

Regular Meeting of the Community Development Board
February 7, 2012

Board Members Present: Kamber Kelly, Emily Shaffer, Patt Leikam, Thomas Grimm, Trent Currie

Board Members Excused: Kathleen Candelaria

Staff Present: Brenda Beckett, Dina Billington-Harmon, Lynda Woods, Denise Bohlman, Andrew Proctor

Welcome / Introduction: The Community Development Board met at its regular monthly meeting located in the 4th Floor Large Conference Room, Parmly Billings Library, 510 N. Broadway, Billings, Montana. Chair Kamber Kelly, called the meeting to order at 3:05 p.m. Andrew Proctor, Billings-MVP VISTA, was introduced and welcomed!

Public Comment: None.

Meeting Minutes: *Patt Leikam moved that the minutes of the January 3, 2012 meeting be approved as written. Trent Currie seconded. Motion carried.*

Staff Reports: Lynda Woods began by reporting on the status of the home repair programs.

Housing Rehabilitation Program – Lynda Woods reported the funds are 70% committed. Five projects are under construction. Four homeowners are actively seeking bids. One new application was received. One subordination request was received and processed.

Minor Home Repair Program – Lynda stated the funds are 100% committed. Four homeowners are seeking bids and will be on a waiting list until new funding is obtained. Six projects are in construction.

Mayor's Committee on Homelessness – Lynda spoke about the Billings Community Connect event at the Shrine Auditorium that was held on Friday, January 27th. 517 people attended who are either homeless or at-risk of becoming homeless. The annual Point-in-Time Survey was held in conjunction with the event and data analysis is now being conducted.

Adjacent Neighborhood Committee – Lynda gave an update that the Adjacent Neighborhood Committee met January 5, 2012. Agenda items included the Neighborhood Preservation Ordinance, Infill Policy Update and discussion regarding task force funding.

First Time Home Buyer - Dina Billington-Harmon reported that staff has fully committed and expended all available funds for fiscal year 2011-2012. A total of 21 households were served in this program and 67 households are on the waiting list to purchase their first home.

Neighborhood Stabilization Program – Dina stated she has buy/sell agreements for the properties on Cambridge and Custer. She is seeking a buyer for the property on Lynn. The Cambridge property will close at the end of February. The Custer property will close in March.

HOME / CDBG Monitoring - Dina reported that on-site inspections and desk reviews are being conducted. Checklists are being developed for areas of concern.

Staff is developing new processes to make monitoring easier to understand and more manageable such as a new Risk Assessment form that will be completed for each sub-recipient. After all sub-recipient records have been reviewed and the Risk Assessment form completed, a comprehensive ranking of all sub-recipients will be done. Staff will use these rankings to build our annual monitoring plan. The resulting monitoring plan will ensure on-site inspections and desk reviews are completed as required. A new file checklist is also being developed to ensure HOME program rules and regulations are being followed.

Homewood's CHDO Project - The amendment to the agreement has been fully executed. The amendment allows Homewood a small amount of additional time to get the project going.

Kings Green Phase IV – Discussion was held about the current progress of the final phase of the Kings Green project. On January 7, it was learned that the water, sanitary sewer and storm drain piping had been installed and they passed the pressure tests. Sanderson Stewart is reviewing the TV tapes on alignment to make sure it flows downhill and is straight. They are also awaiting the chlorination (disinfection results will be available soon).

Shortly after the contract was awarded, staff realized the installation of sidewalks had inadvertently been left out of the design and original bid documents. The addition of sidewalks resulted in Change Order #1, for \$26,434.40 or 10.95% of the contract, which the City Council approved at their January 9, 2012, meeting.

Change Order #2, for \$2,876.03, or 1.2% of the contract, became necessary when Knife River found a storm drain connection shifted horizontally and vertically. This section of pipe was re-laid and the connection made. Also, due to the shallow depth of the storm drain near the existing manhole and inlets to the north, the contractor had to field fit the manhole and existing inlets together with some additional concrete and cutting work. Change Order #2 is on the City Council agenda for approval at their February 13, 2012, meeting.

A total of \$389,043 was budgeted for this project in the Affordable Housing Fund in the FY 2011-2012 budget. Because of the favorable construction bid price (\$241,388.30), staff anticipates the completed project will be under budget, even with the two change orders to date.

Knife River will probably start the street/curb/sidewalk portion of the project in March or April and pave when the asphalt plant re-opens.

Fair Housing Initiative Program (FHIP) Grant – Brenda reported that projects are progressing as planned. The third quarter report is due to HUD by February 29, 2012 and staff will have additional data to share with the Board next month.

Preliminary Budget Review: Brenda Beckett reviewed the CDBG / HOME funding history since 2000 with the Board. She reviewed staff recommendations for Special Assessment Grants. A discussion ensued about the direction the Board may want to go to further its strategies outlined in the

Consolidated Plan when considering the awarding of grants versus loan programs. The loan programs generated program income this past year partly due to lowered interest rates. This caused many first time homebuyer and rehabilitation loans to be refinanced and our loans recaptured.

CDBG / HOME Applications – Site Visit Assignments: The Division received 18 applications for CDBG and HOME funding. The Board reviewed all of the applicants and assigned the site visits as follows:

Kamber Kelly	Big Sky Senior Services (Prevention of Elder Abuse) First Time Homebuyers and Housing Rehabilitation
Trent Currie	YWCA Gateway House (Victim Services) Riverstone Health (Medication Assistance)
Patt Leikam	Young Families Early Headstart (Building a Better Tomorrow)
Emily Shaffer	HRDC (Future ForGED Training Center) Rebuilding Together (Home Repairs)
David Goodridge	Adult Resource Alliance (Minor Home Repairs)
Kathleen Candelaria	Housing Authority of Billings (Security Deposit Assistance)

The site visits are to be completed prior to the next Board meeting on March 6, 2012. Each Board Member will report their findings at the meeting.

Staff Recommendations for CDBG /HOME Applications: Brenda Beckett addressed the Board about the low funding levels. She stated it is a difficult decision to make, but that her overall recommendation may be to fund loan programs rather than grants. A board member suggested restructuring the minor home repair grant program into a loan product wherein liens would be placed against mobile homes. The Board then discussed considering restructuring the qualifying age of a mobile home for minor home repairs as the value versus the cost of repairs may not be feasible to award grants. The current qualifying age of a mobile home is 30 years or less. The Board recognized that mobile homes provide a considerable amount of affordable housing in Billings. Lynda Woods explained that the Minor Home Repair grants are a maximum of \$5,000, but if a roof needs to be replaced the grant can be for a maximum of \$6,000. The Board requested that staff consult with the legal department about placing liens on mobile homes and have that information available at the next Board meeting.

The Board discussed the option of returning to yearly granting of smaller grants. It was noted that this would not be a feasible option as there is just as much reporting, monitoring, etc. with several "mini" grants as there is with larger, fewer grants. Having more grantees reporting would increase the work load and be very burdensome on the Community Development staff without significant impact to the community.

The Board reviewed the history of funding awards to past applicants/recipients to clarify sustainability and capacity building efforts of those applicants/recipients.

Dina Billington-Harmon spoke about changes to the First Time Homebuyer application. The asset limitation has been changed from \$5,000 to \$10,000. Potential homeowners are required to provide a \$1,000 down payment which was included in the \$5,000 liquid asset base. This change will allow a potential homeowner a better financial buffer should large expenses arise such as the replacement of a furnace, etc. upon homeownership.

Neighborhood Concerns and Happenings: Board Member Thomas Grimm gave his resignation due to employment relocation. Chair Kamber Kelly inquired whether there would be new board members at the next Board. If new board members are appointed and appear at the next board meeting, Brenda will hold another training session immediately after the next CD Board Meeting in March.

No other concerns were discussed.

Tentative Schedule: Next Board meeting is scheduled for Tuesday, March 6th, 2012, at 3:00 p.m. Board training will be held at 4:00 p.m.

Meeting adjourned at 4:02 p.m.