



# COMMUNITY DEVELOPMENT DIVISION

510 NORTH BROADWAY, 4<sup>TH</sup> FLOOR  
PO Box 1178, BILLINGS, MONTANA 59103



## MEMORANDUM

**TO:** Community Development Board  
**FROM:** Brenda Beckett, Community Development Manager  
**DATE:** February 20, 2013  
**SUBJECT:** Upcoming Community Development Board Meeting

Presented below is the agenda for the upcoming Community Development Board Meeting. Please call Brenda Beckett at 657-8286 or notify via email at [beckettb@ci.billings.mt.us](mailto:beckettb@ci.billings.mt.us) if you have any additional items to add to the agenda, if you have questions, or if you are unable to attend the meeting.

<b>COMMUNITY DEVELOPMENT BOARD AGENDA</b>			
<b>3:00 pm, Tuesday, March 5, 2013</b>			
4 <sup>th</sup> Floor Large Conference Room, Parmly Library Building			
<i>Order</i>	<i>Agenda Items</i>	<i>Person(s) Responsible</i>	<i>Process</i>
I.	<b>Welcome / Introduction / Announcements</b>	Kamber Kelly	-
II.	<b>Public Comment Period – As Required</b> <i>3 Minute Maximum per Person</i>	Kamber Kelly	Public Comment
III.	<b>Meeting Minutes</b>	Kamber Kelly	Action
IV.	<b>Staff Reports</b>	Staff	Report
	<i>Staff will report on current programs and progress to date on projects, including: Neighborhood Stabilization Program; Kings Green; First Time Homebuyers program; Home Repair programs; and Billings Metro VISTA Project.</i>		
V.	<b>Homeword - Pheasant Home</b>	Dina Harmon	Report & Action
	<i>Staff will present recommendations regarding funding amounts allocated to Homeword for the development of Pheasant Home. Homeword staff will be available to answer questions about the project.</i>		
VI.	<b>Subordination Policy</b>	Kamber Kelly	Discussion
	<i>An opportunity for the Board to review the City's Subordination Policy (following page) and to make recommendations to carry forth to City Council during the allocation process.</i>		
VII.	<b>Review of CDBG / HOME Funding Requirements</b>	Brenda Beckett	Report
	<i>Review of requirements for funding Administration and other activities in both CDBG and HOME programs.</i>		
VIII.	<b>FY2013-2014 Action Plan Review / Staff Applications &amp; Recommendations</b>	Staff	Report
	<i>Staff will review the basics of the FY2013-2014 Action Plan to allocate CDBG and HOME funding, review applications submitted and provide recommendations for funding each activity.</i>		
IX.	<b>Neighborhood Concerns &amp; Happenings</b>	CD Board	Updates
	<i>Opportunity for board members to share information or concerns.</i>		
X.	<b>Set Next Meeting Agenda &amp; Adjournment</b>		

Note: Additional information on any of these items is available in the Community Development Office. Public hearings are accessible to individuals with physical disabilities. Special arrangements for participation in the public hearings by individuals with hearing, speech, or vision impairment may be made upon request at least three days prior to the hearing. Please notify Gina Simonetti at 406-247-8675 or email at [simonetti@ci.billings.mt.us](mailto:simonetti@ci.billings.mt.us).

# Housing Rehabilitation Loan Program Subordination Policy 2002

<p style="text-align: center;"><b>General Requirements</b></p>	<ul style="list-style-type: none"> <li>◆ Total loan to value ratio for the property cannot exceed 85% (based on market analysis or appraisal).</li> <li>◆ City administrator must approve all requests – may take up to 30 days.</li> <li>◆ Lender must provide written documentation outlining:             <ul style="list-style-type: none"> <li>▪ The amount of the original mortgage</li> <li>▪ The amount of the new first mortgage</li> <li>▪ Appraised or Market value of the home</li> <li>▪ Details of debts being incorporated into new mortgage</li> </ul> </li> </ul>
<p style="text-align: center;"><b>Criteria for 0% Repayment</b> Straight Refinance of First Mortgage</p>	<ul style="list-style-type: none"> <li>◆ Loan is a refinance, and the City is still in 2<sup>nd</sup> position.</li> <li>◆ The new mortgage (refinance) lowers the monthly payment from current mortgage.</li> <li>◆ No other debt of any kind is rolled into the new 1<sup>st</sup> mortgage loan.</li> </ul>
<p style="text-align: center;"><b>Criteria for 15% Repayment</b> Applicant pays 15% of the loan balance and the City Subordinates 85%.</p>	<ul style="list-style-type: none"> <li>◆ Medical debt rolled is the only debt rolled into the new 1<sup>st</sup> mortgage is medical.</li> <li>◆ City remains in 2<sup>nd</sup> position.</li> </ul>
<p style="text-align: center;"><b>Criteria for 33% Repayment</b> Applicant pays 1/3 of the loan balance and the City Subordinates 2/3.</p>	<ul style="list-style-type: none"> <li>◆ New 1<sup>st</sup> mortgage includes debt such as consumer debt, car loans, etc.</li> <li>◆ Debt cannot be more than twice the original Rehab Loan amount.</li> </ul>
<p style="text-align: center;"><b>Deny Subordination or Complete Payoff Required</b></p>	<ul style="list-style-type: none"> <li>◆ Refinance is to obtain cash only.</li> <li>◆ City will only subordinate once – loan must be completely paid off on second subordination request.</li> <li>◆ If subordination puts the City's loan in 3<sup>rd</sup> position – loan must be paid off completely.</li> <li>◆ If the amount of the loan for other items such as medical, credit card, car loan, etc. totals more than twice the Rehab Loan.</li> </ul>
<p style="text-align: center;"><b>Exceptions/Special or Extenuating Circumstances</b></p>	<ul style="list-style-type: none"> <li>◆ Community Development Board must review all exceptions or special cases.</li> <li>◆ May take up to 30 days for review by the Board in addition to the 30 days required for review by City Council.</li> <li>◆ Community Development Board will forward their recommendation to the City Council for final review.</li> </ul>