



## COMMUNITY DEVELOPMENT DIVISION

510 NORTH BROADWAY, 4<sup>TH</sup> FLOOR, PO BOX 1178  
BILLINGS, MONTANA 59103



### MEMORANDUM

**TO:** Community Development Board  
**FROM:** Brenda Beckett, Community Development Manager  
**DATE:** October 6, 2008  
**SUBJECT:** Upcoming Community Development Board Meeting

Presented below is the agenda for the upcoming Community Development Board Meeting. Please call me at 657-8286 if you have any additional items to add to the agenda, if you have questions, or if you are unable to attend the meeting.

### *COMMUNITY DEVELOPMENT BOARD AGENDA*

**3:00pm – 5:00pm, Tuesday, October 14, 2008**

4<sup>th</sup> Floor, Parmly Library Building

Order	Agenda Items	Person(s) Responsible	Process
I.	<b>Welcome / Introduction / Announcements</b>	Duane Loken	-
II.	<b>Public Comment Period – As Required</b> <i>3 Minute Maximum per Person</i>	Duane Loken	-
III.	<b>Meeting Minutes</b>	Duane Loken	Action
IV.	<b>Allocation Process Review &amp; Funding Priorities</b> <i>Council responses to last month's survey will be presented. An opportunity for the Board to review the allocation processes and to make changes. A drafted survey can be found in the CD Board packet for review / comment and further development.</i>	Duane Loken	Discussion
V.	<b>Housing &amp; Economic Recovery Act of 2008</b> <i>The City of Billings may receive additional CDBG funding. We should know by the end of October / early November what impact this will have on the Division and allocation processes. See page two for additional information on CDBG provisions.</i>	Brenda Beckett	Report
VI.	<b>Staff Updates</b> <i>An opportunity for staff to share happenings in their programs and initiatives.</i>	CD Staff	Report
VII.	<b>Neighborhood Concerns &amp; Happenings</b> <i>Opportunity for board members to share information or concerns.</i>	CD Board	Updates
VIII.	<b>Set Next Meeting Agenda</b> <b>Adjournment</b>		

## ENTITLEMENT CDBG PROGRAM UPDATE

President Bush signs Housing & Economic Recovery Act of 2008:

On Wednesday, July 30, President Bush signed into law the massive housing bill that has been working its way through the House of Representatives and Senate. The Senate voted for final passage of the bill, numbered H.R. 3221, on Saturday. The legislation includes \$4 billion of grant funds for states and local government for the purchase and redevelopment of abandoned and foreclosed homes. The legislation requires HUD to establish a formula for distributing these funds within 60 days of enactment; HUD must then distribute the funding within 30 days after establishing the formula. Recipients will have 18 months to use these funds to:

1. Establish financing mechanisms for purchase and redevelopment of foreclosed upon residential properties;
2. Purchase and rehabilitate abandoned or foreclosed upon residential properties, for rent, sale / redevelopment;
3. Establish land banks for homes that have been foreclosed upon;
4. Demolish blighted structures;
5. Redevelop demolished or vacant properties.

HR 3221 specifies that these funds "shall be treated as though such funds were CDBG funds under Title I of the HCDA". There are numerous considerations that must be worked out in implementing this law, and various questions regarding the wording of the law that will require close cooperation with HUD's Office of General Counsel. No doubt you and your grantees will have many questions regarding the timing and implementation of this funding. Most of these questions do not have answers at this point! Please also keep in mind that the HUD Reform Act and the Administrative Procedures Act limit our ability to discuss how we will interpret some of these questions as we have already initiated the work of fleshing out the legislation. Rest assured that we will provide further information as quickly as we are able.

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### Key Provision of the Housing Stimulus Bill (H.R. 3221): Facts About CDBG Program for Foreclosed Homes

*(last updated 7/31/08)*

- The legislation provides nearly \$4 billion in grants for states and localities to purchase and redevelop foreclosed properties.
- These funds can be used to purchase, manage, repair and resell foreclosed and abandoned properties.
- After purchase the homes must be used to assist individuals and families with incomes at or below 120% of area median income. Twenty-five percent of funds must be used for households with incomes at or below 50% of area median income.
- The goal of the program is to allow states and localities to purchase bulk tracks of homes which have been foreclosed or abandoned and avoid the problems that can be created when whole neighborhoods are decimated by foreclosures.
- Funds must be committed within 18 months.

Estimates of the share of the money each state will receive can be found at  
[the Save America's Neighborhoods web site](http://www.hud.gov/programinfo/cdbg/foreclosed_homes.htm).