

ADMINISTRATION AND FINANCE COMMITTEE
CITY COUNCIL CHAMBERS
140 WEST PINE STREET
MISSOULA MONTANA
October 12, 2011 1:05 pm

Members present: Stacy Rye, Chair; Ed Childers; Renee Mitchell; Pam Walzer; Jason Wiener; Dick Haines; Dave Strohmaier; Jon Wilkins; Cynthia Wolken; Bob Jaffe arrived at 1:22 pm.

Members absent: Lyn Hellegaard.

Others present: Ellen Buchanan, Kathy Mehring, Melissa Gordon, Melissa Gordon, Eileen Samson, Keri McWilliams, Brunei O'Conner, Jessica Allred, Cynthia Lotty, Kellie Battaglia, Heather McMillan, Patty Kent, Melissa Richards, Patrick White, Ruth Burke, Dee Andersen.

I. Administrative Business

A. Approve committee minutes dated: [September 28, 2011](#)-approved as submitted.

B. Public Comment on items not listed on the agenda-None

II. Consent Agenda

A. Approve claims (accounts payable). -Consent Agenda (Brentt Ramharter)

MOTION: The committee recommends the City Council approve [claims](#) totaling \$307,541.63. ([Detailed claims](#)) 10/18/11

MOTION: The committee recommends the City Council approve [claims](#) totaling \$1,995,878.19 ([Detailed claims](#)) 10/04/11

III. Regular Agenda

A. Present pre-applications for awards under the Home Investment Partnership (HOME) and Community Development Block Grant (CDBG) programs. ([memo](#))—Regular Agenda (Nancy Harte) (Referred to committee: 10/03/11)**REMOVE FROM AGENDA**

NO MOTION INFORMATIONAL ONLY

Nancy Hart, OPG, said the OPG staff has received 3 applications for HOME assistance from the following agencies:

- ✓ Garden City CHDO for \$400,000, to build 4 one bedroom housing units for the homeless with mental illness/addiction issues.
- ✓ Human Resource Council for \$323,700 for down payment assistance.
- ✓ HomeWord for \$160,000 to purchase and rehab an 8-unit former tax credit apartment building.

Melissa Gordon, OPG, said their staff received 17 CDBG applications totaling \$1,370,207. She referred to the [memo](#) provided which details the applicants and amounts requested. She said they received double in requests to what they have available. She said that representatives from some of the agencies are present to answer any questions.

Jon Wilkins asked about Garden City CHDO.

Ms. Harte said it is a subsidiary of the Western Montana Mental Health Center, it is their housing arm.

Jason Wiener asked if the lack of funding available is based on the allocation for next year being projected to be the same as the allocation last year.

Ms. Harte said yes

Mr. Wiener asked about the preliminary appropriation bills and authorization bills working through the House is that how this will be straightened out.

Ms. Gordon said it is difficult to say, we don't have any indication on what will happen next year. There was talk of eliminating CDBG funding altogether and making more drastic cuts.

Ms. Rye asked if CDBG was cut last year.

Ms. Gordon said yes, it was cut 14% last year.

Ms. Rye asked if Ms. Hart could share when the last time the funds went up. There was a hope they would increase for inflation.

Ms. Hart said the very first year of HOME and CDBG funding we got an artificial boost because for example, for HOME they say your minimum has to be \$700,000 then the following years are based on area homelessness, poverty and median income. Ours has been dropping since our first allocation in 2001. It went up for the first time in 2009 and has dropped this year by 22%. It's the same for CBDG as well.

Public Comment:

Patti Kent, Western Montana Health Center/Garden City CHDO said it's a sorely needed project. We thought we had a site but we don't now. We are working in partnership with MHA, if it's not approved in this round then perhaps the next.

Amy Hall, Montana Legal Services Association said they are asking for \$17,242 fund Civil Legal Action to low-income Missoulians. We have gone through a major budget cutback and have cut 8 positions. This money would be crucial to offering the services we provide to the community. We would use the funds to make referrals and represent Missoulians for any housing related issues. She said they are well established in the community.

Kellie Battaglia, HomeWORD, said we serve 650 very low income individuals per year. We have also received major cuts. We are entirely zeroed out. We seek families in crisis. Our application is asking for \$15,000 for financial education and foreclosure intervention programs.

Heather McMillan, Housing Director, HomeWord said our project is an 8 unit apartment complex on the west side. It is an expired tax credit building. It is full and has a very low turnover. We want to maintain them as affordable housing and the option came to us not long ago so we are racing to put our application together.

Mr. Wiener asked how much the cumulative public subsidy has been paid on the housing so far.

Ms. McMillan said the board of housing had a loan on the project 16 years ago and there were tax credits used. It was a private placement of the tax credits. That owner took the tax credit benefit as long as he could, and now that period has expired and he wants to sell the project. That is all that was put in it from the start. This is the first time Home funds would be put into this project. Our plan is to refinance the loan and use the HomeWord money to paint and install new windows. It was built really well and doesn't need a lot of work.

Mr. Wiener asked what public benefit has the current owner received through the tax credits.

Ms. McMillan said from her understanding he was unable to use the tax credits as it was set up so he ran it at the break even point.

Eric Fowler, Interim Director, Poverello Center said they will be turning in 2 applications for reconstruction of a new emergency shelter and soup kitchen. She said they have not selected a

new site yet but we hope to have it lined out before the deadline of October 24, 2011. We also have a public services application in for supportive services. We are moving from a case management model to an intake and referral approach. It will better utilize our staff and lower our costs. We will be asking for \$20,000 initially and more in subsequent years.

Mr. Wilkins says he admires the staff that work for these agencies and wishes he could award them all.

IV. Held in committee

- A.** Approve claims. (Ongoing) (Consent Agenda)
- B.** Approve journal vouchers. (Ongoing) (Consent Agenda)
- C.** Approve budget transfers. (Ongoing) (Consent Agenda)
- D.** An ordinance amending the municipal code as it relates to bike licensing. ([A&F](#)) (Returned from council floor: 12/15/08) (Tabled 8/3/2011)
- E.** Amend Council rules to change the Council's regular meeting schedule to two meetings per month ([memo](#)).—Regular Agenda (Marty Rehbein) (Referred to committee: 06/07/10)
- F.** Discuss the disposition of surplus city land. ([memo](#))—Regular Agenda (John Newman) (Referred to committee: 10/25/10)
- G.** Discuss outstanding third-party contracts. ([memo](#))—Regular Agenda (Lyn Hellegaard) (Referred to committee: 11/08/10)
- H.** Review the city's current policy for charging the public for various city-produced documents ([memo](#))—Regular Agenda (Dave Strohmaier) (Referred to committee: 12/06/10)
- I.** Review Missoula's insurance experience, particularly work comp; propose improvements if warranted. ([memo](#))—Regular Agenda (Ed Childers) (Referred to committee: 05/09/2011)

V. Adjournment

The meeting was adjourned at 1:35 pm

Respectfully submitted,

Dee Andersen

Administrative Secretary