. Park Ave.  
P.O Box 200528  
Helena, MT 59620

### **Zimmerman Affordable Housing**

Kamaka Responsible Housing, LLC plans to develop approximately 6.115 acres of land at approximately 3605 Grand Ave Billings, MT 59102 as 156-unit family deal financed with 4% tax credits and tax-exempt bonds. Zimmerman Affordable Housing (the “Community”) will consist of Two, four-story Elevatored buildings with interior corridors that will meet all pertinent zoning requirements. Construction will be wood-frame with four floors of residential over slab on-grade and surface level parking. The Community will consist of 50 one-bedroom units, 72 two-bedroom units and 34 Three-bedroom units. The units will be equipped with washer and dryer hook ups.

On-site Community amenities will consist of access for persons with disabilities, clubhouse, office center, gym, BBQ area, play area and covered parking stalls for an optional fee, with 24-hour emergency maintenance service.

Kamaka will spend approximately \$200,000 per unit in hard cost to construct the new apartment community. The construction is tentatively scheduled to begin September 2024 and finish March 2026. The acquisition and construction of the community will be financed with proceeds from the sale of Low-Income Housing 4% Tax Credits, tax exempt bond and permanent financing.

The community is situated in a perfect location for accessibility to the town and other vital services that are important to the family residents. The location makes this a perfect addition to the underserved affordable housing stock in Billings MT. The community has immediate proximity to key amenities that will elevate the experience of its residents such as grocery stores, pharmacies, public golf courses and Schools.

Amenities will include central heating/air conditioning, quality cabinets, patios/decks, in unit washer and dryer hook ups. The Community will target families who earn 60% of the area’s median income.

There is substantial pent-up demand for affordable housing in the project’s submarket. With anticipated low capture rates for our target renter base, the lease-up of the community is expected to be strong.

As a premier real estate development company, Kamaka will utilize its competitive advantages to ensure maximum development cost and financing efficiencies. As an owner/manager of over 70 apartment communities in the Western States, Wasatch and its affiliates can obtain very competitive local pricing for its construction contracts and materials, which translates to more effective and efficient use of taxpayer dollars.

## MARKET STUDY SUMMARY

|                       |                              |
|-----------------------|------------------------------|
| Market Study Company: | CBRE, Inc.                   |
| Project Name:         | Zimmerman Affordable Housing |
| Project Market Area:  | 3-mile radius                |

Is the project, as proposed, viable?

YES

Average (comparable/acheivable) 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   | \$ 1,250   | 73.0%                 |                    |
| 2 bedroom   | \$ 1,450   | 76.0%                 |                    |
| 3 bedroom   | \$ 1,650   | 76.0%                 |                    |
| 4 bedroom   |  |                       |                    |
| 5 bedroom   |  |                       |                    |
| # of all New Units Needed:  |  | 3,086                 | Reference page: 85 |
| # of units needed for the targeted AMI of the project:                        |  | 782 - 1,704           | Reference page: 85 |
| Vacancy Rate:   |  | 100.0%                | Reference page: 98 |
| Months to Lease-up:   |  | 7                     | Reference page: 99 |
| Capture Rate:   |  | 9.6%                  | Reference page: 86 |
| (projected income eligible tenants who will move in next year/proposed units) |  |                       |                    |
| Absorption Rate:  |  | 8.2%                  | Reference page: 89 |
| (proposed units/existing LIH, market area units required)                     |  |                       |                    |
| Penetration Rate:   |  | 7.4%                  | Reference page: 87 |
| (existing LIH units/total eligible households)                                |  |                       |                    |
| Number of LI households that can afford rent of proposed project:             |  | 2,127                 | Reference page: 84 |
| Distance (miles) to: (only fill this out at full market study)                |  |                       |                    |
| <input type="text"/> 1  | miles to grocery store (convenience store does not count)  |                       |                    |
| <input type="text"/> 1  | miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:  |                       |                    |
| <input type="checkbox"/>  | A Project is located within 1½ miles of the specified amenity or essential service.  |                       |                    |
| <input type="checkbox"/>  | 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 |                       |                    |
| <input type="checkbox"/>  | service to the Project Location (all distances must be as specified in the Project's market study).  |                       |                    |

| NEIGHBORHOOD AMENITIES AND SERVICES |                                       |                       |
|-------------------------------------|---------------------------------------|-----------------------|
| Type                                | Name                                  | Distance from Subject |
| Bank                                | Yellowstone Bank                      | 0.5                   |
|                                     | United Bankers' Bank                  | 0.7                   |
|                                     | Wells Fargo Bank                      | 1.1                   |
|                                     | Valley Credit Union                   | 1.3                   |
| Community Services                  | Community Library at City College     | 2.1                   |
|                                     | Fire Station 7                        | 2.9                   |
|                                     | Paul M Adams Memorial Library         | 3.2                   |
|                                     | Post Office                           | 3.2                   |
|                                     | Police Department                     | 5.3                   |
| Education                           | Arrowhead Elementary School           | 0.8                   |
|                                     | Trailhead Christian Schools           | 1.1                   |
|                                     | Will James Middle School              | 1.3                   |
|                                     | City College at MSU                   | 2.5                   |
|                                     | Billings West High School             | 2.7                   |
|                                     | Rocky Mountain College                | 2.9                   |
| Grocery                             | Albertsons                            | 1.2                   |
|                                     | Isabela Asian Market                  | 2.1                   |
| Healthcare                          | Walgreens Pharmacy                    | 0.5                   |
|                                     | SCL Health St. Vincent Medical Center | 1.0                   |
|                                     | Shiloh Medical Clinic                 | 1.2                   |
|                                     | St Vincent Healthcare                 | 2.5                   |
| Parks & Recreation                  | Poly Vista Park                       | 0.6                   |
|                                     | Boulder Park                          | 0.8                   |
|                                     | Yegen Golf Club                       | 0.8                   |
|                                     | Westwood Park                         | 1.1                   |
| Shopping                            | Ace Hardware                          | 0.4                   |
|                                     | Target                                | 2.3                   |
|                                     | Rimrock Mall                          | 2.6                   |
|                                     | WalMart Supercenter                   | 3.5                   |
| Transportation                      | Billings-Logan International Airport  | 4.3                   |
|                                     | Bus Stop                              | 0.4                   |
|                                     | Town Pump Gas Station                 | 1.0                   |

Compiled by CBRE

## SUMMARY OF CONCLUSIONS

The market for the proposed project is feasible as a LIHTC affordable-housing apartment.

- The subject property is located in a fast-growing and sought-after area of west Billings. The area has experienced significant growth from new market multifamily properties and other commercial developments. There is currently only one competitive LIHTC projects in the PMA with 32 units built in 1973. Most affordable supply is in east Billings and is aging.

- The site is well-located in a neighborhood that is experiencing new infrastructure development including an Albertson's grocery store and Town Pump gas station. Most services are available within two miles of the property.
- The property is part of a thriving area. Montana's economy has performed well, with growth in real GDP in the first quarter of 2023 of 6.0% (annualized). Yellowstone County is one of Montana's fastest growing counties, with a 1.09% average annual growth rate from 2010 to 2023. That growth is projected to continue, but at a slower rate over the next five years.
- 21% of the renter households in Montana are extremely low income and 15,741 rental homes are needed for extremely low-income renters.
- Renter demand in the PMA is strong especially for affordable properties. The occupancy rate for stabilized market rent properties is 95.6%. The occupancy rate for all affordable properties in the PMA is 100.0%. The occupancy rate for affordable properties in the entire Billings market is 94.9%. This rate is impacted by two properties. Jackson Court is new construction in initial lease up and reports occupancy of 7%. Acme Hotel Apartments are undergoing renovation and report occupancy of 84%. The stabilized occupancy for the area is 99.6% with surveyed properties reporting waiting lists and the achievement of maximum allowable rents.
- When the subject enters the market in 2025, considering mobility, there is projected to be a need for an additional 736 to 1,677 units to meet immediate renter demand. Demand in the broader Billings area is even greater.
- Due to the high level of demand for this product in the subject's market area and the surrounding area, we expect the subject will be able to lease to stabilized occupancy in 7 months and achieve maximum allowable rental rates at the 60% of AMI level.
- Population and households in the subject market area have grown over the past decade and are projected to continue to grow over the next five years.
- The subject market area rental rates have increased 33% over the past decade and are projected to grow above the historic average by the end of 2024 after a period of slower growth as new projects come online.
- The subject has one-, two-, and three-bedroom floor plans that support a broad range of renter households.
- The subject's maximum allowable rents are between 73% and 76% of our estimate of market rates for similar properties, depending on the floor plan, which is significantly below market. Most new market rent properties in the area are significantly higher than our estimate due to their rich amenity offerings.
- The subject's capture rate indicates adequate demand exists to absorb the subject's units.
- When the subject property enters the market in 2025, the penetration rate will be 7.4% for the PMA and 3.2% when considering the broader Billings market.

## MARKET VOLATILITY

We draw your attention to a combination of inflationary pressures (leading to higher interest rates) and recent failures/stress in banking systems which have significantly increased the potential for constrained credit markets, negative capital value movements and enhanced volatility in property markets over the short-to-medium term.

Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect this heightened level of volatility and the potential for deteriorating market conditions.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

## CURRENT ECONOMIC CONDITIONS

At its December 2023 meeting, the Federal Reserve held the federal funds rate at a range of 5.25% to 5.50% and indicated it will continue reducing its balance sheet by \$95 billion per month. The Fed reaffirmed its commitment to lowering inflation to its 2.00% target, while also acknowledging that risks (inflation vs. growth) have become more balanced.

Despite headline inflation remaining above the Fed's 2.00% target, core inflation, which excludes food and energy prices, has steadily decreased over the past 12 months. The recent run-up in the 10-year Treasury yield has further tightened financial conditions, which will continue to suppress economic growth and inflation. Commercial real estate investment activity is unlikely to improve until capital sources are confident that interest rates have stabilized, and pricing has fully adjusted.

While opinions vary on future economic issues, the general market consensus at the time of this appraisal is the anticipation of moderating inflation as higher interest rates cool demand. Tighter lending conditions and a weakening economy will keep capital markets activity subdued and reduce leasing demand in the short to medium term. Amid this uncertain and dynamic environment, investment market performance will be uneven across property types.

## EXTRAORDINARY ASSUMPTIONS

An extraordinary assumption is defined as "an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions."<sup>1</sup>

- The restrictive covenants are proposed. We assume the restrictive agreements will be finalized in accordance with the specifications set forth in this report.
- It is assumed the subject property will be compliant with all ADA requirements.

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<sup>1</sup> The Appraisal Foundation, *USPAP, 2020-2021 (Effective January 1, 2022 through December 31, 2022)*

- Based on our interpretation of the city of Billings zoning code, the proposed improvements are legally permissible. As the subject is proposed construction, its plans will go through multiple reviews with city planners. We assume any variances needed from current zoning regulations will be granted and that when complete, the subject will be a legal conforming use.

The extraordinary assumptions used in this report may have affected the results of this assignment. The use of extraordinary assumptions, if found to be false, could alter the appraisers' opinions or conclusions.

## **HYPOTHETICAL CONDITIONS**

A hypothetical condition is defined as "that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis." <sup>2</sup>

- None noted.

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<sup>2</sup> The Appraisal Foundation, *USPAP, 2020-2021*.

|                              |                             |
|------------------------------|-----------------------------|
| County                       | Yellowstone County          |
| Project Name                 | <u>Zimmerman Affordable</u> |
| Developer / General Ptnr     | <u>LLC (DBA- Kamaka</u>     |
| Set-aside                    | General                     |
| HC Requested                 | 15,229,470                  |
| Project Type                 | Family                      |
| Construction Type            | New Const                   |
| Projected Construction Start | Aug-24                      |
| Projected Completion         | Mar-26                      |

| <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%           | 50 |
| 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%           | 72 |
| 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%           | 34 |
| 3-bdrm              | 70%           | -  |
| 3-bdrm              | 80%           | -  |
| 3-bdrm              |               | -  |
| 3-bdrm              |               | -  |
| 4-bdrm              | 20%           | -  |
| 4-bdrm              | 30%           | -  |

| County                   | Yellowstone County<br>Aurora Apts. (AIA)   |         |
|--------------------------|--|---------|
| Project Name             | Zimmerman Affordable<br>Aurora Apts. (AIA) |         |
| Developer / General Ptnr | LLC (DBA- Kamaka)                          |         |
| 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              |  | 156     |
| Average Income Targeting |  | 60.00%  |
| <b>Square Footage</b>    |  |         |
| Income Restricted Units  |  | 138,081 |
| Managers Unit(s)         |  | -       |
| Supportive Services      |  | -       |
| Common Space             |  | 52,533  |
| Market/Commercial        |  | -       |
| Total                    |  | 190,614 |

| <b>Unit Rents</b> |              |       |
|-------------------|--------------|-------|
| 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%          | 1,017 |
| 1-bdrm            | 70%          | -     |
| 1-bdrm            | 80%          | -     |
| 1-bdrm            |              | -     |

| County                   | Yellowstone County<br>Aurora Apts. (AIA)  |           |
|--------------------------|---|-----------|
| Project Name             | Zimmerman Affordable<br>Kamaka Apartments |           |
| Developer / General Ptnr | LLC (DBA- Kamaka)                         |           |
| 1-bdrm                   |   | -         |
| 2-bdrm                   | 20%                                       | -         |
| 2-bdrm                   | 30%                                       | -         |
| 2-bdrm                   | 40%                                       | -         |
| 2-bdrm                   | 50% (Low HM)                              | -         |
| 2-bdrm                   | 50%                                       | -         |
| 2-bdrm                   | 60%                                       | 1,213     |
| 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%                                       | 1,394     |
| 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      |   | 185,582   |
| vacancy factor           |   | 5.00%     |
| Adjusted Rent            |   | 176,303   |
| other/commercial income  |   | 17,680    |
| total rent               |   | 193,983   |
| x 12 months              |   | 12        |
| Total Annual Income      |   | 2,327,800 |

|                                 |                             |
|---------------------------------|-----------------------------|
| <b>County</b>                   | <b>Yellowstone County</b>   |
| <b>Project Name</b>             | <b>Aurora Apts. (AIA)</b>   |
| <b>Developer / General Ptnr</b> | <b>Zimmerman Affordable</b> |

|                       |                |
|-----------------------|----------------|
| <b>Expenses</b>       |                |
| Administration        | 50,980         |
| Management            | 71,137         |
| Maintenance           | 134,886        |
| Operating             | 361,850        |
| Taxes                 | -              |
| Replacement Reserve   | 54,600         |
| <b>Total Expenses</b> | <b>673,453</b> |

|                   |           |
|-------------------|-----------|
| Net Income Before |           |
| Debt Service      | 1,654,347 |

|                                     |                   |
|-------------------------------------|-------------------|
| <b>Financing Sources</b>            |                   |
| Hard Loan                           | 23,429,308        |
| Hard Loan                           | -                 |
| Soft Loan                           | -                 |
| Soft Loan                           | -                 |
| State HOME                          | -                 |
| State CDBG                          | -                 |
| State NHTF                          | -                 |
| Other                               | -                 |
| Deferred Dev Fee                    | 3,809,936         |
| HC Equity Competitive               | -                 |
| HC Equity Non-Competitive           | 14,053,122        |
| <b>Total Sources:</b>               | <b>41,292,366</b> |
| <b>% of Project Financed by HC:</b> | <b>34.03%</b>     |

|                              |            |
|------------------------------|------------|
| <b>Return on Sale of HTC</b> |            |
| HTC Requested                | 15,229,470 |
| HTC Equity                   | 14,053,122 |
| HTC Return on Sale           | 0.923      |

|                           |           |
|---------------------------|-----------|
| <b>Ratios</b>             |           |
| Rent (Income)             | 2,327,800 |
| Operating Expenses        | 618,853   |
| Replacement               | 54,600    |
| Net Income                | 1,654,347 |
| Total Debt Service        | 1,488,550 |
| Debt Coverage Ratio (DCR) | 1.11      |
| Total Expense Ratio       | 1.08      |

|                      |           |
|----------------------|-----------|
| <b>Project Costs</b> |           |
| Land                 | 1,500,000 |
| Building/Acquisition | -         |
| Site Work            | 2,350,000 |

|                                 |                             |
|---------------------------------|-----------------------------|
| <b>County</b>                   | <b>Yellowstone County</b>   |
| <b>Project Name</b>             | <b>Zimmerman Affordable</b> |
| <b>Developer / General Ptnr</b> | <b>LLC (DBA- Kamaka</b>     |
| Construction / Rehab            | 29,459,347                  |
| Soft Costs                      | 2,769,519                   |
| Developer Fees                  | 5,158,900                   |
| Reserves                        | 54,600                      |
| Total Project Costs             | 41,292,366                  |
| Supportive Services Costs       | -                           |
| Residential Costs               | 41,292,366                  |

#### Costs versus Sources

|                         |            |
|-------------------------|------------|
| Total Project Costs     | 41,292,366 |
| Total Financing Sources | 41,292,366 |
| Difference              | 0          |

#### Project Cost Limitations

|                      | <u>Limits</u> |
|----------------------|---------------|
| General Requirements | 6.00%         |
| Contractor Overhead  | 2.00%         |
| Contractor Profit    | 6.00%         |
| Developer Fees       | 15.00%        |
| Soft Cost            | 40.00%        |

#### Per Unit Comparison

|                                | <u>Limits</u> |
|--------------------------------|---------------|
| Cost per unit total            | n/a           |
| Cost per unit residential only | \$350,000     |
| Cost per unit Const / Rehab    | n/a           |
| Credits per unit               | n/a           |
| Operating Cost per unit        | \$3,000 min   |
| Replacement Reserves           | \$300 min     |

#### Per Square Foot Comparison

|                                      |        |
|--------------------------------------|--------|
| Construction / Rehab per sq ft       | 154.55 |
| Total Project Cost per sq ft         | 216.63 |
| Credits per sq ft                    | 79.90  |
| Credits per sq ft (residential only) | 110.29 |

#### Utilities Paid by (Tenant / Owner)

Tenant

#### **Market Study Data:**

|                                 |          |
|---------------------------------|----------|
| Vacancy Rates                   | 100.0%   |
| Absorption Rate                 | 8.2%     |
| Months to Absorb                | 7        |
| Average Project Rent            | 1,304    |
| Average Market Rent             | 1,450    |
| Units needed for Targeted AMI's | 782-1704 |

|                          |   |
|--------------------------|---|
| County                   | Yellowstone County<br>Aurora Apts. F.A.V.A. |
| Project Name             | Zimmerman Affordable<br>Kamaka Apartments   |
| Developer / General Ptnr | LLC (DBA- Kamaka                            |

#### Market Rents

|         |       |
|---------|-------|
| 0-bdrms | -     |
| 1-bdrms | 1,250 |
| 2-bdrms | 1,450 |
| 3-bdrms | 1,650 |
| 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. | - |
| Project-Based Rental Subsidy.    | - |

##### Project Characteristics

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

##### Local Involvement

|   |                       |
|---|-----------------------|
| Community Input                           | Local Community Input |
| QCT / Local Community Revitalization Plan | -                     |
| Communication / Relationships             | -                     |

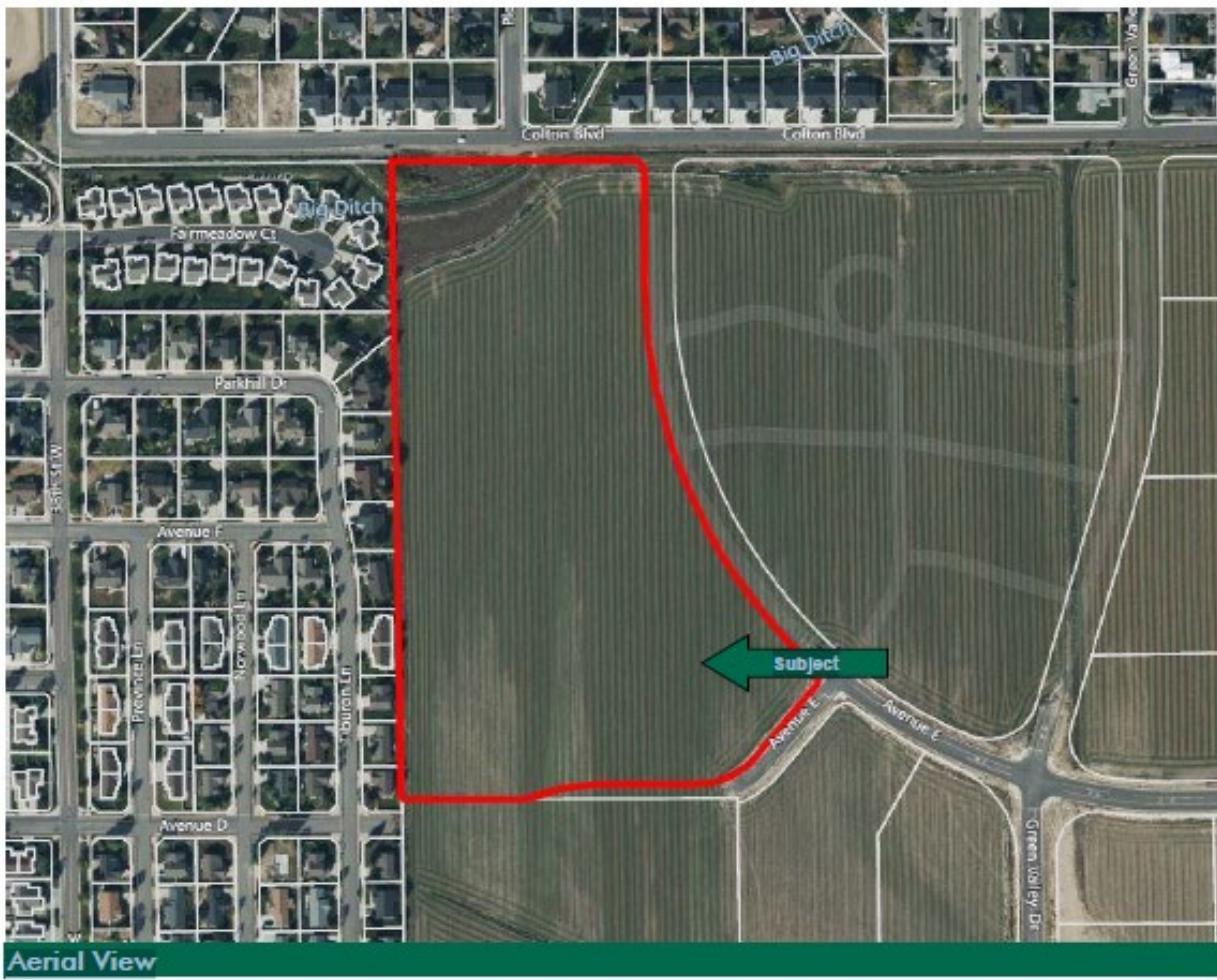
##### Green Building and Energy Conservation Standards

Meets Requirements

##### Tenant Populations with Special Housing Needs

|                  |                |
|------------------|----------------|
| Family Projects  | Family Project |
| Elderly Projects | -              |

## Subject Photographs



Aerial View



Exterior Rendering



**Subject Site**

**Subject Site**



**Subject Site**

**Subject Site**



## **RESOLUTION NO. 24-1022-MF03**

A RESOLUTION OF THE MONTANA BOARD OF HOUSING MAKING FINDINGS WITH RESPECT TO HOUSING NEEDS WITHIN MONTANA; APPROVING THE ISSUANCE OF ITS MULTIFAMILY HOUSING REVENUE BONDS (AURORA APARTMENTS), SERIES 2024, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$30,000,000; APPROVING THE SALE OF SAID BONDS PURSUANT TO A PURCHASE CONTRACT; APPROVING THE TRUST INDENTURE, LOAN AGREEMENT, PRELIMINARY OFFICIAL STATEMENT, OFFICIAL STATEMENT 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 issue its bonds to purchase and make 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 issue its Multifamily Housing Revenue Bonds (Aurora Apartments), Series 2024 in an aggregate principal amount not to exceed \$30,000,000 (the “Bonds”), the proceeds of which will be used to finance a loan to the Borrower (hereinafter defined) for the acquisition, construction and equipping of the Aurora Apartments, an approximately 156-unit affordable housing development located in Billings, Montana (the “Project”); and; and

WHEREAS, the Bonds will be issued pursuant to a Trust Indenture (the “Indenture”) between the Board and U.S. Bank Trust Company, National Association as trustee, or any other trust company or bank having the powers of a trust company that is in good standing with the State of Montana, duly authorized to exercise trust powers in the State with a reported capital, surplus and retained earnings of not less than \$50,000,000, and selected by an Authorized Officer, as defined herein (the “Trustee”), which will be in substantially the form included as Exhibit A, subject to the terms, conditions and limitations established herein and in the Indenture; and

WHEREAS, the proceeds of the Bonds will be used to finance a loan (the “Loan”) to Aurora Apartments, LP, a Montana limited partnership, or another affiliate of Kamaka Affordable Housing, LLC (the “Borrower”), pursuant to a loan agreement by and among the Board and the Borrower (the “Loan Agreement”), which will be in substantially the form included as Exhibit B, subject to the terms, conditions and limitations established herein; and

WHEREAS, the interest on the Bonds is intended to qualify for a federal tax exemption under Section 142 of the Internal Revenue Code of 1986 (the “Code”), and to ensure that the Bonds

maintain their 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 form included as Exhibit C, subject to the terms, conditions and limitations established herein.

WHEREAS, a Bond Purchase Agreement (the “Purchase Contract”) to be dated the date of sale of the Bonds among the Board, the Borrower and the initial purchaser of the Bonds (the “Purchaser”), will be prepared which will be in substantially the form included as Exhibit D, pursuant to which the Board would agree to sell, and the Purchaser would agree to purchase, the Bonds at the prices and upon the terms and conditions therein set forth; and

WHEREAS, a draft of a Preliminary Official Statement (the “Preliminary Official Statement”) is to be prepared containing certain information relating to the Board, the Indenture and the Bonds, which will be in substantially the form included as Exhibit E, and which is to be used by the Purchaser in connection with the sale of the Bonds to investors; and

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 issuance of the Bonds 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 Indenture and contained in the program documents relating to the 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 Bonds 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 Loan constitutes a direct loan, in accordance with Section 90-6-109(1)(f), by virtue of the Board effectuating the loan of the Bonds proceeds to the Borrower pursuant to the Loan Agreement, the Project qualifies for federal funds through its receipt of 4% federal low-income housing tax credits.

**Section 2. Approval of Trust Indenture.** The Indenture 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 execute and deliver the Indenture, 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 Indenture.

**Section 3. Authorization of the Bonds.** The execution and delivery of the Board’s Bonds are hereby authorized and approved. The final amount and terms of the Bonds shall be determined by an Authorized Officer, consistent with the terms of the Indenture and subject to the following conditions. The Bonds shall not be general obligations of the Board but shall be limited obligations payable solely and only from Loan payments and any other moneys pledged under the Indenture by the Borrower as required by the Indenture. The Bonds shall mature no later than 40 years from their date of issuance, bear interest at a fixed or floating rate no greater than the net rate paid on the Loan (i.e. net of fees due to the Board and any other parties), be in a principal amount not to exceed \$30,000,000, be subject to optional, special optional, mandatory or sinking fund redemption or tender and have the other terms and provisions as described to the Board, and definitively set forth in the Indenture upon execution and delivery as aforesaid in Section 2 hereof. The Bonds shall be executed and delivered substantially in the form set forth in the Indenture, with such additions, omissions and changes as are required or permitted by the Indenture and approved by the signatories thereto. The Bonds 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 Officer for purposes of executing and attesting the Bonds, and their execution shall evidence their approval of the final terms thereof. Such signatures may be by facsimile; provided, however, that such Bonds shall not be valid or obligatory for any purpose until authenticated by the manual signature of an authorized signatory of the Trustee.

**Section 4. Approval of Loan Agreement.** The Loan Agreement is hereby approved in the form hereinabove described, and an Authorized Officer is hereby authorized to execute and deliver the 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 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. Approval of Preliminary Official Statement and Official Statement.** A Preliminary Official Statement for the Bonds is hereby approved in the form described above, with such changes, insertions or omissions therein as may be approved by an Authorized Officer. Each such person is hereby authorized to execute and deliver a final Official Statement substantially in the form of the Preliminary Official Statement with such changes, insertions or omissions therein as may be required to finalize the pricing terms of the Bonds.

**Section 7. Approval of Purchase Contract and Sale of the Bonds.** A Purchase Contract for the Bonds is hereby approved in the form described above and the execution of the Purchase Contract by an Authorized Officer is hereby authorized and directed in order to effectuate the sale of the Bonds 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 Purchase Contract

**Section 8. 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 Indenture, the Loan Agreement, the Regulatory Agreement, the Preliminary Official Statement, the Purchase Contract and the Bonds is hereby approved, confirmed and ratified.

**Section 9. 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 10. 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 Bonds as described in Section 148 of the Code, as amended.

**Section 11. 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 Indenture, the Loan Agreement or the Purchase Contract, 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 Officers for such purposes. With respect to the issuance of the Bonds authorized by this Resolution, such Authorized Officers 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 12. Effective Date.** This Resolution shall become effective immediately.

ADOPTED by the Montana Board of Housing this 22nd day of October, 2024.

MONTANA BOARD OF HOUSING

Attest:

By \_\_\_\_\_  
Bruce Posey, Chair

By \_\_\_\_\_  
Cheryl Cohen, Executive Director

# Multi Family Program Dashboard

October 22, 2024

## Coal Trust Multifamily Homes Program, Multifamily Loan Program and Housing Montana Fund Loan Programs

### Available After Commitments

|             |           |   |
|-------------|-----------|---|
| CTMH        | \$472,414 | From \$65M Authorized (including loan P&I payments) |
| MFLP        | \$337,994 |   |
| HMF - AHRLF | \$261,779 |   |

### Projects Underway

| Amount     | Program/Project             | City/Units     | Year Awarded | Recipient  | Est. Completion |
|------------|-----------------------------|----------------|--------------|--|-----------------|
| 2,500,000  | CT/Alpenglow II             | Whitefish/18   | 2024         | Housing Whitefish                                | Fall-26         |
| 30,460,886 | 9%/CT/4%Twin Creek          | Helena/72      | 2024         | United Housing Partners                          | Sep-26          |
| 8,050,000  | 9%/CT/Riverstone Senior     | Hamilton/23    | 2024         | Housing Solutions<br>Community Preservation      | April-26        |
| 6,500,000  | 9%/CT/Elmore Roberts        | Great Falls/60 | 2024         | Partners   | Dec-26          |
| 13,197,880 | 9%/4%/7th & Aspen           | Bozeman/46     | 2024         | Boundry Dev & HRDC                               | May-26          |
| 8,200,000  | 9%/CTMitchell Court         | Billings/32    | 2024         | GL Development                                   | Aug-25          |
| 10,963,840 | 4%/The Manor                | Hamilton/60    | 2024         | Sapphire Lutheran Homes                          | Feb-26          |
| 11,993,710 | 4%Baxter                    | Bozeman/50     | 2023         | Devco Preservation                               | Aug-24          |
| 82,575,000 | 4%North 3rd Apartments      | Bozeman/216    | 2023         | Devco Preservation                               | Sep-25          |
| 58,551,220 | 4%/HMF/Lumberyard           | Bozeman/155    | 2023         | Rueter Walton Development                        | Jun-25          |
| 7,414,040  | 4%/Big Fork Senior          | Big Fork/24    | 2023         | Bigfork Senior Housing<br>Community Preservation | Jun-25          |
| 23,985,160 | 4%/Sunshine Village         | Great Falls/92 | 2023         | Partners   | Dec-24          |
| 6,435,000  | 9%/ANHA LIHTC #2            | Agency/23      | 2023         | Apsaalook Nation HA                              | Dec-25          |
| 6,500,000  | 9%/MF/Cabinet Affordable    | Libby/24       | 2023         | Cabinet Affordable Housing                       | Aug-25          |
| 8,200,000  | 9%/CT/Carter Commons        | Great Falls/25 | 2023         | Carter Commons, LLLP                             | Jul-25          |
| 41,961,750 | 9%/4%/Creek Side Apartments | Missoula/161   | 2023         | Homeword   | Apr-26,Oct-25   |
|            |                             |                |              | Northwest Real Estate Capital                    |                 |
| 7,700,000  | 9%/MF/Meadowlark Senior     | Butte/26       | 2023         | Group  | Oct-24          |
| 7,991,250  | 9%/MF/Riverview Apts        | Big Sky/25     | 2022         | Blueline   | Oct-24          |
| 6,100,000  | 9%/Baatz Block Apts         | Great Falls/25 | 2022         | Homeword   | Feb-25          |
| Nov        | 9%/Tapestry Apts            | Billings/26    | 2022         | CLDI   | Nov-24          |
| 8,435,000  | 9%/ARPA/MRM Unified Campus  | Billings/29    | 2021         | MT Rescue Mission                                | Nov-24          |
| 8,015,483  | 9%/ARPA/AHNA LIHTC 1        | Crow           | 2021         | Apsaalooke Nation HA                             | Aug-24          |
| 6,649,597  | 4%/ARPA/Highland Manor      | Havre/32       | 2021         | Echo Enterprise                                  | Dec-24          |

| CTMH Projects                        |                                  | Loan Amount | Status                         |
|--------------------------------------|----------------------------------|-------------|--------------------------------|
| <b>HB 16</b><br><b>\$15,000,000</b>  | Belt - Golden Valley Homes       | \$803,060   | Approved February 2020; Closed |
|                                      | Cascade - Quiet Day Manor        | \$872,500   | Approved February 2020; Closed |
|                                      | Livingston - Livingston Cottages | \$900,000   | Approved February 2020; Closed |
|                                      | Havre - Highland Manor           | \$1,932,000 | Approved February 2020         |
|                                      | Helena - Firetower               | \$2,674,631 | Approved April 2020; Closed    |
|                                      | Joliet / Laurel - Spruce Grove   | \$5,173,486 | Approved April 2020; Closed    |
| <b>HB 819</b><br><b>\$50,000,000</b> | Havre - Oakwood Village          | \$2,100,000 | Approved April 2020; Closed    |
|                                      | Great Falls - Carter Commons     | \$1,700,000 | Approved September 2023        |
|                                      | Helena - Twin Creek 9%           | \$1,221,360 | Approved October 2023          |
|                                      | Hamilton - Riverstone Senior     | \$1,550,000 | Approved October 2023          |
|                                      | Billings - Mitchell Court        | \$2,150,000 | Approved October 2023          |
|                                      | Darby - Welcome Way              | \$2,090,000 | Closed November 2023           |
|                                      | Lolo - Two Rivers                | \$5,460,833 | Closed February 2024           |
|                                      | Belgrade - Stan's Garden         | \$5,051,113 | Closed January 2024            |
|                                      | Helena - Twin Creek 4%           | \$6,890,000 | Closed August 2024             |
|                                      | Elmore Roberts                   | \$4,989,000 | Approved March 2024            |
|                                      | Whitefish - Alpenglow 2          | \$2,500,000 | Approved April 2024            |
|                                      | Red Lodge - RLACF Rentals        | \$460,000   | Closed September 2024          |
|                                      | Skyview                          | \$2,400,000 | Application August 2024        |
|                                      | Polson Gardens                   | \$1,750,000 | Application August 2024        |
| <b>Total</b>                         | The Homestead                    | \$420,000   | Application July 2024          |
|                                      | Old Hellgate Village (ROC)       | \$2,807,031 | Closing October 2024           |
|                                      | Casa Loma                        | \$9,300,000 | Application August 2024        |

# Board Agenda Item

Board Meeting: October 22, 2024

## Homeownership Program

### **LENDER APPROVAL – SYNERGY ONE LENDING, INC.**

Synergy One Lending, Inc. was founded in 2014. Their corporate headquarters is in San Diego, California and they are licensed in 49 states, including Montana, with approximately 700 employees. Synergy's Montana locations include Great Falls, Helena, Kalispell, Missoula and Polson, which together employ 30 individuals who live in the state.

Synergy One Lending is Fannie, Freddie, HUD, VA and USDA approved. They plan to participate in the Board's Regular Bond, DPA and MCC programs. Synergy One Lending, Inc. is not approved for the HUD 184 program.

Synergy One's mission is "To humanize and modernize the home lending experience" using values of honesty, transparency, excellence, innovation and empowerment.

Synergy One Lending's application material, quality control plan and financials have been reviewed and approved by staff, and they meet all requirements for becoming a Montana Board of Housing Participating Lender. Their full application and financial information are available for Board members to review upon request.



## PROPOSAL

Staff requests for the Board to approve Synergy One Lending, Inc as a Participating Lender for Montana Board of Housing.



# HOME OWNERSHIP PROGRAM DASHBOARD

October 11, 2024

## RATES

|                  | CURRENT | LAST MONTH | LAST YEAR |
|------------------|---------|------------|-----------|
| MBOH*            | 5.500   | 5.75       | 6.000     |
| Market           | 6.30    | 6.14       | 7.175     |
| 10 yr treasury   | 4.08    | 3.65       | 4.580     |
| 30 yr Fannie Mae | 6.53    | 6.53       | 7.018     |

\*Current Setaside 5.25, DPA 5.75

## LOAN RESERVATIONS

|                                   | September<br>NUMBER | September<br>AMOUNT | TOTAL<br>NUMBER | TOTAL<br>AMOUNT | ORIGINAL<br>AMOUNT | BALANCE          |
|-----------------------------------|---------------------|---------------------|-----------------|-----------------|--------------------|------------------|
| <b>REGULAR PROGRAM</b>            |                     |                     |                 |                 |                    |                  |
| Series 2024A (since 04.02.24)     | 31                  | 8,247,498           | 52              | 14,205,057      | 49,460,000         | 35,254,943       |
| Series 2024A DPA (since 04.02.24) | 15                  | 174,200             | 24              | 289,460         | 990,000            | 700,540          |
| 80% Combined (20+)                | 2                   | 562,400             | 5               | 1,320,800       | Since July 2024    | reg bond funds   |
| <b>SET-ASIDE PROGRAMS</b>         |                     |                     |                 |                 |                    |                  |
| MBOH Plus                         | 6                   | 67,060              | 25              | 254,666         | Since July 2024    | 1,317,303        |
| NeighborWorks                     | 3                   | 662,392             | 7               | 1,382,475       | Since July 2024    | Pre-Ullman funds |
| CAP NWMT CLT                      |                     |                     | 2               | 342,247         |                    |                  |
| Missoula HRDC XI                  |                     |                     |                 |                 |                    |                  |
| Bozeman HRDC IX                   |                     |                     |                 |                 |                    |                  |
| Home\$tart                        |                     |                     | 4               | 767,432         |                    |                  |
| HUD 184                           |                     |                     |                 |                 |                    |                  |
| MT Street CLT                     |                     |                     |                 |                 |                    |                  |
| Sparrow Group                     |                     |                     |                 |                 |                    |                  |
| City of Billings                  |                     |                     | 3               | 456,452         |                    |                  |
| Foreclosure Prevent               |                     |                     |                 |                 | 50,000             | 50,000           |
| Disabled Accessible               |                     |                     |                 |                 | Ongoing            | 862,950          |
| Lot Refi                          |                     |                     |                 |                 | 2,000,000          | 726,440          |
| FY25 Habitat                      |                     |                     | 4               | 902,292         | 2,955,000          | 2,052,708        |
| <b>OTHER PROGRAMS</b>             |                     |                     |                 |                 |                    |                  |
| Veterans (Orig)                   | 2                   | 609,835             | 454             | 92,931,802      | Revolving          | 170,967          |
| 912 Mrtg Cr Cert (MCC)            | 4                   | 1,291,859           | 46              | 12,932,454.00   | 62,500,000         | 49,567,546       |

## LOAN PURCHASES BY LENDER

|                                | Jun-24 |     | 2024 YTD |     | 2023 YTD |     |
|--------------------------------|--------|-----|----------|-----|----------|-----|
|                                | 1st    | DPA | 1st      | DPA | 1st      | DPA |
| FIRST SECURITY BOZEMAN 061     |        |     | 1        |     | 1        | 1   |
| BANK OF COMMERCE 086           |        |     | 1        |     | 10       | 2   |
| 1ST SECURITY BK MISSOULA 133   |        |     | 2        |     | 2        |     |
| VALLEY BANK RONAN 159          |        |     |          |     | 3        | 2   |
| YELLOWSTONE BANK 161           | 1      |     | 3        | 1   | 2        |     |
| FIRST MONTANA BANK 172         |        |     | 4        | 4   | 3        | 2   |
| BRAVARA BANK 186               | 1      | 1   | 7        | 4   | 4        | 1   |
| STOCKMAN BANK OF MT MILES 524  | 9      | 3   | 47       | 20  | 60       | 29  |
| FIRST INTERSTATE BANK-WY 601   |        |     |          |     | 5        | 1   |
| US BANK 617                    |        |     | 1        | 1   | 2        |     |
| OPPORTUNITY BANK 700           | 1      |     | 37       | 10  | 109      | 44  |
| PIONEER SAVINGS AND LOAN 710   |        |     | 1        |     |          |     |
| FIRST FEDERAL BANK & TRUST 731 | 1      |     | 1        |     | 1        |     |
| GLACIER BANK KALISPELL 735     | 1      |     | 17       | 5   | 16       |     |
| WESTERN SECURITY BANK 785      | 1      | 1   | 2        | 1   | 5        | 4   |
| MANN MORTGAGE 835              | 4      | 1   | 46       | 19  | 70       | 40  |
| GUILD MORTGAGE COMPANY 842     | 3      | 2   | 16       | 14  | 23       | 23  |
| UNIVERSAL 843                  |        |     | 1        | 1   | 20       | 13  |
| FAIRWAY INDEPENDENT MRTG 847   | 1      |     | 30       | 16  | 28       | 20  |
| CORNERSTONE HOME LENDING 850   |        |     | 1        |     | 9        | 8   |
| PRIME LENDING 851              | 2      |     | 5        | 2   | 8        | 5   |
| BAY EQUITY LLC 853             |        |     | 5        | 2   | 4        |     |
| PARAMOUNT RES MTG GRP 855      |        |     |          |     | 3        | 3   |
| AM CAP 858                     |        |     |          |     | 3        | 2   |
| HOMESTAR FINANCIAL 861         |        |     |          |     | 1        | 1   |
| HOMETOWN LENDERS 862           |        |     | 1        | 1   |          |     |
| CROSSCOUNTRY MORTGAGE 863      | 1      |     | 8        | 3   | 22       | 7   |
| GUARANTEED RATE 864            | 4      | 1   | 12       | 3   | 19       | 7   |
| FIRST COLONY MORTGAGE 865      |        |     | 2        | 2   | 8        | 8   |
| WINTRUST MORTGAGE 867          |        |     |          |     | 2        | 2   |
| ONE TRUST HOME LOAN 868        |        |     | 1        | 1   |          |     |
| CHURCHHILL MORTGAGE 869        | 1      |     | 5        | 1   |          |     |
| ENVOY 871                      |        |     | 1        | 1   |          |     |
| NOVUS 872                      |        |     | 1        | 1   |          |     |

|                            |           |           |            |            |            |            |
|----------------------------|-----------|-----------|------------|------------|------------|------------|
| LOWER DOT COM, LLC 873     | 2         | 1         | 18         | 9          |            |            |
| CMG 874                    | 1         | 1         | 2          | 1          |            |            |
| EVERGREEN MORTGAGE 875     | 7         | 4         | 16         | 9          |            |            |
| CHURCHILL MORTGAGE 869     |           |           | 3          | 1          | 5          | 2          |
| CLEARWATER FEDERAL C U 901 |           |           | 1          |            | 1          |            |
| INTREPID CREDIT UNION 903  |           |           | 1          |            | 10         |            |
| FLATHEAD HABITAT 991       |           |           | 8          |            |            |            |
| <b>Grand Count</b>         | <b>41</b> | <b>15</b> | <b>308</b> | <b>133</b> | <b>456</b> | <b>227</b> |

## PORTFOLIO CHANGES

|                        | August         |                       | 2024 YTD       |                       |        |
|------------------------|----------------|-----------------------|----------------|-----------------------|--------|
|                        | <u># loans</u> | <u>Princ Bal</u>      | <u># loans</u> | <u>Princ Bal</u>      |        |
| <b>July Balance</b>    | <b>5,559</b>   | <b>600,947,116.00</b> | <b>5,397</b>   | <b>556,995,770.50</b> | Dec-23 |
| August Purchases (1st) | 41             | 12,050,346.72         | 308            | 81,547,341.94         |        |
| August Purchases (2nd) | 15             | 193,008.00            | 133            | 1,453,715.88          |        |
| August Amortization    |                | (1,595,032.93)        |                | (11,967,459.56)       |        |
| AugustPayoffs (1st)    | (32)           | (2,281,940.00)        | (190)          | (17,415,114.13)       |        |
| AugustPayoffs (2nd)    | (5)            | (32,583.30)           | (63)           | (343,943.02)          |        |
| August Foreclosures    | (1)            | (30,142.31)           | (8)            | (1,019,539.43)        |        |
| <b>August Balance</b>  | <b>5,577</b>   | <b>609,250,772.18</b> | <b>5,577</b>   | <b>609,250,772.18</b> | Aug-24 |

## AUGUST PORTFOLIO SUMMARY

|                                      | <u># of loans</u> | <u>\$ of loans</u>    | <u>% of #</u> | <u>% of \$</u>                   |
|--------------------------------------|-------------------|-----------------------|---------------|----------------------------------|
| <b>FHA</b>                           | 2,855             | 402,655,950           | 51.2%         | 66.1%                            |
| <b>RD</b>                            | 845               | 89,310,940            | 15.2%         | 14.7%                            |
| <b>VA</b>                            | 400               | 73,023,712            | 7.2%          | 12.0%                            |
| <b>HUD184</b>                        | 34                | 2,182,813             | 0.6%          | 0.4%                             |
| <b>PMI</b>                           | 31                | 2,025,426             | 0.6%          | 0.3%                             |
| <b>Uninsured 1st</b>                 | 263               | 31,379,480            | 4.7%          | 5.2%                             |
| <b>Uninsured 2nd</b>                 | 1,149             | 8,672,451             | 20.6%         | 1.4%                             |
| <b>August 2023 Portfolio Balance</b> | <b>5,577</b>      | <b>\$ 609,250,772</b> | <b>7.79%</b>  | 20.36%      percent of Incr/Decr |

| Servicer                         | <u># of loans</u> | <u>\$ of loans</u>    | <u>% of #</u> | <u>% of \$</u> |
|----------------------------------|-------------------|-----------------------|---------------|----------------|
| <b>MBOH</b>                      | 5,502             | \$ 603,237,924        | 99%           | 99%            |
| <b>First Security Bozeman</b>    | 3                 | \$ 69,485             | 0%            | 0%             |
| <b>First Boulder Valley Bank</b> | 1                 | \$ 40,206             | 0%            | 0%             |
| <b>Valley Bank Ronan</b>         | 40                | \$ 3,916,418          | 1%            | 1%             |
| <b>Manhattan Bank</b>            | 1                 | \$ 76,716             | 0%            | 0%             |
| <b>Pioneer Federal Savings</b>   | 18                | \$ 870,289            | 0%            | 0%             |
| <b>Guild Mortgage</b>            | 12                | \$ 1,039,735          | 0%            | 0%             |
|                                  | <b>5,577</b>      | <b>\$ 609,250,772</b> |               |                |

### Weighted Average Interest Rate 4.420%

|           | <u># of loans</u> | <u>\$ of loans</u> |                     |
|-----------|-------------------|--------------------|---------------------|
| 0 - 2.99% | 1055              | \$ 89,664,777      | rates up to 4%      |
| 3 - 3.99% | 1418              | \$ 167,390,563     | 2473 \$ 257,055,340 |
| 4 - 4.99% | 744               | \$ 79,149,621      |                     |
| 5 - 5.99% | 1581              | \$ 193,864,687     | rates 4% and above  |
| 6 - 6.99% | 742               | \$ 78,485,386      | 3104 \$ 352,195,432 |
| 7 - 7.99% | 37                | \$ 695,738         |                     |

## RAM PROGRAM AUGUST ACTIVITY

| <u>Loan Requests</u> | <u>Loans Outstanding</u> | <u>Life of Program</u> | <u>Avail Balance</u> |
|----------------------|--------------------------|------------------------|----------------------|
| 2                    | 270,000                  | 39                     | 2,540,730.31         |
|                      |                          | 240                    | 15,394,828           |
|                      |                          |                        | 5,380,535.00         |

## DELINQUENCY AND FORECLOSURE RATES

| MONTANA BOARD OF HOUSING |               |               | MORTGAGE BANKERS ASSOC.6/20/24 |                |               | (most recent available) |
|--------------------------|---------------|---------------|--------------------------------|----------------|---------------|-------------------------|
|                          | <u>Aug-24</u> | <u>Jul-24</u> | <u>Aug-23</u>                  | <u>Montana</u> | <u>Region</u> | <u>Nation</u>           |
| 30 Days                  | 1.56          | 1.26          | 1.08                           | 1.54           | 1.83          | 2.28                    |
| 60 Days                  | 0.90          | 0.94          | 0.73                           | 0.41           | 0.54          | 0.70                    |
| 90 Days                  | <u>2.37</u>   | <u>2.34</u>   | <u>1.93</u>                    | <u>0.59</u>    | <u>0.72</u>   | <u>1</u>                |
| Total Delinquencies      | 4.83          | 4.54          | 3.74                           | 2.54           | 3.09          | 3.98                    |
| In Foreclosure           | 0.27          | 0.25          | 0.20                           | 0.26           | 0.22          | 0.43                    |

# Mortgage Servicing Program Dashboard

Effective 09/30/24

## 2024 Monthly Servicing Report

| MONTH                               | <u>Last Year</u> | <u>Last Month</u> | <u>This Month</u> |
|-------------------------------------|------------------|-------------------|-------------------|
|                                     | 7/31/2023        | 8/31/2024         | 9/30/2024         |
| PORTFOLIO TOTAL LOANS               | 5608             | 6274              | 6309              |
| MBOH                                | 5102             | 5599              | 5632              |
| BOI                                 | 304              | 293               | 294               |
| MULTIFAMILY                         | 16               | 19                | 20                |
| HAF - HOMEOWNERS ASSISTANCE FUND    | 186              | 363               | 363               |
| PRINCIPAL (ALL LOANS)               | \$563,633,780    | \$701,696,423     | \$711,516,942     |
| ESCROW (ALL LOANS)                  | \$5,010,694      | \$5,365,053       | \$6,343,404       |
| LOSS DRAFT (ALL LOANS)              | \$719,386        | \$750,964         | \$811,294         |
| LOANS DELINQUENT (60+ DAYS)         | 235              | 304               | 277               |
| ACTUAL FORECLOSURE SALES IN MONTH   | 2                | 0                 | 2                 |
| FORECLOSURES TOTAL CALENDAR YEAR    | 9                | 4                 | 6                 |
| DELINQUENT CONTACTS TO MAKE         | 748              | 781               | 699               |
| LATE FEES - NUMBER OF LOANS         | 762              | 967               | 1004              |
| LATE FEES - TOTAL AMOUNT OF REVENUE | \$21,464         | \$29,362          | \$31,072          |
| PAYOUTS                             | 21               | 42                | 41                |
| NEW LOANS                           | 61               | 81                | 78                |

### HUD's National Servicing Center TRSII SFDMS Reporting

Federal FY 2023 Final Score 93.97% - Grade A

\*FHA Revision of Tier Score Pending

| LOSS MITIGATION                | <u>Last Year</u> | <u>Last Month</u> | <u>This Month</u> |
|--------------------------------|------------------|-------------------|-------------------|
|                                | 7/31/2023        | 8/31/2024         | 9/30/2024         |
| ACTIVE FINANCIAL PACKETS       | 0                | 0                 | 0                 |
| REPAYMENT/SPECIAL FORBEARANCES | 0                | 0                 | 0                 |
| COVID 19 FORMAL FORBEARANCES   | 76               | 0                 | 0                 |
| PARTIAL CLAIMS & MODS PENDING  | 19               | 13                | 14                |
| CHAPTER 13 BANKRUPTCIES        | 10               | 7                 | 7                 |
| PRESERVATION PROPERTIES        | 7                | 9                 | 9                 |
| REAL ESTATE OWNED PROPERTIES   | 0                | 3                 | 1                 |
| SHORT SALE                     | 0                | 0                 | 0                 |
| DEED IN LIEU                   | 0                | 0                 | 0                 |

# Board Agenda Item

Board Meeting: October 22, 2024

## 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. The Board portfolio is invested in historically low risk investments. FHLMC (Freddie Mac) and FNMA (Fannie Mae) are Government Sponsored Enterprises (GSE) that are currently under government conservatorship and some investors assume they are implicitly guaranteed by the federal government.

- As of August 31, 59.8% of MBOH funds were being held in money market earning 5.19%. These funds consist of the bond proceeds from the 2024A issue and other pots of money where we are currently purchasing set-aside loans.
- 26.6% of funds were invested in T-Bills earning 5.10% to 5.25%.
- Remaining funds are invested in FNMA and Freddie Mac Bonds or MBS with rates ranging from 3.69% to 6.25%.

### WEIGHTED AVERAGE YIELD TREND

Weighted average is a calculation that considers the varying degrees of importance of the yields in an investment data set. MBOH 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 year-to-year from 5.27% in August 2023 to 5.29% in August 2024.
- The rate remained steady at 5.29% from July 2024 to August 2024.

## **PORTFOLIO MATURITY**

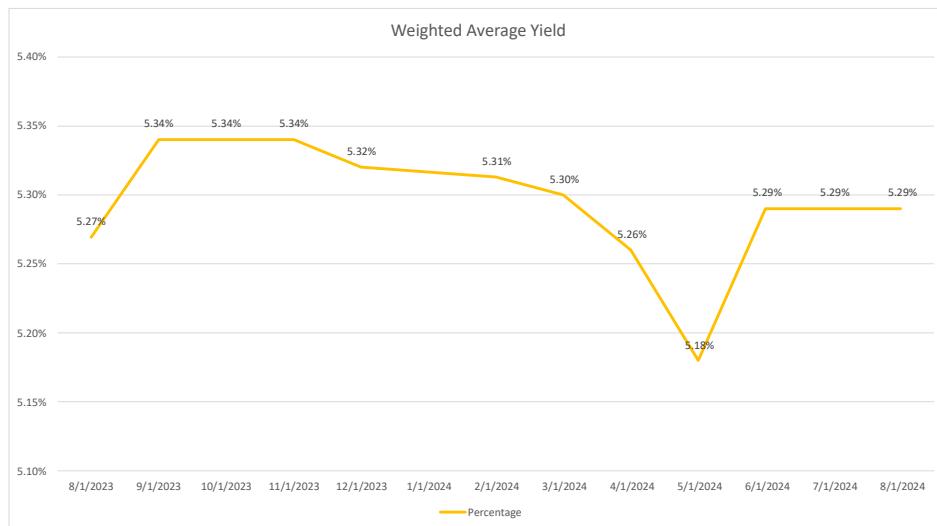
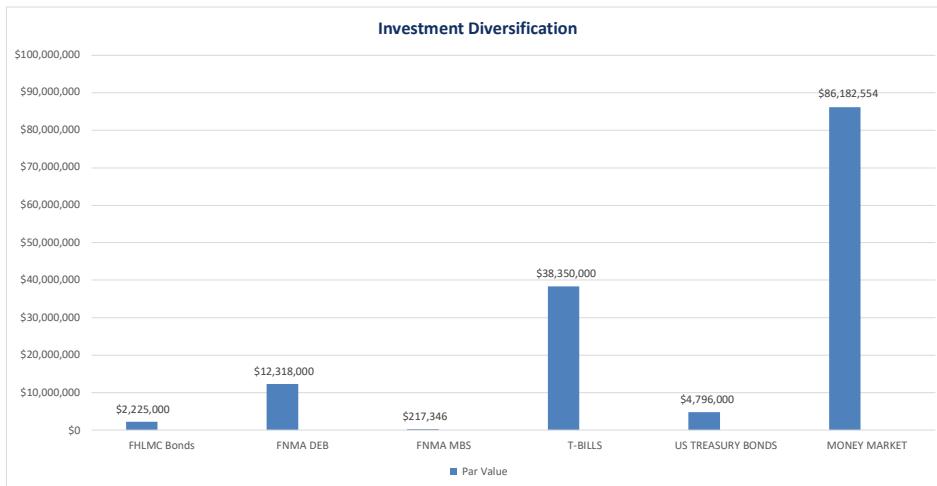
Indicates who holds the investment securities on behalf of MBOH, the type of security, the date of maturity and the PAR value, which is the face value of the security at the time of issuance.

- The FNMA (Fannie Mae) MBS (Mortgage-Backed Securities) are the longest-term maturities in our portfolio with yields at 4.45% and 4.96%.
- Two of the Treasury Bonds were purchased several years ago at a yield of 6.48%. These will be maturing in August 2025.
- The overall total of investments at the end of August 2024 was \$144.1 million with approximately \$86.1 million of that total in money market.



# Finance Program Dashboard

October 21-22, 2024 (Data as of 8/31/2024)



## AVAILABILITY

| Available Now | < 1 year      | 1 to 5 years  | 6 to 10 years | > 11 years | Total          |
|---------------|---------------|---------------|---------------|------------|----------------|
| \$ 86,182,554 | \$ 43,146,000 | \$ 12,318,000 | \$ 2,225,000  | \$ 217,346 | \$ 144,088,899 |

## Investment Maturity Schedule

| Maturity Date | Trustee              | Type            | Par Value             |
|---------------|----------------------|-----------------|-----------------------|
| 8/1/38        | Wilmington Trust     | FNMA MBS        | 43,768.15             |
| 3/1/37        | Wilmington Trust     | FNMA MBS        | 97,684.87             |
| 7/1/36        | Wilmington Trust     | FNMA MBS        | 13,841.29             |
| 5/1/36        | Wilmington Trust     | FNMA MBS        | 22,052.10             |
| 2/1/36        | Wilmington Trust     | FNMA MBS        | 39,999.09             |
| 7/15/32       | Wilmington Trust     | FHLMC BOND      | 2,225,000.00          |
| 11/26/27      | Wilmington Trust     | FNMA DEB        | 3,635,000.00          |
| 4/30/26       | Wilmington Trust     | FNMA DEB        | 8,683,000.00          |
| 8/15/25       | Wilmington Trust     | T-NOTES & BONDS | 4,796,000.00          |
| 11/29/24      | Wilmington Trust     | T-BILLS         | 38,350,000.00         |
| 8/31/24       | US Bank Corporate Tr | US BANK MONEY M | 7,609,937.53          |
| 8/31/24       | Wilmington Trust     | WT GOLDMAN SACH | 78,572,616.08         |
| <b>Total</b>  |                      |                 | <b>144,088,899.11</b> |

# Board Agenda Item

Board Meeting: October 22, 2024 at 8:30 am

## Operations / Executive Director

### BOARD MEETINGS

- The next Board meeting will be held Monday, November 4, 2024 at 8:30 a.m. via Zoom.

### BOARD MEMBER OPPORTUNITIES

- The NCSHA 2025 Legislative Conference (LegCon) will be held March 10 – 12, 2025 in Washington, D.C. LegCon is an opportunity for Board members to connect with and educate our legislators about the impact of federal housing programs in our state; the agenda will also include sessions with federal officials and industry leaders to gain their insights on the 2025 legislative agenda. Board members interested in attending LegCon can notify Cheryl Cohen and Stacey Purvis. The full agenda and registration are not yet available.

### CONTRACTS / PROCUREMENT

- The Request For Proposal (RFP) to select a qualified vendor to support a statewide Fair Market Rent Reevaluation Survey closed on September 13. The evaluation committee selected Econometrica, Inc. for this work and contract negotiations are nearly complete. The Timeline for Work and Deliverables is



brisk. A kick-off call was held October 10, and completing mail merge for initial survey mailing is at the end of this month. The final summary report is due to HUD by January 3, 2025.

- CoreLogic Tax Services LLC is due for renewal on October 15 and has been routed for execution. This vendor provides and maintains tax payment status non-escrow tax, escrow tax reporting, and payment services and online systems access in our loan portfolio with mortgage servicing.

## PERSONNEL

Montana Housing is actively recruiting for:

- Loan and Bond Specialist in Mortgage Servicing
- Two (2) Contract Officers in Rental Assistance

Staffing Updates:

- Kim Bolstad has vacated the above Loan and Bond Specialist.
- Chris Much, who was one of our Contract Officers in Rental Assistance, was selected to take the role of Program Specialist with the Special Populations team in the Rental Assistance division. Chris has been with Commerce for 6 years and will bring his knowledge and expertise to this position.
- Kelsey Stewart, who was our other Contract Officer in Rental Assistance, was selected to take the role of Program Specialist/Contract Administration with the Special Populations team in the Rentals Assistance division. Kelsey has been with Commerce for over a year and she is excited to start in her new position.



## EMERGENCY RENTAL ASSISTANCE

- With remaining Emergency Rental Assistance funds, the Montana Department of Commerce is continuing to contract with Montana Legal Services Association to provide eviction prevention services. However, MLSA is no longer able to assist renters who have only received a past due rent notice, unless the renter is a client of MLSA and in need of legal advice to respond to a complaint, summons or court-ordered eviction.
- The Montana Department of Commerce received 7 applications for the FAQ 46 Other Eligible Uses projects. Originally, only 6 were awarded funding, however, the 7th applicant is now going to receive funding as well for the Rocky Mountain Flats project in Bozeman. It is expected that this will add 296 rental units, of which, 102 will be for households at or below 50% AMI.

## HOMEOWNER ASSISTANCE FUND

- As of October 15, 2024, 2,297 applications have been submitted to the statewide program. HAF staff have approved and paid over \$8 million in total through all statewide program applications.
- HAF Home Repair program is receiving steady monthly applications.
  - As of October 15, 2024, 526 home repair applications have been submitted.
    - Nine (9) applications are approved and complete.
    - Twenty-eight (28) applications are currently under construction.
- We have hired two new FTE, one will be dedicated towards Home Repairs, and the other will be a floater between the two programs.



## PRO-HOUSING NOFO ROUND 2

- HUD recently announced a Notice of Funding Opportunity for the second round of PRO Housing funding. There are a few differences. Significant changes from Round 1 (FY23) to Round 2 (FY24) include an updated need rating factor to reflect the FY24 Appropriations Act directive to prioritize applicants who demonstrate progress and commitment to overcoming local barriers, primarily by enacting improved laws and regulations.
- The overall funding for Round 2 (FY24) increased to \$100 million from \$85 million, and the maximum award amount was changed to \$7 million. The number of expected awards increased for Round 2 (FY24) to 30 awards. HUD received 160 applications that met the threshold for review, with a total ask of \$1.15 billion dollars, and was thus oversubscribed by more than \$1 billion.

The Montana Department of Commerce has chosen to take a two-pronged approach when reviewing the eligible uses of this funding. Montana has made progress toward addressing our housing and land use crisis and our proposed activities would serve to build upon successes already achieved. To that end, the Department proposed the following activities:

- 1) Provide funding to the eleven communities subject to senate bill 382, the Land Use Planning Act, to enable to conduct the remaining data compilation, analysis, housing needs projections, and public participation in developing land use plans and maps that support streamlined housing development and to codify at least five zoning reforms that support increased housing development.



- 2) Create a Housing Technical Assistance Program (HTAP) that can provide tools and resources to communities statewide. HTAP will provide technical assistance and resources to help communities further incentivize affordable housing development at the local level while incorporating equity and accessibility throughout. This will include a Housing Improvement Districts, building permits, brick and mortar grants, and TA at a local level.

## COMMUNITY HOUSING

The deadline for HOME, Housing Trust Fund and Community Development Block Grant applications was September 17, 2024. Community Housing Program Manager, Julie Flynn, sent the following message to applicants on September 18:

“Thank you all for submitting applications to Commerce this week. And thank you for your work to develop and preserve affordable homes for Montanans. Commerce received 15 HOME, HTF and CDBG applications on September 17, 2024. Seven HOME applications requested a total of just over \$4.1 million. Commerce has \$1.5 million in HOME funds to award. Seven HTF applications requested a total of just over \$6 million. Commerce has \$1.93 million in HTF to award. The one CDBG application requested a total of \$750,000. Commerce has \$1.15 million for affordable housing and \$500K to address homelessness with CDBG funds. Staff will begin reviewing the applications shortly and plan to make recommendations later this fall.”

Because our 2024 Annual Action Plan was not approved by HUD before August 23, 2024, the Build America Buy America Act provisions for all building materials will apply to any projects awarded HTF or HOME funds this fall. For CDBG-Housing grants made



this round, the Buy America Preference will apply to iron, steel and only some construction materials.

## EXECUTIVE DIRECTOR

Cheryl Cohen attended the Brookings-Lincoln State Housing Policy Workshop, September 19-20, 2024 in Cambridge, MA. Ann Schwend, Commerce's Community MT Planning Program Supervisor, also attended. The following states participated in the workshop: California, Colorado, Florida, Massachusetts, Maine, Montana, Oregon, Utah, and Washington. State Housing Policy Workshop topics included:

- Strategies for effective design and implementation
- Building local capacity to comply
- Reporting requirements and data collection
- Legal challenges and enforcement
- Tenant protections, renter subsidies, and inclusionary zoning
- Building code, financing, and infrastructure
- Evaluation and research

As Cheryl shared at the NCSHA Annual Conference Land Use and Zoning Modernization panel that she joined in Phoenix, some takeaways included:

- Challenges in expectation setting with elected officials and constituents for land use reform efforts that may take 5-10 years before results can be clearly measured.
- The importance of including shorter-term strategies, including tenant protections and subsidies to support those most at risk of housing instability and homelessness.



- Challenges with data collections, i.e., number of new ADUs and duplexes constructed or converted.
  - Note update on MAID, LLC v. State litigation. On September 3, 2024, the Montana Supreme Court overturned the district court's temporary suspension of SB 323 and SB 528 (ADUs and duplexes). These laws can now take effect as MAID, LLC v. State challenge is litigated. Justice Beth Baker wrote MAID "offered only generalized fears and supposition about the potential effects" of the two bills. The Montana Legislature and Shelter Whitefish filed briefs in support of the State, noting the "extensive deliberative process" under Governor Gianforte's housing task force, and the bill's intent of advancing "the public welfare by addressing the housing crisis"
- Importance of re-calibrating programs as market conditions are in constant flux.
- Increased collaboration between housing agencies and state Attorney General offices. California and Massachusetts have established designated housing units within their AG offices.

## BOARD MEMBER APPOINTMENTS

Four Board members have terms expiring in January 2025 (John Grant, Amber Parish, Bruce Posey and Cari Ytturi). Board members interested in being reappointed for another term are asked to re-apply on the Governor's Boards and Appointments online application portal at [https://gov.mt.gov/boards\\_appointments/ApplicationsInsert.aspx](https://gov.mt.gov/boards_appointments/ApplicationsInsert.aspx) by Friday, December 13, 2024. Please also notify Cheryl Cohen of your intention to re-apply.



As many of you may already be aware, Tonya Plummer accepted a position with HUD's Office of Native American Programs as the Director of the Office of Loan Guarantee. She started her new position yesterday and is transitioning to move to Washington D.C. Tonya notified Bruce Posey and Cheryl Cohen on October 4 that she would be stepping down from the Board. Cheryl has already notified the Governor's office of the need for a new Board member appointment, but that may not occur until the 2025 Legislative session.

## 2025 MBOH CALENDAR

Vote to adopt 2025 MBOH Calendar (next page).



# 2025 Montana Board of Housing Calendar

Board meetings are generally held the second Monday of each month, excluding Mondays that conflict with other conferences or networking opportunities. In April and October, a Board training and strategic planning session is held on Monday, with the Board meeting following on Tuesday. All Board meetings begin at 8:30 am.

## Board Meetings

- Monday, January 13 via Zoom
- Monday, February 10 via Zoom
- Monday, March 17 via Zoom
- Tuesday, April 15 ([Location TBD](#))
- Monday, May 12 ([Location TBD](#), LOI Presentations)
- Tuesday, May 13 ([Location TBD](#), LOI Invitations to Apply)
- Monday, June 9 via Zoom
- Monday, July 14 via Zoom
- Monday, August 11 via Zoom
- Monday, September 8 via Zoom
- Tuesday, October 21 via Zoom ([Location TBD](#), LIHTC 9% Awards & QAP)
- Monday, November 10 via Zoom
- Monday, December 8 via Zoom (subject to cancellation)

## Board Training & Strategic Planning

- Monday, April 14 ([Location TBD](#))
- Monday, October 20 ([Location TBD](#))



## BOARD MEMBER ATTENDANCE POLICY

Board Members are expected to attend all scheduled Board meetings and training sessions, including attendance in person where a meeting is so designated. It is recognized that Members may be unable to attend some meetings due to conflicts with prior-scheduled commitments or unforeseen circumstances. Members are expected to notify the Board Chair as far in advance as possible if they will be unable to attend. Members may not have more than two (2) absences from meetings or training sessions within any calendar year, only one (1) of which may be unexcused. Members will be considered absent unless they attend the entire meeting or training session. Please refer to the Montana Board of Housing [Board Attendance Policy](#) adopted May 13, 2024 for details.

### Conferences & Networking Opportunities

Board members will receive updates on conference agendas, early bird registration deadlines and related logistics from Board staff as more detailed information is available.

- Monday, March 10 – Wednesday, March 12: NCSHA Legislative Conference, WA D.C.
- Monday, May 5 – Wednesday, May 7: Mountain Plains Regional Housing Summit, Jackson Hole, WY
- Monday, May 19 – Wednesday, May 21: Montana Housing Partnership Conference, Billings, MT
- Saturday, October 4 – Tuesday, October 7: NCSHA Annual Conference, New Orleans, LA



# Rental Assistance Dashboard

October 21-22, 2024 (Data as of September 30, 2024)

## Totals

|  |                    | <u>Previous Month</u> | <u>Current Month</u> | <u>Change</u> |
|--|--------------------|-----------------------|----------------------|---------------|
|  | Paid Units         | 6,940                 | 6,920                | (20)          |
|  | Budgeted Units     |                       | 8,317                |               |
|  | All Section 8 HAPs | 4,652,295             | 4,717,496            | 65,201        |

## Rental Assistance Tenant Based Programs

|   | <u>Month</u> | <u>Aug-24</u> | <u>Sep-24</u> | <u>Change</u> | <u>Year</u> | <u>HAP</u> | <u>HUD Budget</u> | <u>Fees</u> | <u>Term</u>   |
|---|--------------|---------------|---------------|---------------|-------------|------------|-------------------|-------------|---------------|
| <b>Housing Choice Voucher (HCV)</b>               |              |               |               |               |             |            |                   |             | <b>CY2024</b> |
| Paid Units (3625 Agency contracts)                |              | 2,882         | 2,842         | (40)          |             |            |                   | 150,684     |               |
| Current Month Payment Amount                      |              | 1,775,217     | 1,760,444     | (14,774)      |             | 15,424,211 |                   | 1,361,421   |               |
| <b>Veterans Affairs Supportive Housing (VASH)</b> |              |               |               |               |             |            |                   |             | <b>CY2024</b> |
| Number Units Paid (321 Authorized)                |              | 196           | 193           | -3            |             |            |                   | 10,538      |               |
| Payment Amount                                    |              | 119,074       | 120,359       | 1,285         |             | 986,264    |                   | 89,404      |               |
| <b>Moderate Rehabilitation (ModRehab)</b>         |              |               |               |               |             |            |                   |             |               |
| Number Contracts                                  |              |               |               | 0             |             |            |                   |             |               |
| Paid Units (297 Authorized)                       |              | 111           | 102           | -9            |             |            |                   | 4,855       |               |
| Payment Amount                                    |              | 74,153        | 70,327        | -3,826        |             | 779,947    |                   | 60,167      |               |
| <b>Mainstream</b>                                 |              |               |               |               |             |            |                   |             |               |
| Number Units Paid                                 |              | 23            | 22            | -1            |             |            |                   | 1,401       |               |
| Payment Amount                                    |              | 17,168        | 15,042        | -2,126        |             | 151,690    |                   | 12,626      |               |
| <b>Project Based VASH</b>                         |              |               |               |               |             |            |                   |             |               |
| Number Units Paid                                 |              | 0             | 0             | 0             |             |            |                   | 0           |               |
| Payment Amount                                    |              | 0             | 0             | 0             |             | 50,126     |                   | 1,820       |               |
| <b>EHV</b>  |              |               |               |               |             |            |                   |             |               |
| Number Units Paid                                 |              | 65            | 63            | -2            |             |            |                   | 3,517       |               |
| Payment Amount                                    |              | 44,823        | 44,504        | -319          |             | 430,631    |                   | 37,267      |               |

## Rental Assistance Project Based Programs

|  |  |           |           | <b>Admin Earnings</b> |
|--|--|-----------|-----------|-----------------------|
| <b>Project-Based Section 8</b>                 |  |           |           |                       |
| Contracts                                      |  | 89        | 89        | 98,027                |
| Units Paid (4132 Authorized with 8bb)          |  | 3,642     | 3,677     | Contract Extension    |
| Payment Amount                                 |  | 2,609,644 | 2,693,709 | 84,065                |
| Calendar Year Admin Earnings                   |  |           |           | 882,242               |
| <b>811 Project Rental Assistance Demo (FY)</b> |  |           |           | <b>1,900,000</b>      |
| Rental Assistance Contracts (RAC)              |  |           | 0         | Disbursed: 1,179,516  |
| Units (grant requires 82)                      |  | 21        | 21        | Balance: 720,484      |
| Payment Amount                                 |  | 12,216    | 13,111    | 8 Units Kalispell     |
|  |  |           | 895       | 40 Units Missoula     |
|  |  |           |           | 5 Units Ronan         |
|  |  |           |           | 21 Units Boz/Belgrade |
|  |  |           |           | 74                    |