Missoula Housing Authority Board
Regular Board Meeting
Wednesday, January 15, 2020

-MINUTES-

Members Present: Collin Bangs, Kaia Peterson, Mary Jane Nealon, Mike Nugent, Jack Richards, Kila Shields, Monique Casbeer

Members Absent: None

Staff Present: Lori Davidson, Jim McGrath, Mary Melton, Debbie Hibbitts

Guests Present: Ryan Sudbury

I. Call to Order: The meeting was called to order at 5:34pm.

II. Attendance: See above

III. Approval of Minutes: Regular Board Meeting, December 18, 2019

1st: Casbeer
2nd: Richards
None opposed, motion passes.

IV. Commissioner Comments/Conflict of Interest Disclosure:

Bangs: We need to do Lori’s evaluation. Let’s get a couple board members and a couple staff together to discuss a plan.

V. Public Comments on items not on the Agenda:

None

VI. Action Items:

None

VII. Staff Reports:

a. Villagio update

Davidson: We possibly have a workable design for this difficult site. We’re starting to delve deeper into that with Dick Anderson Construction. We’re diving into things like the operating agreement with the partners, which is proving to be difficult. The project has shifted since it first started, so we’re having to reconsider what we put in that agreement. Collin and I have been meeting with
the partners to figure out how this is going to work as we continue through the process.

b. Voluntary Conversion

Davison: It’s moving along. We have hired a temporary Conversion Specialist. He’s starting to figure out how to set up meetings with the tenants which is an essential part of the process. We have to meet with every tenant and go over a lot of paperwork. There will be about 9 of these meetings and HUD has to call into every meeting. Tenants won’t have to move if they’re over income, so that’s really good. The capital fund work is under contract. I’m anxiously awaiting our 2020 capital fund award. I want to make sure we have that money in hand before we start the formal process with HUD. There haven’t been any hiccups so far. I think we’re the first ones in the country doing this Streamlined Voluntary Conversion.

c. Cornerstone update

Davison: They’ll be pouring foundation next week. We’re still waiting for the value engineering plans from Edgell. The process is going well.

d. Trinity update

Davison: The partnership with Homeword is turning out to be a great partnership. I’m impressed with their staff and process. This is going to be a difficult project. We’re talking about having a steering committee to get together for the navigation center and permanent supportive housing piece. We have hired an architect out of Bozeman. We’re still working with our prospective partners on what that navigation center will look like. We’re looking at leasing the navigation space to the organizations that will be there for an affordable price. We’re provided the property management, but those organizations will actually run the navigation center. We’ll be having some meetings with neighbors to make sure we’re being good neighbors. We’re still looking for some historic lot lines at the Mullan site to avoid having to subdivide. There is still a long way to go, but things are starting to pick-up. We’ll be working on the operating agreement between us and Homeword and how that partnership will work.

Nealon: How do you see the permanent supportive housing piece working?

Davison: The majority of tenants who have a permanent supportive housing voucher already have their own case management. We’ll be looking to the navigation center to help provide those services. We’re still working on what the best model will be.

e. Potential new project
Davidson: An architect brought a vague potential project to Sam. It involves an owner of a hotel downtown trying to decide what to do with the hotel. We’re bouncing some ideas around about what we could do, like maybe turn it into affordable housing. The owner has a banker friend in the community who has provided some suggestions for financing. The owner doesn’t want to give up ownership of the hotel, but is looking for someone to take it over. Conversations are still very preliminary and we’re just exploring possibilities.

f. Auditors on site next week

Davidson: Our A133 auditors will be here next week. It’s the audit for all of our programs that aren’t a separate entity, like tax credit projects that are still in partnerships. Those auditors will probably be here in February, so we’re in audit season from now until probably March. The A133 auditors here next week usually stay about a week. I’m inviting you to the exit conference, which will take place next Thursday or Friday. I’ll give you as much notice as I can. We enjoy the audit in the sense that we want to know if we’re doing anything incorrectly. We have relied on them a lot for questions and suggestions. We’ll also be going through the Silvertip audit which is quite an ordeal. Silvertip is neither tax credit nor owned by the housing authority. We’re in a partnership with Wishrock Group and they hire the auditors. There is a HUD loan on this project and we have to submit the audit electronically.

g. Parkside

Davidson: The last time we talked about this was several months ago and I had put it on the backburner. The property is 40 years old. It had a tax credit rehab 16 years ago, not in-depth, mostly cosmetic. We’re the sole owners on that property now. It will need work within the next 5 years. We did put on new roofs 2 years ago, but it needs new windows, boilers, stair repairs, etc. It has a MBOH loan on it. We’re about halfway through the amortization period. It’s a great loan, except that we can’t layer another loan, which means we’d have to refinance if we want to do a rehab there. We looked at a HUD 223f loan, but it doesn’t seem like the best option. We’re looking at a Freddie Mac Cash Loan, which is also the type of loan we may use at Villagio. We’ll have to get a new appraisal, but it’s worth talking to some banks. We’ve already had a physical needs assessment done and had the work priced.

VIII. Old Business:

None

IX. New Business:
None

I. **Adjournment:** The regular meeting was adjourned at 6:52pm.

Collin Bangs, Board Chair

Lori Davidson, Executive Director