

GREAT FALLS LOAN COMMITTEE MINUTES

October 15, 2015

CALL TO ORDER

The regular meeting of the Great Falls Loan Committee was called to order by Chairperson Joseph Boyle at 12:59 p.m. in the Housing Authority Board Room, 1500 Chown Springs Loop.

PRESENT: Joe Boyle, Chairperson, Cal Gilbert, Vice Chairperson, Commissioner, Mike McCleary, Commissioner, Jon McCarty, Commissioner, Marquita Ogawa, Commissioner, Dan Price, Commissioner

ABSENT: Jim Weber, Commissioner

ALSO PRESENT: Kevin Hager, Executive Director, Bruce Haman, Rehab Specialist, Cindy Hoscheid, Administrative Assistant

NEW BUSINESS

801 6th Ave NW

Mr. Haman made a presentation outlining the location and condition of the property, the proposed improvements to be made and the cost estimates received by the owner for the improvements. This single family residence is 59 years old. The home is in very good condition, on a good foundation and in a good neighborhood. The owner is requesting new windows and exterior insulation/siding for energy conservation. She currently owes about \$94,885. With the added rehab cost (\$94,855+\$29,820=\$124,705) the home will be at 83% 'loan to value' as per the market analysis. This is a fairly straight forward loan request and the home will still have valuable equity. Upon rehab completion, the home should see a considerable increase in value. Staff recommends approve as submitted.

Rehabilitation Items

Cost Estimate

- | | |
|--|---------------|
| A. New Windows & labor | A. \$8,215.00 |
| B. New egress windows & labor | B. \$5,300.00 |
| C. Exterior insulation, siding, soffit | C.\$11,405.00 |
| D. Demo/removal of siding/window etc. | D. \$2,600.00 |

E. 200 Amp service & interior panel	E. <u>\$2,300.00</u>
F.	
TOTAL \$29,820.00	

Commissioner McCleary made a motion to approve the recommendation. Commissioner McCarty seconded the motion with unanimous voice approval.

316 Central Ave

Mr. Haman made a presentation outlining the location and condition of the property, the proposed improvements to be made and the cost estimates received by the owner for the improvements. This structure is 101 years old and the owner, Mr. Alley, has been in the rehab program for 9 years. He is requesting additional funds to bring a fire suppression service line into the building which includes a service stack. The unit is partially plumbed for sprinklers. The additional funds for the line and stack as well as the 'return funding' will solidify 'gap financing' from another lending institution. This will complete the entire rehab of the building which includes 100% fire sprinkled. Staff is asking for approval ONLY if appraisal is \$1,200,000 or greater. This will keep the debt to about 89% LTV or less. Staff recommends – advance as 'Approved "' to the City Commission.

<u>Rehab Items</u>	<u>Cost Estimate</u>
A. Fire Suppression Line (Federal Funds)	A. \$75,000.00
B. Fire Suppression Engineering (Revolving Funds)	B. \$18,100.00
C. Return Funding	C. <u>\$156,900.00</u>
TOTAL	\$250,000.00

Commissioner McCleary made a motion to approve contingent upon appraisal of \$1.2 million minimum with the understanding \$150,000 is for the Fire Suppression and \$100,000 is for residential unit improvements. Commissioner Price seconded the motion with unanimous voice approval.

PUBLIC COMMENT

There being no further business to come before the Board, the meeting was adjourned at 2:22 p.m.

Joseph Boyle, Chairperson

Kevin Hager, Secretary