



CITY OF HELENA
Affordable Housing Trust Fund Advisory Board
April 6, 2022 - 2:00 PM – 3:30 PM
Zoom Online Meeting; <https://zoom.us/j/98576794873>
Meeting ID: 985 7679 4873
Or, dial in at: 1 (346) 248-7799

Call to Order and Roll Call

(00:10:52) Roll Call was taken, and the following all responded present: Rachel Ballweber, Stephanie Bull, Riley Hanson, Chris Hunter, Byron Beley, Michael O’Neil, John Rausch

The following members were absent: None absent

Members of the public present: Dr. G (Dr. Thomas – via chat)

Minutes

(00:13:22) A. March 2, 2022 meeting minutes unanimously approved

Regular Items

(00:13:57) A. Review revised Program Guidelines

(00:14:30) Kara Snyder gave a brief summary of the major changes that Andrew Chanania made to the guidelines. Major changes include expanding the eligible activities section to mirror Resolution No. 20630 that created the Trust. Additionally, the match requirement, continued affordability, and building standards sections have been made their own categories instead of being housed in the single-family and multi-family program sections, making the document flow very differently.

(00:16:15) Chris Hunter asked for clarification on whether the expanded eligible activities were in the original Resolution. Kara acknowledged that this was the case and

reviewed the past intent of the City to pare down the activities and focus on programs that might have the most impact. Most recently, the Guidelines were reviewed by the City Attorney's Office and the legal recommendation was to have that section mirror the activities proposed in Resolution No. 20630.

- (00:17:30)** Chris Hunter asked why the ineligible activities section was removed and there was a following discussion around the idea that an ineligible activity was anything not listed in the eligible activities section.
- (00:18:23)** Stephanie Bull asks for clarification on the word "donate" in the eligible activities section and Kara said she would find some additional information as to why that word/idea was included.
- (00:19:45)** Michael O'Neil points out language used in Eligible Beneficiaries section may not be consistent throughout. Also, it may not be clear that the Trust is intended to serve 80% AMI and below, with the option to go up to 120% AMI if the Advisory Board and Commission see a clear need. Michael suggests referring only to AMI, instead of low-moderate income as there are different definitions of those concepts. Other Advisory Board members agree with that idea. Michael suggests using adjusted HOME income limits as the measure instead of the HUDuser data currently referenced in the section. Michael included a link to that data set in the chat box
(https://www.huduser.gov/portal/datasets/home-datasets/files/HOME_IncomeLmts_State_MT_2021.pdf)
- (00:30:26)** Michael O'Neil reviews the Match section and gives a brief summary of the difference between match and leverage. Leverage could be another loan whereas match is something more permanent that the applicant can include in their proposal. Stephanie Bull asks about the cash value of below-interest rate loan. Michael responds by asserting that City staff will be charged with doing an initial assessment of each application and part of that will be to review the value of all identified match items, including below-interest rate loans.
- (00:37:00)** Michael O'Neil asks for comments on the Building Standards and Accessibility section. He suggests including the requirements of the Fair Housing Act in the opening paragraph of the section. Riley Hanson recommends clarifying that the City would only be waiving the accessibility standards on renovations or rehabilitations as new builds would be required to comply building codes. Michael states that not all housing types are covered by the Fair Housing Act and thus may not be required to comply with the visitability standards included in this section. Riley asks whether #5 (reinforcement for later installation of grab bars) should reference a correlating section of Building Code.
- (00:42:25)** Chris Hunter asks why only certain aspects of the Building Standards apply to rehabilitation. Michael states that unless walls were being torn apart or replaced, some of the requirements would be extremely difficult to meet from a financial perspective.

- (00:44:13)** Michael suggests making the Environmental Site Analysis paragraph a standalone section. He also questions whether this might be a good place to refer to the project priority concerning environmental or sustainability goals.
- (00:48:15)** Michael O'Neil inquires about how mixed income projects will be factored into the Continued Affordability requirements. He also asks whether it might be a good idea to give more information based on the different housing types. For example, \$30,000 invested in a single-family home is very different than \$30,000 invested in a multi-unit affordable housing project. He suggests looking at the HOME application for any guidance they might provide to prospective applicants.
- (00:54:45)** Michael points to necessary edits to B. Single Family Dwelling Unit Development and Homebuyer Assistance section, paragraph two. Recommended including "or homebuyer assistance programs". It needs to be clear that the applicant has previous and successful experience conducting programs like what they are proposing to the Trust.
- (00:58:20)** Kara summarizes the legal review for the Loan Terms sections, which included a note that any suggested fees in the Guidelines would need to be reviewed and approved by the City Commission.
- (01:02:29)** Mixed Use and/or Mixed Income section wording on pages 8 and 9 of Guidelines. Michael also brings up whether the 50% of units in a mixed income development needing to be affordable might be too restrictive. There is a following discussion on the value of investing in a development that has less than 50% of units listed at affordable rates. Discussion also covered the use of the term "low to moderate income". It may be useful to have more detail here for prospective applicants.
- (01:24:15)** Group discusses whether private developers complete cost certifications as part of the process. Michael thought that might only be an aspect of tax credit or affordable housing development. Byron stated that they don't do an official cost certification as part of their loan process, but they do check work and budgets periodically to make sure that the project is not over budget. Michael recommends the language requiring the independent cost certification be removed from the single-family development section as that would actually be cost-prohibitive. There should be some kind of evaluation, just not an official cost certification. Habitat for Humanity of a private developer perspective would be useful for the Underwriting and Subsidy Layering Standards section of Single Family Dwelling Unit Development.
- (01:31:01)** Michael asked for clarification in the Land Trust Development section as to whether the \$10,000 cap was per project or per unit. Kara responded that she thought it was per unit but would find out for sure before the next meeting. Similarly, will there be a cap per beneficiary for the Homebuyer Assistance program? It may be a good idea to cap it in a way that is more immune to inflation than a per/unit amount.
- (01:31:25)** Will there be a cap per beneficiary for the Homebuyer Assistance program?
- (01:34:45)** Chris Hunter asked whether each member would be responsible to provide their own underwriting review and expressed concern that he might not be

able to provide that. Michael clarified that the underwriting review would be provided by City staff or a 3rd party for the Advisory Board to review.

Questions/Comments

(01:37:00) Michael O'Neil states that the group will finish work on the Guideline and start reviewing the Program Application during the next meeting, in May.

Public Comment

(01:37:30) There is no public comment at this time.

Meetings of Interest / Announcements

(01:37:50) The next Advisory Board Meeting is scheduled for May 4, 2022 at 2pm

Adjournment

(01:39:35) There being no further business before the Affordable Housing Trust Fund Advisory Board, the meeting adjourned at 3:30 p.m.