

January 20, 2023 | 9-1:30 | Bozeman Public Safety Center

MEETING SUMMARY

Meeting Material Links

1. Agenda
2. [Powerpoint Presentation](#) | Facilitator's
3. [Powerpoint Presentation](#) | Bozeman Housing Code Audit
4. [Powerpoint Presentation](#) | Housing Impact Fund
5. RHC Draft Policy and Plans 5-YR Activity Timeline
6. Other Links
 - a. [Governor's Housing Task Force](#)

NEXT STEPS AND ACTIONS

Action items	Person responsible	Deadline
1. Next Meeting April 14, 2023 West Yellowstone 10:00 am – 3:00 pm (will include field trip)		
2. Review the Policy 5 – YR Activity Timeline and send feedback via email or direct edit in the document to Tanya.	All members	End of February, at latest

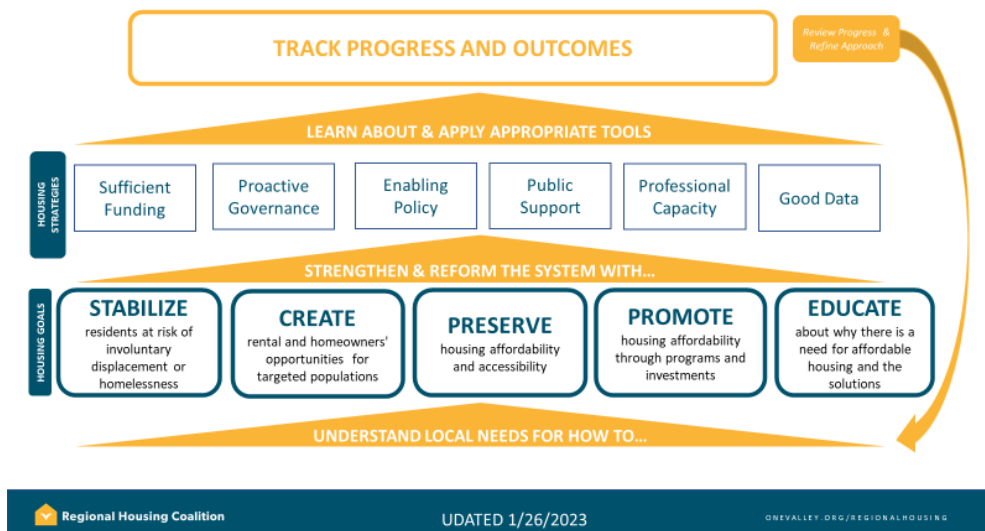
MEETING DISCUSSION SUMMARY

Agenda Topic | *Creating a Shared Vision* | Presenter *Marjo Curgus*

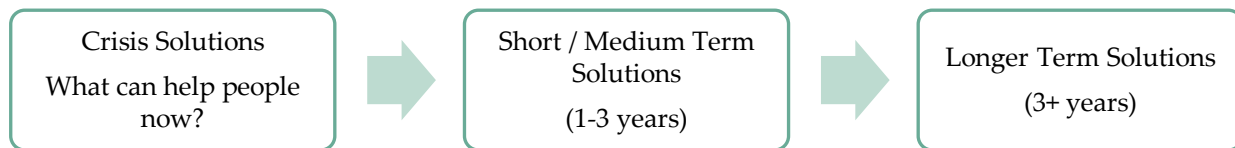
Discussion Summary

Bridget Wilkinson, President and CEO of One Valley shared the story of why the foundation has made this commitment to the RHC. Marjo Curgus, RHC Facilitator, reviewed the collective impact model and a framework for the RHC to use in exploring the “solution space” for affordable housing. It was recommended that the framework include public education and outreach more explicitly as well as the need to be adaptive and refine the approach if it is not working. Lastly, the draft framework showed that once a goal was identified, the strategies were referred to as “strengthening the system”. The members identified that the “system” is also part of the problem and therefore reforming the parts of the system that do not work also needs to be part of the solution. Is equity a desired outcomes by all members? If the American Dream has always been supported by building equity through home ownership which is not longer a reality for many community members, what is the pathway in the future for this community?

A modified framework is presented below and has been added to the January PPP.



The discussion also identified a need to look across the time continuum while evaluating and selecting action. Funding and building a project takes time, but what about the people sleeping in cars now? The RHC should explore solutions across this spectrum.



Additionally, the RCH members discussed the RHC Agreement including expectations for meeting participation. It was agreed that:

- Many of the participating organizations will require time to take proposed agreements back to their boards and networks prior to consensus decisions.
- Primary and secondary members should be allowed to participate as determined by the team. They have different expertise and may benefit from both participating in some discussions.
- A commitment to in-person participation and being in the room should be made by all members and traveling to each other's communities. However, understanding that travel and illness happen, future meetings will try to include a virtual option (where technology permits) to enable those not in the room to listen in and stay up to date on the RHC dialogues and learning.

Finally, there were some questions about the community members not in the room and how their voices will be integrated into the collective impact process (such as the Migrant Coordinator Council). It was noted that there are many groups and that engagement on Working Groups may be a good way to engage them.

Agenda Topic | Getting to Know the RHC Members

Discussion Summary

Members were asked to share their story about what motivates them to do the work they do and what their organization priorities are for the next 18 months.

MOTIVATION

PRIORITIES

MOTIVATION	PRIORITIES
Aaron Parker: Reverly, Jam!, Dave's Sushi	
<ul style="list-style-type: none"> • Most motivating part of his job - working with his team. • Came here in 2003 as frontline cook, earned \$8/hr and price per bedroom was \$465-500/mo. • When he opened a restaurant he lived in a small apartment with 9 employees and 2 bath. 	<ul style="list-style-type: none"> • Advocate for entry level workforce. • Paying his staff well, even in comparison to housing costs. Right now they own 8 separate houses that they have for their employees. Sometimes their staff don't need them, their leases renew in August so they can adjust annually to the needs. • Will fight against handing something to people and them not appreciating it - wants people to understand the value. They have 5% of their employees above six figure income in his restaurant and many still cannot afford a house locally. • Interested in short and long term solutions.
Denise Juneau: Bozeman Health	
<ul style="list-style-type: none"> • Grew up on Blackfoot Reservation, Browning • MSU grad • Come from education world. • Motivation comes from background. State education agency for state of mt • Pandemic really showed inequities. System should work for everyone, but it is not. • Homeownership – is homeownership still the goal and how to build equity? Is it still a path to econ stability? • Look to Seattle as a cautionary tale. Right now is a defining moment for Bozeman. Need to define who WE are and what Bozeman means. 	<ul style="list-style-type: none"> • Focusing more now on workforce housing; it is a recruitment issue. • Invested in Yellowstone Airport Housing Project (100 units); • Looking at using parking lot for RVS for employees; • Kara Meyer is focusing specifically on employee housing.
Joanna Harper: GAR	
<ul style="list-style-type: none"> • Wants to dispel myths about realtor's role in this. They are not responsible for the incredibly high purchase prices and do not benefit from low inventory. 	<ul style="list-style-type: none"> • Represents 1,400 realtors with very diverse perspectives. • GAR represents 3 organizations.

- **She's a private sector business sector person who makes a living when properties transact.**
- Housing is an ecosystem - lack of housing impacts schools, etc. From Metro Detroit - lived in a community of decline and sees that when harm enters a system, it affects everything and everyone.
- **Resistance to density, etc. es a reflection of people's pain at having to witness what they see as the essential change of their community.**
- She works with individuals experiencing major life changes trying to figure out what their housing options are. Seniors are a major challenge - need to sell their house and have no place to go, can't stay in their lifelong community.
- GAR is a source of tangible reliable data and releases quarter housing report.
- The charitable side refocusing on housing needs and realtors pledging money.
- Their second housing report will come out in 1st qtr this year. Avg home price is over \$800k
- They don't create inventory, but anything that increases availability of housing is something the realtors can get behind. They believe the larger percentage of home ownership makes a community more stable.
- Are an advocate for property owner's rights.

Katrina Weise, West Yellowstone Chamber

- Took 7 mo to find housing, commuting daily from Bozeman to West Yellowstone. wWen they found somewhere to rent they were there for 9 yrs because no housing market to change. Were kicked out of the rental because they wanted to make it a nightly rental.
- Fortunate now have their own home.

Marianne Booth, MSU

- **Came to MT in 2014; previously lived in SLC and helped youth transitioning from foster care to independent living.**
- Moved to Montana (rent has increase \$800/month in only 2 years!)
- **Finished PhD but still can't afford rent here. As an "elder millennial" expect to never own a home; always been a renter.**
- Most MSU hiring attempts are failing due to housing costs.
- An advocate for housing
- Work at intersection of student experience front line + advocacy, grant writing, policy creator.
- Person who says yes to make things happen
- 5 main topics Office Of Student Affairs - housing, transportation, child care, grants and services
- The Off Campus Student Life Office (1:1 advising). There are 17,000 students who also think housing is the most pressing issue. Hope to engage and activate students and power of major institution to advocate for solutions.
- Also lobbying and write grants.

Jeff Mihelich, City of Bozeman, City Manager

- **Enjoy community service work**
- **Love to tackle wicked problems**
- #1 priority is affordable housing (25% of his time)
- Had a successful inclusionary zoning program but it was "snatched away" (state law changes)
- Have to get creative (sale of fire station; extra land from row projects)
- Growth is creating issues and everyone needs to do their "fair share"

Jennifer Boyer, Gallatin County

- **Grew up in community in decline; would rather have this problem than be in decline**
- **Background in land conservation & community development; also a facilitator**
- **Purchased home long ago and fixed it up; not an option anymore for other**
- **Volunteer for "Seat At The Table"**
- During campaign, this is #1 issue for door discussions
- Schools are struggling; essential workers can't find housing. Frays our community fabric
- County has new Growth Policy w/chapter on housing
- Rest home site being explored for housing + daycare
- CBDG funding approved to do a Regional Housing Plan (county planning will be kicking off soon)
- Future land use map initiative coming soon - hope to integrate land use goals into map (density, etc.)

Renata Munfrada, City of Bozeman

- Worked at a bank managing CRA. Passionate about helping low and moderate income individuals. Felt that she was fighting the system from within - then took Tanya's job to continue her work
- Priority is building housing and getting people in homes
- Priorities outlined in Spotlight presentation

Sarah Mohland, Mass Design Group

- **Architect of Mast Design Group, trying to ensure design meets the challenges of those using it**
- **Housing is critical to wellness and belonging**
- **Personally facing a choice of having a second child or leaving this community due to cost of living**
- From Great Falls - this is the best mtg she's had all month

- Looking for opportunities in the process of building, she's working with haven to solve how design can be solved in people's communities, new shelter opening soon

Randy Johnston, Town of Three Forks - Mayor

- **Born in Bozeman, but lived/raised in Three Forks, seen all the growth in Three Forks and Bozeman**
- **Bought a mobile home with a 10% balloon mortgage, then it jumped to 18%. Someone came in and put up 8 HUD houses, he tried and failed to get into one, (restrictions were income, interest rate, length of stay), they are not available to help everyone**
- Worries about young families, even if both parents work, then they have daycare - how do they get a home?

- Labor problems in Three Forks
- People from Bozeman are moving to Three Forks,
- The growth policy has enabled them to get state and federal money to create growth area by mitigating flood plain, got \$4.5M from FEMA
- At hearing for SID, 0 protests, whole town wanted it.
- With their policy have allowed density housing (triplexes), work live program (32 units) where people can put businesses below and live above.
- Still - locals working in local industry, making \$40/hr still cannot afford a house
- Another goal is infrastructure - their infrastructure is 1935 for the original plat of Three Forks, (water main, etc.) Have some grants for new wells, need water rights for subdivisions to move in, etc.

Dan Walker, Town of West Yellowstone

- **How did we get here? Sad to be here due to housing crisis.**
- **Town manager - would be embarrassing to not be able to house town manager; if I can't afford to live as town manager, how bad is it for my employees? Teachers?**
- Housing is tied to job/employer

- Want to focus on future and how to move forward
- Create affordable housing in West Yellowstone
- Wastewater moratorium in place until infrastructure updates
- Strs - working on regulating short term rentals
- Re-energized housing coalition
- Annexed 80-acres (owned by West Yellowstone) but can't do anything due to wastewater moratorium; need to zone property once zone code is updated (it is old and we need new tools)
- A lot going on and learning from other places
- Daunting task
- Want to make relationships

Jason Karp, City of Belgrade

- **True local - family farm to Belgrade**
- **MSU - first apartment \$250/month in bozeman!**
- **1995 started working for Belgrade; purchased house**
- People in office are following same path (MSU, etc.) but the thought of buying a house is now off the table for public service workers

- City council gets it - have annexed 1,000 acres; all zoned R3/R4 (higher density districts)
- Adopted ADUs; increased building heights; in process of revamping zoning codes; in favor of incremental development (strongtowns.org model)
- Frustrating for business owners to expand or start something new, because they are terrified of staffing/lack of employees – hurt our economy
- Want to see apartments built through private sector
- Want to see workforce follow the hometown dream with place they own

Heather Grenier, HRDC IX

- HRDC tasked with identifying and responding to most pressing needs - means housing
- Do a community assessment every 3 years - same issues (housing, transportation, daycare, health care)
- Development and service across the housing spectrum from homeless to housing. Did first housing trust in state of mt; still thriving today (daycare too)
- See who is impacted on a daily basis. Seniors are heartbreaking (showing up at shelter at 75 years old example)
- A lot planned in next 18 months (MT Housing Coalition at state level; adding funding through Coal

Tax; funding the MT Housing Fund - has existed but never been funded)

- Homelessness - support capital investment to expand shelter services across state
- On the ground.
 - Gallatin County – preservation of 8 senior apartments in Belgrade;
 - LIHTC 150 units in Bozeman; working on rest home parcel; breaking ground on first year round shelter in Bozeman
 - Housing Impact Fund
 - West Yellowstone - 3 townhomes
 - Park county - setting up housing coalition
 - HRDC has acted as housing authority; opportunity to do more
- Behavior health is new realm for HRDC; need more to work on this similar to housing

David O' Conner: Big Sky Community Housing Trust

- Came to big sky in 1990 as bartender and eventually purchased business
 - Lived in employee housing initially and then purchased and then eventually became a provider of affordable housing
 - No succession plan for our business, our pathway not open to others
 - Example - school board in big sky; no one to run
 - Finally using degree at housing trust
 -
 -
- LIHTC project 25 units coming up
 - 7 deed restrictions so far
 - New programs for Big Sky; “rent local” program (200 people; 80 properties)
 - Property tax with tax on rentals idea in the works to replicate program at state level
 - Goal to protect existing inventory
 - Looking at mixed income community like Bridger View
 - What else can we do now?

Randy Carpenter, Headwaters Community Housing Trust

- Background in city planning, focus on smart growth using land and energy wisely
 - Problems are interrelated but housing has eclipsed them all
 - Housing is about more than putting a roof over people's heads, but also about what kind of place do we want to become? (he worked in Jackson, WY and doesn't want that for here)
- HCHT - sees that housing needs include homeless, housing sector, and middle income that can't qualify for assistance but can't afford housing. They are trying to focus on that “missing middle” those who can't qualify for assistance but can't buy homes on their own
 - Building quality home, ensuring that the homes are permanently affordable through community land trust model, and the connection between sustainability and affordability
 - Bridger View - 62 homes - 31 market rate and 31 below market rate, very efficient modern home, mixed income, permanently affordable through lease arrangement. Homeowner buys home and they keep ownership of the land. Homeowner can gain 2.5% equity at sale, but can't flip at market rate. Houses are identical and interspersed market and below market
 - Looking to complete Bridger View and then do the next similar project

Ruthi Solaris, West Yellowstone Club Community Foundation

- Worked in public sector for 20 yrs in nutrition insecurity on a state and international level
 - When you go upstream it all goes back to inequitable systems that keep oppressed
 - Now in a philanthropic space - try to connect resources to initiatives and make change
 - From Helena - lives in Big Sky with family history of buying below market value - wants everyone to have that pathway to home ownership.
- Elevate Big Sky - take 4% resort tax dollars along with philanthropic and private dollars and put into a collaborative impact fund to address biggest local needs, housing is #1 (came out of their relief fund during covid)
 - First RFP in Nov for affordable housing solutions, working with michael brown who led the Bridgeview development near Story Mill
 - Real estate collective - working with agents to get a 1% of commission voluntary contribution. Goal is to ask the buyer and seller to also contribute 1% at closing.

Members not present

- Eugene Graf: SWMBIA
- Jackie Haines, Northern Rockies Mountain Development District
- Jim Ness, First Security Bank
- Hannah Crum, Belgrade Chamber of Commerce
- Neil Cardwell, City Of Belgrade

Agenda Topic | *Bozeman Housing Code Audit* | Presenter *Renata Munfrada*

Discussion Summary

- AMI requirements for housing programs focus on lower incomes of 80% and below Area Media Income (AMI). None for middle class families. Missing middle housing is the gap between programs for low and mid income
 - City is working on missing middle and workforce at 80% and above. Starting wage for police officer is 65K but med income is \$107K.
 - Presentation covers our code audit to replace inclusionary zoning. Use incentive in planned development to work with developer to negotiate relaxation of code for housing.
 - New incentives tiered shallow and deep
 - For shallow - 5% of units for housing and half units for bonuses such as parking. Maybe not a large financial incentive but can help close the gap on proforma.
 - Project Pipeline (please see the PPP as there is a lot of detail on each project)
1. Canyon Gate
 - Residents protested affordable housing (crime, trash, traffic, etc.)
 - 60 workforce units voluntarily from the developer
 2. Lumberyard
 - 1st using the deep incentive
 - Over 300 units
 - Low Income Housing Tax Credit (LIHTC) project with 100+ units
 - In midtown urban renewal use Tax Increment Financing (TIF) assistance
 - Still some challenged with money to make the project work. Developer needs LITEC, TIF, plus AHO to make the project work
 3. North 3rd
 - A LIHTC project
 - Important able to hit lower AMI - largest project in pipelin
 - Multiple depts. in city coming together
 - It is about value trade off to community on affordable housing versus open space - not getting all desired park space, but getting 200 units of housing.
 - What is most important right now? Neighborhood character or affordable housing?
 4. Cloverleaf
 - TIF qualification project must have at least 10% affordability
 5. Gallatin Meadows aka the Silo
 - Financial subsidy for project. Using America Rescue Plan Act (ARPA) for infrastructure. Only ARPA project.
 6. Fire Station
 - 50 workforce housing units restricted
 - City owned the land and ability to build in downtown core and it is where people work
 - May be last option for downtown housing
 7. 910
 - Renegotiated project and still not financially feasible for developer. Can only give them limited money.
 - TIF is becoming our housing project fund - this one a zombie project now and not sure if new AHO help with feasibility.
- Looking at new projects
 - Wallace may use TIF funds
 - Kagy may use new AHO
 - Fowler big project. City owned land. Looking at concept plans and maybe a gentle density model. Controversial - eager to build for multimodal transportation.
 - Urban camping - No legal authority to enforce or remove individuals if nowhere to go. Warming center is at capacity and therefore really no where to go.
 - Gov housing task force. This could affect local control and impactful for us. City commented on draft.

- Regional Housing Strategy will look at housing from regional perspective. Funded by Community Development Block Grant (CDBG). Interagency coalition and key to regional solutions.
- Looking at how to manage Short Term Rentals (STRs). Looking at few different policies and enhancing registration compliance, type 3 non owner occupied with primary residency requirement to see if it helps.

QUESTION AND ANSWER

- What is gentle density? Defined as development of missing middle duplexes, triplexes, accessory dwelling units (ADUs), stacked townhouses, semi-detached homes and small-scale apartment and condominium buildings within and among single-family zoned. It can integrate design to mitigate visual impacts of higher density by “hiding” high density or heights from street views.
- What is the difference between a shallow and deep incentive?
 - If only get 5% affordable housing better than nothing. Use variances for parking, etc Aiming for 50% affordability, but only way to get 50% is LIHTC. Deep incentives might include subsidy or density bonus.
- What has MSU done? MSU requested another residence hall. In last 10 years put \$120M into housing. Have 2600 new students in enrollment but 1700 new beds at same time.

Agenda Topic | *Housing Impact Fund* | Presenter *Jim Ness, Terry Cunningham, Heather Grenier, and Kaia Peterson*

Discussion Summary

The Housing Impact Fund Story

- The Housing Impact Fund is based on a concept Terry and Jim Ness talking a long time.
- Part of Kalispell project using Community Development Block Grants (CDBG) to create a down payment assistance grant fund. A lot of red tape and limitations with the CDBG that create gaps on who can qualify for help.
- Initiated a question: What can we do as a community bank? How can we as banks help solve a community problems?
- We can cooperate with a Community Development Finance Institution (CDFI) (*to learn more about what a CDFI is, see [this website](#)*) Partnering with [NeighborWorks MT](#) which is a CDFI. Neighborworks is a CDFI but also more:
 - A statewide organization
 - 18 people
 - Strong homeownership focus but also serving wider housing spectrum
 - Housing education and counseling
 - Resident owned communities.
 - Homeownership down payment lending
 - Manage the Kalispell funding program
- As a community bank we can use our EQ2 contribution to solve problem. (*Equity Equivalent, or EQ2, is a capital product for community development financial institutions and their investors – to learn more [visit this website](#)*)
- With housing prices going up - down payment assistance not what it used to be. Asked ourselves what if we worked on more money and address supply side? We did not have enough to do a project, but can we create investments in organizations to address parts of problem. Our goal was to create a pool of money to rely on to address housing. Goal is \$10 million dollars of investment in NeighborWorks to get deals over the finish line.
- Lots of opportunities we want to look at to solve problems. Opportunity to loan money forward on advance projects like land acquisition or LIHTC.
- In the early stages just designing this for investors and programs.

The Needs

- Costs were bad even before the current 2 years increase.
- Housing costs outstripping income growth.
- What is affordable? \$2,500 requires 100K per year! Even professional wages needs to be 70K for a 1 bedroom. Minimum wage average in MT at \$9 so would need to work 60 hours per week....even worse in Bozeman. A single detached home needs an income of \$172K.

The Affordable Housing Federal and State Funding Landscape | What is out there?

- Missing middle is lacking. Some money for low to moderate income but insufficient to meet needs. In a place of high costs it renders housing programs irrelevant. For example, a family of 4 can get up to 80K for housing based on average around the US, but the maximum housing price in program is not adjusted for community differences. Cannot use, for example, in Bozeman.
- **Low Income Housing Tax Credit (LIHTC)** is the most successful affordable housing program. (To learn more [visit this website](#)) Bozeman rental prices are making this viable for developers - for multifamily. Annual state allocation

from the federal government only allows support for 5-6 projects in state per year. It is very competitive with 20-30 applications. Demand outstrips supply of funding.

- There is not a **Public Housing Authority** in Gallatin County (there are 18 in MT). The **HRDC** acts as one for Gallatin administering Section 8 Housing Choice program. This means that the region is missing out on funding options for the lowest income people in county.
- Montana administers the federal **HOME Investment Partnerships Program** ([link to website](#)) which supports down payment, acquisition of rental/ownership...but there are limited dollars to really address issues. Generally allocated for lowest income.
- **Community Development Block Grants** (CDBG) is great for planning grants, but also available for development and acquisition. However, less than \$7M available for entire state.
- **The Housing Trust Fund** (NHTF) another source of funds targeting very low income, for less than 50% AMI. Not a lot of funding less than \$3.5M
- **Section 8** ([the Housing Choice Voucher](#)) is a good program but sets a maximum rental assistance amount limit and few, if any, rentals in Gallatin County will accept that limit. For example, HRDC has 425 Section 8 vouchers for 3 counties and cannot use than 100 because the local market will not accept the rental cap. (see website to see 2023 payment allowances).
- **Rural Development Program** - small amount of money and simply maintaining what already exists.
- **Multifamily Coal Trust Program** ([link to website](#)) - successful to get revenue allocated from legislature - \$15M in funding for multiple projects which received lower interest rate and longer amortization. Next step is going for additional allocation in this session.

Investing In Housing

- All these resources are good, but a lot of need means there is also a role for local communities.
- We are closest to issues and the federal and state programs don't meet local needs. Federal programs are the average, not the exception.
- NeighborWorks HomeWise helps leverage funding. Pooling resources that filter through a CDFI to make them flexible and useful to community needs.
- Goal is to raise a \$10M pool to target between 60% and 160% AMI. Will still try to get the federal funds to get to 80% and below but this can help fill the gap for the missing middle.
- Legally, at least 60% of our activity needs to serve 80% and below AMI as a CDFI.
 - Leveraging other resources to make other projects come together. Renata explained had projects not penciling and we are figuring out how to find the gap funding.
 - **Leveraging dollars at 8:1**
 - Goal is 850 units of housing

Structure

- Funds in NeighborWorks MT not in projects. We are putting the strength of our organization behind this work. NeighborWorks has 25 years experience.
- Use our existing governance and financing structures with a local advisory board.
- Meet biannually for fund oversight role - help define targets and advise on maximum loans.
- Set up parameters up front then let NeighborWorks make good loans.
- With the 10M fund
 - 1M from existing NeighborWorks
 - 8M in investment
 - 1M from grants/foundations
 - Offer a 2% investment return over long time period - NOT STOCK MARKET but making a local investment in the community and making an impact

Where It Can Go

- Help between 40-150K households
- Long term financing for 15-17 years - we can make terms flexible (e.g. deferred payments, interest, long term amortization up to 40 years)
- Hard for us at NeighborWorks to find long term money to achieve goals. This fills that gap.
- Portion of funds for shorter term needs too (predevelopment, land acquisition, upfront development costs, etc.) Can do 1-3 year loan that returned to fund to be reloaned
 - 2% below market with floor of 3.5%
 - Example; Boulevard Apartments for downtown Bozeman is for seniors with disabilities.
 - A patient seller worked with them to find short term funding sources.
 - It took year and half to get the permanent financing in place.
 - If don't have short term dollars to jump on a sale, you miss the opportunity.
- Already happening on the ground in county. How to maximize TIF dollars to support housing?

- Interviewed people in community in Montana Health
 - We are losing our workforce
 - There is braindrain
 - Replacing with travelling nurses - living in STRs
 - Workers living in cars, showering at gyms
 - This is our community being impacted
- As commissioner, frustrated with pace of government activity like studies and plans. What to know when are we doing things?
- It took those things get done - it took years to get AFO or put in ARPA to put in lift stations for infrastructure to unlock property there is a price to be paid to activate your land. This is action! City can only do so much to solve the problem. If TIF is \$2M funding and projects cost \$60-90M, need another too.
- This is the community - a banker - and organizations - that are collaborating to solve the problem.

How Can 10M Make A Difference?

- Project behind Lowes
 - 136 unites below 60% AMI and also senior housing.
 - Two collaborative projects added into the housing project.
 - But there was a gap - 500K out of housing fund at city plus NeighborWorks loan made the project move forward as well as Community Promise and others.
 - Can use LIHTC - if in qualifying census tract - this one was barely within the tract. Investment hit that sweet spot to get the LITHC.
- Livingston View Vista
 - In trailer parks - once on side of town, growth happens around them, and then become desirable. But are part of the housing inventory for affordable units
 - You may own the trailer, but renting the land. This loan allows for trailer park residents to purchase the land and invest in it.
- Meadowview
 - Missing middle - how to invest in something that turns out to be a for-sale unit? HRDC and Resort Tax Board - made investment in the project to take out land and infrastructure costs from costs of housing. Then homeowner only pays for the actual stick build unit.
 - \$3M investment with \$17.5M project to make it happen at affordable price.

Structure Of Fund

(see slide)

- Make fund flexible but targeted in terms of the progress.
- Long term investments
 - Tax credits
 - Higher target incomes
 - Can get some return on these to grown fund

Next Steps | How to pull together 10M dollars

- Bankers committed to \$1M, if get to \$10M, will throw in another \$1M.
- The community banks are interested and going to invest. Broadening out to other stake holders to invest - this is a long term solution for long term problem.
- Making a 10 year investment and banks will renew.
- Goal is for the fund revolve.
- A lot of employers investing in own housing but only 3-5% able to create housing solutions. For the 95% who cannot do that -maybe they can invest in this instead with ROI to solve problem.
- Build for the next community vision.
- Finalizing fund documents for investors. Some rules around disclosures.
- \$1M in philanthropy is goal to set up fund. Over next few months know where we are at about what gaps are. \$1M is needed to trigger the full \$10, but the \$1M philanthropic is part of the loan fund while the other \$1M from banks is the cushion for the fund to remain solvent while money revolves.
- Already beginning to look pipeline so that the funds can be invested as soon as fund ready to go. Talking to developers and how we can help projects so when have money ready to go out the door, can act.
- Need to strike balance to create a stable fund. Looking for \$10M in commitments
 - For investors, commitment to long term.
 - For philanthropy sector, raising the money to get in fund.
 - For private sector, need buy in and level of faith that employees in the region will eventually benefit even if not directly their employees. A rising tide lifts all boats.

- The development community excited with lower rates and ability for gap funding.

Closing

- One Valley is ambassador who will cultivate investments.
- Will need feedback that we are hitting the AMI targets you want to see.
- Opportunity: the big organizations and governments in RHC and community have investment funds of their own, but maybe can invest in this even if a smaller return on investment.
- Institutional investors are doing a 15 year return
- The fund could fund anything related to affordable housing e.g. infrastructure – is about the impact.

Results of *If you had \$1 million to spend, how would you spend it?*

Theme	Comment
Create Housing	<ul style="list-style-type: none"> • Put out an RFP to builders/development to use funds to build permanent affordable housing • Purchase land to park campers • Temporary/transitional housing options • Buy land
Education	<ul style="list-style-type: none"> • NIMBY to YIMBY
Infrastructure	<ul style="list-style-type: none"> • Purchase of water rights or utility tie ins reserved for use in affordable housing
Direct Assistance Programs	<ul style="list-style-type: none"> • Down payment assistance for essential workers like teachers, first responders, health care workers, etc. • Loan access for purchase • Build a house for myself. LOL! Down payment assistance (<i>unreadable</i>) fund • Emergency funding
Project Support	<ul style="list-style-type: none"> • Invest in the community housing impact fund to leverage other funding sources and level interest rates • Contribute to a fund that covers the difference in future development costs formed from community grants • Fund a regional housing coalition
Policy	<ul style="list-style-type: none"> • Invest in policy change that has a return on investment for financial sustainability to affordable housing reforms (i.e. tax funds from second homes) • Urban density options • Zoning and public opinion change • Deed restrictions (<i>unreadable</i>) • Good deeds • Secondary - shift responsibilities of housing affordability