

RESOLUTION NO. 11-19122

A RESOLUTION GRANTING THE CITY ADMINISTRATOR SIGNATURE AUTHORITY TO SELL PROPERTIES AS A FUNCTION OF THE OF THE NEIGHBORHOOD STABILIZATION PROGRAM.

WHEREAS the City of Billings applied to the Montana Department of Commerce for a maximum of \$2,687,350 in Neighborhood Stabilization Program funding on July 27, 2009, to acquire, rehabilitate and offer affordable housing opportunities to low, moderate, and middle income households;

WHEREAS the funding for the Neighborhood Stabilization Program was authorized through the Housing and Economic Recovery Act of 2008 to prevent the deterioration of neighborhoods due to foreclosures;

WHEREAS the City of Billings received a finalized contract #MT-NSP-024-01-001 from the Montana Department of Commerce's Neighborhood Stabilization Program on January 25, 2010, authorizing the City of Billings to proceed in implementing the Neighborhood Stabilization Program within the City of Billings limits;

WHEREAS, the City of Billings appropriated Neighborhood Stabilization funding for approved projects during the fiscal year 2010-2011 to implement the program through Budget Amendments on a project-by-project basis;

WHEREAS, the City of Billings has and will continue to purchase vacant, foreclosed properties as part of the Neighborhood Stabilization Program as long as funding allows. All properties were or will be purchased at a minimum discount from either the U.S. Department of Housing and Urban Development or a financial institution;

WHEREAS, the City of Billings has or will complete rehabilitation work to bring the units into compliance with applicable rehabilitation laws, codes and other requirements relating to housing safety, quality, and habitability. The rehabilitation work focused on preservation, improving energy efficiency or conservation, or providing renewable energy source(s) and strategically incorporated modern green building and energy efficiency improvements to provide for long-term affordability and increased sustainability and attractiveness of the housing and neighborhoods;

WHEREAS, HUD rules preempt Billings City Code 22-902, Sale, Disposal, or lease of City Property. Therefore, there will be public notice of each sale, but no notification needs to be mailed to adjacent property owners. A public hearing on each sale also does not need to occur;

WHEREAS, the City of Billings' Neighborhood Stabilization Program requires prospective property purchasers to be pre-qualified households screened for purchase through a grantor (MDOC) approved process via the First Time Homebuyer program. At least one of the homes must be purchased by a household with income less than 50% of the Area

Median Income and will be pre-qualified for a loan they can afford at 30% of household adjusted gross income. The City would offer the properties for sale to pre-qualified households based on the completed application date (first-come-first served);

WHEREAS, all City of Billings' Neighborhood Stabilization Program housing must be used as the purchasers' primary residence; and

WHEREAS, the final sales price will be no greater than the initial acquisition and rehabilitation costs or the post-rehabilitation appraisal value, whichever total is lower, as per federal mandate.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Contract Authority and Execution: The City of Billings hereby authorizes the City Administrator the authority to execute Neighborhood Stabilization Program property sales contracts, closing documents, and any and all other required documents related to the sale of Neighborhood Stabilization Program properties.

Section 2. Duration: The Resolution shall become effective on October 24, 2011, and shall cease on the final expenditure date, March 19, 2013, of the Neighborhood Stabilization Program contract #MT-NSP-024-01-001.

Adopted this 24th day of October 2011.

THE CITY OF BILLINGS:



BY: Thomas W. Hanel, Mayor
Thomas W. Hanel, Mayor

ATTEST:

Cari Martin
Cari Martin, City Clerk