Missoula Housing Authority Board
Regular Board Meeting
Wednesday, June 17, 2020

-MINUTES-

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

Members Absent: Kaia Peterson

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

Guests Present: Ryan Sudbury, Christian Pritchett

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

II. Attendance: See above

III. Approval of Minutes:
   a. Regular Board Meeting – May 20, 2020

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

   b. Special Board Meeting – June 8, 2020

       1st: Casbeer
       2nd: Nealon
       None opposed, motion passes

IV. Commissioner Comments/Conflict of Interest Disclosure:

    None

V. Public Comments on items not on the Agenda:

    None

VI. Action Items:
   a. Resolution 1109 – Accepting loan from Neighborworks Montana for Villagio predevelopment costs

    Davidson: We have Christian Pritchett who is the Director of Development at Blueline Development here to describe where we’re at with Villagio.
Pritchett: We had signed up for an equity LOI with Boston Financial with an opportunity zone fund backed by Chase Bank. That fund has since gone away so we’ve been exploring options on the equity side. This project has taken a complete 180 from its original concept and I think for the better. We’ve gone through a complete redesign from 7 to 3 to 2 buildings. We feel much better about the construction estimating and the costs are within our financial model. Yesterday we got a LOI from First Interstate Bank for the construction debt. We have a number of viable options on the debt side and we’re really starting to see those shake out well. We’re still working with Boston Financial on the equity side to see if they can go back to Freddie Mac and look at options to give us a LOI with the same terms. We’re seeing the financing component really come together. We’re due to have an 85% design set from Encompass to get to Dick Andersen Construction for the next pricing update.

Bangs: Do we have an estimated start date?

Pritchett: From an entitlement standpoint, late fall to first quarter 2021. One thing we’re talking to Dick Anderson about is what would be the advantage of pushing to a December/January bid date so we can maybe get a pricing advantage rather than bidding during busy season. We’ll look at whether that savings will offset the winter conditions.

Davidson: We have one million dollars of disposition funds already spent on the project. This resolution is asking us to guarantee this loan from Neighborworks Montana which is at a beneficial rate and we don’t have to put up any collateral. But we are guaranteeing it, so we’d be on the hook for the loan if something happens, so it’s a risk. It’s still a great project and I think it has great potential.

1st: Casbeer  
2nd: Richards  
Nugent abstains due to conflict of interest  
None opposed, motion passes  

VII. Staff Reports:  
   a. COVID-19 updates  

   Davidson: I don’t have anything major. We’re still not open to the public. We’ve gotten some carrells for the board room and I don’t think they’re going to work for board meetings, but they’ll help the staff with client meetings. We’re expecting webcams to come in for computers in the office. We still have a number of staff working from home. We expect the Zoom meetings to continue to happen for a while. We received additional funding from HUD to cover COVID-19 expenses and money to be used for any operating cost.

b. Villagio update  
   ** See above under Action Items
c. Voluntary Conversion

Davidson: We’ve submitted information to HUD and we’re actually in review! We submitted it on June 8th, and that starts HUD’s 90-day review timeline. If we’re really lucky, we could actually convert by October 1. That is dependent upon when we receive the tenant protection vouchers. We do still have a long ways to go even after HUD’s review is complete.

d. Cornerstone update

Davidson: It’s really starting to look like a building. Edgell Building is doing a great job and moving right along. We haven’t experienced any more delays. We’re going to start drawing down the Housing Trust Fund money. Things are looking really good.

e. Trinity update

Davidson: As Kaia suggested, I did talk to Glacier Bank about the VA partnership in Valor House before she started the appraisal. She did not think that was going to be an issue in terms of underwriting. She’s ordered the appraisal on that property and one of Homeword’s properties, so that they can provide a predevelopment loan. We don’t have any cash in this project right now. We’ve made progress on the entitlement issues and we think we’ve gotten to an agreement between the city and the county. We’ve taken the potential plan for the navigation center through the city’s housing office and Eran Pehan was pleased with it. The actual boundaries on the site are still a little bit fuzzy, but those final things are getting worked out. We think we’re getting close to a design. The city and county have agreed to take the lead on figuring out the supportive services at the navigation center.

VIII. Old Business:

None

IX. New Business:

None

I. Adjournment: The regular meeting was adjourned at 6:26pm.

Collin Bangs, Board Chair

Lori Davidson, Executive Director

*** Minutes approved via Zoom Board Meeting on July 15, 2020