

**Missoula Housing Authority Board**  
Regular Board Meeting & Public Hearing  
Wednesday, August 20, 2008

-MINUTES-

Members Present: Sandy Mitchell, Jamie Hoffmann, Collin Bangs, Betty Zander, Joe Pietro, Sheila Lund

Members Absent: John Boyle

Staff Present: Lori Davidson, Jim McGrath, Gloria Fortier, Merah Shurtliff, Andrea Davis, Renee Nichols, James Weir

Guests Present: Keithi Worthington, Glen Heitkamp, Theodoray Butler, Rick Wishcamper

- I. Call to Order: The meeting was called to order at 5:47 pm.  
Introduction of new Board Members Betty Zander and Joe Pietro
- II. Attendance: See above
- III. Minutes:  
Regular Board Minutes July 21, 2008: Pietro moved to approve the minutes, Mitchell seconded and the minutes passed with all in favor.
- IV. Commissioner Comment/ conflict of interest disclosure: None
- V. Public Comment: Fortier informed the board she is currently working on the financial overview report and will have a sample completed for next month's Board Meeting.
- VI. Special Presentations: Glen Heitkamp from Johnson Controls gave a presentation on Energy Performance Contracting. In conclusion, Davidson explained the savings that are accrued would be used for the debt service. Davidson asked the Board for approval to move forward with an RFP. The Board agreed to move forward with a RFP.
- VII. IDC Update: Rick Wishcamper from Rocky Mountain Development Group presented on a north-south access option between the west side of their property and the Intermountain Development Site. The Board discussed the schematic shown by Wishcamper and possible options to make the best functionality and value for both properties. Hoffmann stated he would like both parties to meet and discuss possible options. Wishcamper said Rocky Mountain Development Group is open to discussion.

Davis gave a brief update on the irrigation ditch. Davis and Don MacArthur of MMW Architects presented their case to the Board of the Irrigation District and it was denied. She proposed to the Board that they make another request. Davis stated MMW is moving along and is working within the timeline established in their contract however access issues

could result in re-drawing. Davis asked the Board for direction if they wanted MMW to keep moving along with the plans prior to the access questions fully authorized by the ditch company. Bangs stated he would like them to move forward. Davidson stated solving the irrigation ditch problem needs to be done as soon as possible.

VIII. Action Items:

A. Resolution 870: Approval of Public Housing Disposition Application Submittal to HUD

Davidson stated she received clarification from a staff member from the Special Application Center in Chicago that the proceeds brought in by the disposition of the public housing units had to be targeted or set aside for Section 8 or low income individuals. The funds could be used to leverage new projects as long as they are reserved and restricted to low income persons who are Section 8 eligible. Davidson still recommends doing some replacement public housing. She says this is one way of targeting the large one bedroom waiting list. One bedroom units that fit into the Section 8 affordability in Missoula are hard to find. Davidson stated they put up to 20 homeownership units into the proceeds plan. A Self Help Home Ownership Program (SHOP) Grant may be available to bring in up to \$15,000 a unit for each household, limited to households who are 80% of medium income or below. Davis gave a brief summary of potential options for regaining the money back from the potential homeownership units. Bangs stated that being flexible with the homeownership units is important because there are a lot of unknowns regarding the housing market in the future. Davis stated that the application is an on-line application. She will reiterate on the application that MHA has Section 8 vouchers available for tenants who will be relocated, but we will also be applying for replacement vouchers. Mitchell moved to approve the motion, Pietro seconded the motion. Hoffmann called for public comment. There was none. The resolution passed with all in favor.

B. Resolution 871: Housing Choice Voucher Admin Plan Revision

McGrath explained the current admin plan states that any visitor staying longer than three days is considered an unauthorized household member. McGrath stated that it is nearly impossible to fairly enforce this rule and wants to be more reasonable. He had reviewed other admin plans from other agencies and found none to be this strict. McGrath recommends amending the current admin plan to allow a guest to stay no more than thirty days in one year, unless the landlord has stricter rules. Lund moved to approve the motion, Pietro seconded the motion. Hoffmann called for public comment. There was none. Mitchell and Bangs abstained. The resolution passed unanimously.

C. Resolution 872: Amending Resolution 864 re: Loan to IDC for Subdivision Expenses

Davidson asked to amend Resolution 864 to use MHA funds to finish the subdivision. The amount would be added to the amount of the IDC loan. Bangs moved to approve the motion, Mitchell seconded the motion. Hoffmann called for public comment. There was none. The resolution passed with all in favor.

D. Resolution 873: Amending Resolution 848 and accompanying Promissory Note from Garden City Neighbors, Inc. to add \$400 to amount of loan.

Davidson asked to amend Resolution 848, asking for an additional \$400 for insurance costs and advertisement of the Garden City Neighbors, Inc. meeting to be held in Stevensville the following week. Davidson reminded the Board that if the land is not sold by November 2008 an interest payment will have to be made to Ravalli State Bank along with any additional costs. Lund moved to approve the motion, Pietro seconded the motion. Hoffmann asked for public comment. There was none. The resolution passed with all in favor.

E. Resolution 874: MHA Assignment of Option to Garden District I

Davidson stated this resolution approves the assignment of option for Lot 4 from MHA to Garden District I. Lund moved to approve the motion, Pietro seconded the motion. Hoffmann asked for public comment. There was none. The resolution passed with all in favor.

IX. Staff Reports:

- a. First draft of FY2008 Budget Revisions and FY2009 Budget: Davidson gave a brief summary of each budget, and stated that she was not asking for approval of these budgets at this meeting. She asked that the Finance Committee meet in the coming month to further review the budgets, and she would ask for approval at the September 2008 Board Meeting. Davidson affirmed that the finances are where she expected them to be at the end of the fiscal year. She is hopeful that Maclay Commons will be in a better financial position in the coming fiscal year. This year Maclay Commons had a service water line break and incurred a substantial expense for water line repair and the water. Fortier set up a payment plan with Mountain Water and the final payment had been made. Davidson mentioned MHA may receive an insurance reimbursement for the water damage at the Palace. The Central Office has paid for itself this year. Davidson discussed the other properties and said there was nothing unexpected. She moved on to discuss the 2009 budget. Davidson explained that there is a problem with getting the Insurance RFP responses because one of the current insurers will not release information to the responders. Davidson said she currently has Worthington working on getting that information released. She will give the current responders a chance to adjust their bids accordingly once that information is obtained. One RFP has been received from Housing Authority Insurance Group. Their master policy proposal would be a savings of anywhere from \$15-\$20,000 and would provide better coverage. Those numbers were used in the 2009 Budget even though no proposal has been accepted yet to reflect the anticipated expense. (Note: the insurance RFP was not a sealed bid process. LD) Davidson stated a portion of Davis's salary as project manager would come from Garden District. Davidson is asking for a 5% cost of living raise increase for staff. Mitchell stated the Finance Committee can discuss the budget in further detail.
- b. Summary of new housing bill provisions: Davidson stated that at one point Bangs wanted to know the provisions of the housing bill that would affect the LIHTC project. Bangs stated he had already been briefed. Davidson mentioned that a synopsis of the bill was

included in the board packet. Zander asked for clarification on payment standards. Davidson explained the payment standards further. She mentioned Davis will be attending the MBOH public hearing in Dillon, MT on September 8th to represent MHA's position on how the additional tax credits should be allocated and other provisions that may affect MHA's tax credit properties.

- c. McGrath stated all five of the chronically homeless Shelter + Care vouchers are leased up. He stated that at the September Board Meeting the annual increase in payment standards would need to be discussed and a proposal submitted.

X. Old Business:

- a. Nicole Court public meeting: Davidson stated the Garden City Neighbors, Inc. Board needed to meet for their annual meeting and to elect new officers. Since the Mayor would like public outreach to be conducted for input on possible uses of the property, the GCN Board would hold a public meeting for both purposes on August 27, 2008 in Stevensville. The meeting has been advertised.
- b. Update on Mayor's Affordable Housing Task Force (Jamie & Collin): Bangs gave a brief summary of the first draft of the new zoning regulations. He stated there has been a change in how density is calculated for multi family zoned properties. He suggested to the consultants that a zoning type be included to allow small lot, small house development like the PUDs created for Windsor Court and Canyon Creek
- c. Board Strategic Planning: Davidson asked the Board if they wanted to set a date. McGrath commented on how important it is for the Board members to meet and suggested setting a date sometime in the near future and then work their schedules around the set date. The Board discussed possible planning options for the strategic planning day. Worthington stated that no matter when the meeting is it is an open public meeting. Lund stated a facilitator and coordinator will have to be chosen.
- d. Staff Satisfaction Survey: Mitchell stated she is still working on this.

XI. New Business:

- a. Possible sale of Rattlesnake property: Davidson stated that there are still financial obligations that are weighing heavily on the organization. She mentioned there have been a few parties interested in purchasing the property. Hoffmann, speaking for himself and not the Board, would like to hold to the mission of providing housing and try to work through problems with IDC and Nicole Court. He is not at the point where he would like the Rattlesnake property sold. Bangs stated there is a need for cash now and in the foreseeable future. He suggested an RFP or appraisal be done on the land "as is". Davidson asked if a market study would be appropriate in this situation. Bangs wants to move forward with a market analysis. Davis stated for the record Scott Hollenbeck represents Rick Wishcamper

and he may not be the best in this situation. Mitchell stated she would not want to sell the land until replacement options are known.

XII. Adjournment: The meeting was unanimously adjourned at 8:35 p.m.

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James Hoffmann, Board Chair

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Lori Davidson, Interim Executive Director