



Community Housing Advisory Board Memorandum

REPORT TO: Chair Thane and Board Members

FROM: Tanya Andreasen, Community Housing Program Manger

SUBJECT: Request from HRDC for \$240,000 for the reimbursement of construction costs associated with Phase II of the Willow Springs Townhomes.

MEETING DATE: July 8, 2020

AGENDA ITEM TYPE: Action

RECOMMENDATION: It is the recommendation of staff that the request should be funded at the requested level of \$240,000. The completion and approval of a grant agreement and amended affordable housing plan will be needed before presentation to the City Commission.

This funding request aligns with the CAHAB approved Community Housing Fund Philosophy (see Community Housing Fund Allocation Process and Priorities) as it will use the funds to create more housing units in Bozeman, and provides a valuable return on the investment of these funds as the homes are restricted by a ground lease and held in a Community Land Trust to ensure long-term affordability.

Using CAHAB's recommended Community Housing Fund Proposal Scoring Methodology, CAHAB's composite score was 49.94 points (38.3 average points for the first section, and 11.64 for the second). The total possible points for a funding request application with dwelling units in the project is 42 points. The overall percentage score for this proposal from five CAHAB members is 119%. Staff also scored the application, giving it 52 points (42 in the first section and 10 in the second) and an overall score of 123.8%. CAHAB composite score and staff score align closely, giving additional support to a positive staff recommendation for this funding request.

SUGGESTED MOTION: Having reviewed and discussed the funding request from HRDC, I move to recommend City Commission approval of an amount not to exceed \$240,000.

ALTERNATIVES:

1. Approve the proposed motion
2. Approve the proposed motion with modifications as specified by the Board
3. Other action as determined appropriate by the Board

FISCAL EFFECTS: The fiscal year 2020 budgeted fund balance after all proposed and recommended funding and expenditures remains at over \$1,200,000 on the date this memorandum was written. Fully funding this request would leave the fund with \$995,505.

6/26/2020