CITY OF HELENA
Affordable Housing Trust Fund Advisory Board
June 8, 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

(00:11:38)   Roll Call was taken, and the following all responded present: Byron Beley, Riley Hanson, John Rausch, Chris Hunter, Stephanie Bull, Michael O'Neil, Rachel Ballweber

The following members were absent: None

Members of the public present: One member of the public was present, but did not identify themselves when prompted

Minutes

(00:19:45)   May 4, 2022 meeting minutes unanimously approved (had to go back as the Board skipped this agenda item)

Regular Items

(00:15:10)   A.   Review most recent draft of Program Guidelines

(00:15:18)   Kara summarized the edits that were completed after reviewing the Board's feedback from the May meeting. These edits included moving the Priorities section from the Application to the Program Guidelines, expansion of the environmental sustainability bullet point, removal of language in the Environmental Site Analysis (ESA) section that assumed every project would undergo an ESA.

(00:20:54)   B.   Review most recent draft of Application

(00:21:30) Kara summarized the changes to the application document, which included editing the application schedule so that it was evenly spaced throughout the year and removal of the Priorities section.

(00:23:00) The Board discussed the idea of a "letter of intent" and whether there was any reason to include it in the application process. Kara stated that the City currently saw the step as an administrative burden and unnecessary given the accessibility of staff. Michael thought the letter of intent was a useful tool in the Tax Credit application process but agreed that it may be unnecessary for the Trust Fund. John stated that he thought if staff were available to do an eligibility check for applicants, then the letter of intent would be unnecessary.

(00:26:10) Michael suggested adding language to the application that might queue the applicant to contact staff to let them know they are interested. This will be necessary prior to applying, so should be included in the application somewhere.

(00:27:45) Kara described the application submission process, which will include asking City staff for access to a secure OneDrive folder that the documents can be uploaded to.

(00:28:53) The board discussed the proposed land trust set aside that is still included in the Application and Guidelines. Michael was concerned over segregating a portion of the fund before identifying community needs. He wondered if there was a need for the set aside when an organization could apply for that specific project without it. He thought it read as a priority, instead of a potential project.

(00:34:30) Michael asked the Board whether they thought there should be restrictions or set asides within the fund. Byron responded with the thought that the Fund should be as flexible as possible with minimal restrictions. Riley asserted that he saw now point in creating set-asides, rather he thought it may make more sense to identify priority projects as they compare applications.

(00:39:45) Riley asked if the "emergency fund" should be larger than 100k to cover potential overages in construction costs. Kara clarified that applicants are being asked to include a sufficient contingency in their application. The emergency funding will be for unforeseen circumstances in the community.

(00:42:35) Michael concluded the set aside discussion by saying that the Board would recommend moving forward given there was a note that they did not see set aside language as useful.

(00:43:04) Chris asked if there is anything currently included in the Guidelines that states a priority will be given to Land Trust projects. Kara responded by reviewing the priorities section and noting that while long term sustainability and impact are priorities, there is nothing specific to land trusts. Michael suggested maybe adding a priority bullet about land trust development or permanent affordability.

(00:44:35)   The Board reviews the Advisory Board review section, finding several grammatical errors. Michael asked for clarification on percentage of match and program income language.

(00:56:30)   After reviewing the Application Contents section, Michael suggests adding a review layer concerning project readiness in the Advisory Board review section. This would help the Board decide whether a project is ready for an investment of funding in the current cycle or if it might be better to wait until more pieces were in place.

(00:59:10)   Michael suggested adding something in the application contents about other identified or obtained funds for the project. A proposed project timeline with financial milestones to show where the City funds are being employed and highlight the readiness of the project as well as the use of AHTF funds as gap financing.

(01:02:45)   Byron suggested adding language about AHTF funding being held back until other funding sources were attained. Kara drew a parallel to the CDBG start-up conditions that require applicants to prove their match prior to getting the State funding.

(01:05:08)   Michael suggested using language from the Montana unified app that states "list all sources of project funding either anticipated or committed". Also suggested adding more detail to the project implementation schedule as far as major milestones and anticipated completion.

(01:09:20)   Michael pointed out the land trust project requirements that may be useful for other projects as well. He also described the purpose and importance of a deed restriction that can limit what a property is sold for or what the profits are used for.

(01:17:24)   Byron asked if all other sources of funding are committed to a project, will the City give the Trust Fund portion up front? Kara clarifies that funds are given on a reimbursement basis and that a percentage of the funds area withheld until the project is complete. Michael asks if it is stated anywhere where City funds will come in, at the beginning, middle, or end of a project? John asks about what kind of agreement or contract will be established between the applicant and the City. Kara responds that there will be a loan agreement with repercussions should the applicant not follow-through on what has been agreed upon.

(01:26:30)   **C.**   **Final comments and recommendations on the Program Guidelines and Application**

(01:26:45)   Michael asks if there is anyone who would like to make public comment, there was none.

(01:28:35)   Michael asks if there is a motion to approve recommendation of the two documents discussed at the meeting. Byron made the motion and Riley seconded. Michael asked if there was any discussion and there was none. Michael asks for a vote, all are in favor, none opposed.

Questions/Comments

(01:30:00)   There are no additional questions or comments at this time.

Public Comment

(01:26:45)   There is no public comment at this time. (The Board took public comment prior to the vote recommending the Trust Fund documents.

Meetings of Interest / Announcements

(01:30:30)   The next Advisory Board Meeting has been rescheduled for July 13, 2022 at 2pm

Adjournment

(01:30:57)   There being no further business before the Affordable Housing Trust Fund Advisory Board, the meeting adjourned at 3:30 p.m.