

CITY OF LIBBY
952 E. SPRUCE | POST OFFICE BOX 1428
PHONE 406-293-2731 | FAX 406-293-4090 | WEBSITE: www.cityoflibby.com

NOTICE OF PUBLIC HEARING

AUGUST 23, 2021 @ 6:00PM
COUNCIL CHAMBERS – CITY HALL

CALL TO ORDER:

- Pledge of Allegiance
- Roll Call
- Welcome

NEW BUSINESS: Each new agenda item will be introduced by the mayor (or assigned liaison) with a description of the item and explanation for the recommended action. Following council discussion on each item will be an opportunity for public comment prior to any action taken. **Public comment is limited to 3 minutes concerning the agenda item being discussed only.**

The Libby City Council will hold a Public Hearing to solicit public comment on whether a proposed qualifying low-income rental housing property meets community housing needs. The proposed housing complex to be located on Commerce Way in Libby Montana. Cabinet Affordable Housing, LLC will provide information and answer questions from the Council and public prior to the allocation of low-income housing credits.

GENERAL COMMENTS FROM COUNCIL:

ADJOURNMENT:

Notes:

The manner of Addressing Council:

- Each person, not a Council member shall address the Council, at the time designated in the agenda or as directed by the Council, by stepping to the podium or microphone, giving that person's name and address in an audible tone of voice for the record, unless further time is granted by the Council, **shall limit the address to the Council to three minutes.**
- All remarks shall be addressed to the Council as a body and not to any member of the Council or Staff with no personal remarks allowed.
- No person, other than the Council and the person having the floor, shall be permitted to enter any discussion either directly or through a member of the Council, without the permission of the Presiding Officer.
- Any person making personal, impertinent, or slanderous remarks or who shall become boisterous or disruptive during the council meeting shall be forthwith barred from further presentation to the council by the presiding officer unless permission to continue be granted by a majority vote of the council.

ATTENTION:

To access this meeting electronically with ZOOM,

Dial: 253-215-8782

Meeting ID: 4042719951

Password: 151041

Posted: 08/19/21

Cabinet Affordable Housing, LLC

6/17/2021

Memorandum

To: Jim Hammons
From: Gerald Fritts
CC: Tim Birk, Cassidy Kipp

Jim, as a requirement for Low Income Housing Tax Credits, we request an agenda position at your next meeting to explain that the project "Cabinet Affordable" will be qualified for property tax exemption.

We have attached a copy of the State Law and a copy of our application to the State for the Award of Low-Income Housing Tax credits.

Once you give us the date and time of the meeting, we will publish an announcement seeking public attendance.

We will need a printed copy of the minutes once complete.

Montana Code Annotated 2005

[Previous Section](#) [MCA Contents](#) [Part Contents](#) [Search](#) [Help](#) [Next Section](#)

15-6-221. Exemption for rental housing providing affordable housing to lower-income tenants. (1) That portion of residential rental property that is dedicated to providing affordable housing for lower-income persons is exempt from property taxation in any year that:

(a) the property is owned and operated by an entity, including but not limited to a limited partnership, limited liability corporation, or limited liability partnership in which a general partner is a nonprofit corporation exempt from taxation under section 26 U.S.C. 501(c)(3), as amended, and incorporated and admitted under the Montana Nonprofit Corporation Act as provided in Title 35, chapter 2, or is a housing authority created under 7-15-4402 and the nonprofit general partner actively participates in accordance with the definition found in 26 U.S.C. 469(i). Section 26 U.S.C. 469(i) is applicable without reference to section 26 U.S.C. 469(i)(6).

(b) the board of housing, established in 2-15-1814, has allocated low-income housing tax credits to the owner, under 26 U.S.C. 42, which requires that:

(i) at least 20% of the residential units in the property are rent-restricted, as defined in 26 U.S.C. 42, and rented to tenants whose household incomes do not exceed 50% of the median family income, adjusted for family size, for the county in which the property is located; or

(ii) at least 40% of the residential units in the property are rent-restricted, as defined in 26 U.S.C. 42, and rented to persons whose household incomes do not exceed 60% of the median income, adjusted for family size, for the county in which the property is located;

(c) a deed restriction or other legally binding instrument restricts the property's usage and provides that the units designated for use by lower-income households must be made available to or occupied by lower-income households for the period required to qualify for low-income housing tax credits at rents that do not exceed those prescribed by the terms of the deed restriction or other legally binding instruments;

(d) the property meets a public purpose in providing housing to an underserved population and provides a minimum of 50% of the units in the property to tenants at 50% of the median family income for the area, with rents restricted to a maximum of 30% of 50% of median family income, as calculated under 26 U.S.C. 42; and

(e) the owner's partnership or operating agreement or accompanying document provides that at the end of the compliance period, as that term is defined in 26 U.S.C. 42, the ownership of the property may be transferred to the nonprofit corporation or housing authority general partner as provided for in 26 U.S.C. 42(i)(7).

(2) Prior to the allocation of low-income housing tax credits to the owner, as provided in subsection (1)(b), the unit of local government where the proposed project is to be located shall give due notice, as defined in 76-15-103, and hold a public hearing to solicit comment on whether the proposed qualifying low-income rental housing property meets a community housing need. A record of the public hearing must be forwarded to the board of housing for consideration in granting the allocation of tax credits.

(3) For purposes of this section the following definitions apply:

(a) "Median family income" means the household income, adjusted for family size, determined annually by the United States department of housing and urban development, or its successor agency, to be the median family income for persons residing within each county of the state.

(b) A residential unit is "rent-restricted" if it satisfies the criteria of 26 U.S.C. 42(g)(2).

History: En. Sec. 1, Ch. 452, L. 1999.

Provided by Montana Legislative Services

Montana Code Annotated 2019

TITLE 76. LAND RESOURCES AND USE

CHAPTER 15. CONSERVATION DISTRICTS

Part 1. General Provisions

Definitions

76-15-103. Definitions. Unless the context requires otherwise, in this chapter, the following definitions apply:

- (1) "Agency of this state" includes the government of this state and any subdivision, agency, or instrumentality, corporate or otherwise, of the government of this state.
- (2) "Department" means the department of natural resources and conservation provided for in Title 2, chapter 15, part 33.
- (3) "District" or "conservation district" means a governmental subdivision of this state and a public body corporate and politic organized in accordance with this chapter, for the purposes, with the powers, and subject to the restrictions set forth in this chapter.
- (4) "Due notice" means notice published at least twice, with an interval of at least 14 days between the two publication dates, in a newspaper or other publication of general circulation within the proposed area or by posting at a reasonable number of conspicuous places within the appropriate area. The posting must include, when possible, posting at public places where it is customary to post notices concerning county or municipal affairs generally.
- (5) "Government" or "governmental" includes the government of this state, the government of the United States, and any subdivision, agency, or instrumentality, corporate or otherwise, of either of them.
- (6) "Land occupier" or "occupier of land" includes a person, firm, corporation, municipality, or other entity that holds title to or is in possession of lands lying within a district organized under this chapter, whether as owner, lessee, renter, tenant, or otherwise.
- (7) "Petition" means a petition filed under **76-15-201** for the creation of a district.
- (8) "Qualified elector" means an elector as defined in Title 13.
- (9) "Supervisor" means one of the members of the governing body of a district, elected or appointed in accordance with this chapter.
- (10) "United States" or "agencies of the United States" includes the United States of America, the natural resource conservation service of the United States department of agriculture, and any other agency or instrumentality, corporate or otherwise, of the United States of America.

History: En. Sec. 3, Ch. 72, L. 1939; amd. Sec. 2, Ch. 73, L. 1961; amd. Sec. 1, Ch. 146, L. 1967; amd. Sec. 2, Ch. 431, L. 1971; amd. Sec. 88, Ch. 253, L. 1974; R.C.M. 1947, 76-103(part); amd. Sec. 393, Ch. 571, L. 1979; amd. Sec. 269, Ch. 418, L. 1995.

American Covenant Senior Housing Foundation, at 234 Shelter Valley Drive, Kalispell, MT (406) 235-6593, and Community Action Partnership of NW MT, at 214 Main St, Kalispell, MT (406) 752-6565, both Non-Profit organizations, hereby notifies all interested persons of Libby, Montana, that we are requesting property tax exemption for Cabinet Affordable Housing, an affordable multi-family rental housing complex to be located at 400 Commerce Way, Libby, MT. We invite you to join us for comment at a public meeting to be held August 23, 2021, at 6:00 p.m. The location of the meeting will be at the Libby City Hall Council Chambers at 952 E Spruce Street, Libby, MT. Anyone who would like more information should contact Gerald Fritts, Executive Director, American Covenant Senior Housing Foundation, (406) 235-6593.

Published In The Western News
August 6, 2021

MNAXLP

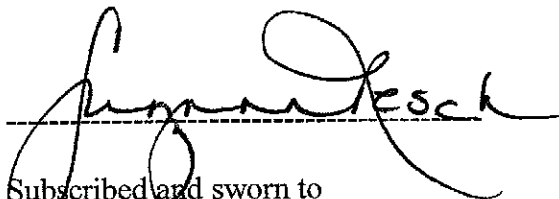
STATE OF MONTANA

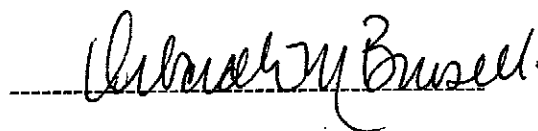
LINCOLN COUNTY

AFFIDAVIT OF PUBLICATION

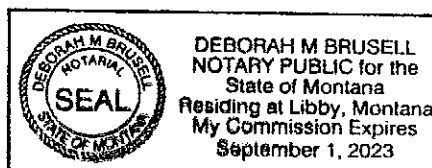
SUZANNE RESCH, BEING DULY
SWORN, DEPOSES AND SAYS: THAT SHE IS THE LEGAL
CLERK OF **THE WESTERN NEWS** A TWICE WEEKLY
NEWSPAPER OF GENERAL CIRCULATION, PRINTED AND
PUBLISHED IN THE CITY OF LIBBY, IN THE COUNTY OF
LINCOLN, STATE OF MONTANA, AND THAT THE
NOTICE PRINTED AND PUBLISHED IN THE REGULAR
AND ENTIRE ISSUE OF SAID PAPER, AND IN EACH AND
EVERY COPY THEREOF ON THE DATES OF AUGUST 6,
2021.

AND THE RATE CHARGED FOR THE ABOVE
PRINTING DOES NOT EXCEED THE MINIMUM
GOING RATE CHARGED TO ANY OTHER
ADVERTISER FOR THE SAME PUBLICATION,
SET IN THE SAME SIZE TYPE AND PUBLISHED
FOR THE SAME NUMBER OF INSERTIONS.


Subscribed and sworn to
Before me this 11TH DAY OF AUGUST, 2021



Debbie M. Bursell
Notary Public for the State of Montana
Residing in Libby
My commission expires September 1, 2023



Letter of Intent Narrative

Date: April 9, 2021

Montana Board of Housing
PO Box 200528
Helena MT 59620-0528

RE: HC-LOI (Housing Credit - Letter of Intent)

Dear Board of Housing:

This letter with attachment meets the requirements of the Qualified Allocation Plan as it relates to submission of a "Letter of Intent" and if invited will be eligible to submit a full application.

The property being submitted is as follows:

Property Name: **Cabinet Affordable Housing**

City: Libby

County: Lincoln County

Developer: American Covenant Senior Housing and Community Action Partnership of NW MT (CAPNM)

Developer Contact Info: email & phone #: gmf@acshf.com 406-235-6593

General Partner Owner: **Cabinet Affordable Housing, LLC**

Management Company: Infinity Management & Investments, Inc.

HC Consultant: N/A

Property Type (Family/Senior): Family

Profit/Non-profit: Non-profit

Minimum Set-aside:

20/50 _____

40/60 X

Average Income _____

Property Description:

The Libby Housing project is a multi-family housing opportunity located in Libby Montana. The project will create 12-duplex units on a 4.1-acre plot of land within city limits. The project will target households at 40% and 50% AMI. Fourteen one-bedroom units at 675 square feet and ten two-bedroom units as 825 square feet are envisioned for the project. In addition, an office space for CAPNM and a community room will be constructed at the property. Each unit will have a patio and adequate off-street parking will be available for tenants.

The co-developers of the project are Community Action Partnership of Northwest Montana and American Covenant Senior Housing Foundation. Both entities have extensive history in owning and operating tax credit properties. CAPNM owns the land on which the project will be built and will enter into a land lease with the project that will continue for the life of the project.

Updated 1/15/21

Anticipated Amenities and justification for need:

Libby is the county seat of Lincoln County. At this time the community is primed for positive growth, as noted in the 2010 growth plan developed by the City of Libby the primary housing goal as increasing the availability of affordable housing with the policy statement to 'support development of a variety of housing opportunities to meet the different needs of the community...'. While there are a reported 1,416 housing units in the area per the Census data, only 5 rental units in Libby have been constructed since 2000. The opportunity to provide additional low-income housing stock to this market is tremendous.

The development of new, affordable and safe housing proposed within this project is in sync with identified community goals. This project will focus on innovative green efforts in construction. Solar panels shall be installed on all buildings to offset energy consumption costs. Other green features include low e glass to help regulate thermal environments and seasonal energy efficiency ratio that exceeds ASHRAE standards. All units shall be equipped with Energy Star appliances including refrigerator/ dishwasher/ stove, vinyl plank flooring and LED lighting. Additionally, all paint to be used will be low to no VOC. The units will have ceiling fans for ventilation. Exhaust systems for kitchen and restroom will both vent to the exterior. Water flow saving devices shall be utilized in kitchen and restrooms. The exterior of the building will have hardi-board siding and water efficient landscaping aided by rainwater collection system that is directed at the planters/ grounds. Handicapped units will exceed 504 standards and community space will be available. There shall be a no smoking policy onsite with efforts to involve local cessation

The complex will be located within a neighborhood setting that provides close access to local services, including grocery shopping and medical facilities. All services and employment opportunities are within a one and a half miles of proposed location. On-site services through Community Action Partnership will be available. According to an internal zip code analysis of services provided in the Libby area in 2018, 52% of all households (1,471) received CAPNM services ranging from homeless services to LIEAP services. Access to on-site services will benefit the community of Libby and because the income eligibility requirements for CAPNM services are similar to those seeking residence at the project, there will be a benefit to tenants as well.

If you have any questions please contact me at:

Gerald Fritts
gmf@acshf.com
406-235-6593

Sincerely,

Required Attachments:

Letter of Intent Property Information Spreadsheet
Mini Market Study (full Market Studies will not be accepted)

Updated 1/15/21

Montana Housing
2022 Housing Credit Awards

City	County	Project Name	Sponsor / Developer	Entity Type	Set-aside	Housing Type	Construction Type	Units	Letter of Intent HC Request 10 yr total
Projects invited to Full Application:									
1 Great Falls	Cascade	Carter Commons	Housing Solutions	For-Profit	General	Senior Family	New	36	\$ 6,491,250
2 Kalispell	Flathead	Junegrass Place 9%	GMD Dev/Homewood	For-Profit	General	Family	New	24	\$ 4,780,000
3 Big Sky	Gallatin	Riverview Apts	BlueLine Development	For-Profit	General	Family	New	25	\$ 6,491,250
4 Dillon	Beaverhead	Bicentennial Apts	Dawson Holdings, Inc	For-Profit	General	Senior Family	Acq Rehab	58	\$ 6,598,832
5 Great Falls	Cascade	Batz Farm Supp Apts	Homewood / NWGF	Non-profit	General	Family	New	24	\$ 6,100,000
6 Hardin	Big Horn	Hardin Senior Hsg	Oak Leaf Community Dev	Non-profit	General	Senior Family	Acq Rehab	24	\$ 4,438,010
7 Libby	Lincoln	Cabinet Aff Housing	ACSHE / Comm Action	Non-profit	General	Family	New	24	\$ 6,491,000
8 Billings	Yellowstone	Tapestry Apts	CLDI Holdings	Non-profit	General	Family	New	34	\$ 6,436,000
Total Projects								249	46,825,442

* - The above was randomly selected and is the order updates will be reviewed at the October meeting.

Current Year Credits	28,850,000
2021 Credits Remaining	-
Returned Credits	-
2021 National Pool Credits from 2020	-
Available Credits:	28,850,000
Minimum Required to be Awarded to Non-Profits (10%)	2,885,000
Maximum Request for a Small Rural Project (12.5%)	3,606,250
Maximum Credit Per Project (23%)	6,491,250

Letter of Intent Projects not selected for Full Application

1 Glasgow	Valley	Valley Court Apts	Edco Enterprises	For-Profit	Small/Rural	Family	Acq Rehab	12	\$ 2,960,000
2 Kalispell	Flathead	River Ridge Apts	Summit Housing Group	For-Profit	General	Family	New	30	\$ 6,400,000
3 West Yellowstone	Gallatin	South Lake Apts	Cordes Development	For-Profit	General	Family	Acq Rehab	20	\$ 5,391,800
4 Belgrade	Gallatin	Yellowstone Plaza	Boundary Dev and HRDC	For-Profit	General	Family	New	30	\$ 6,400,000
5 Missoula	Missoula	Grant Creek Commons	Ryan Jones Consulting	For-Profit	General	Family	New	32	\$ 6,491,250
6 Polson	Lake	Polson Shores	Housing Solutions	For-Profit	General	Senior	New	30	\$ 6,491,250
								154	34,134,100

* - The River Ridge Apts lost land control and withdrew their LOI.

Rental Breakdown

DO NOT INPUT TO SHADED CELLS--all input cells have blue font

Date: 06/21/21

Project Name: Libby LITHC County: Lincoln

DSC
1.22

RA

Year 2020	30.00%	40.00%	50.00%	60.00%	FMR
Efficiency	\$ 375	\$ 500	\$ 625	\$ 750	\$ 632
1 Bed/1 Bath	\$ 402	\$ 536	\$ 670	\$ 804	\$ 781
2 Bed/2 Bath	\$ 482	\$ 648	\$ 803	\$ 964	\$ 968
3 Bed/2 Bath	\$ 567	\$ 743	\$ 928	\$ 1,114	\$ 1,411
4 Bed/3 Bath	\$ 621	\$ 828	\$ 1,035	\$ 1,242	\$ 1,967
5 Bed/3 Bath	\$ 685	\$ 913	\$ 1,142	\$ 1,370	

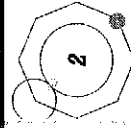
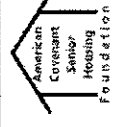
Bedrooms per Unit	# of Units	Gross Rents	Rents without UA (monthly)	Utility Allowance (monthly)	Net Rent (monthly)	Total Rent Received for Units (annually)	Unit Square Footage (per unit)	Total Sq Ft Limits (totals)	Target AMI%	SQ FT
	11	\$ 670		\$ 101		\$ 670	\$ 675		50%	
	10	\$ 803		\$ 134		\$ 803	\$ 825		50%	
	3	\$ 536		\$ 101		\$ 536	\$ 675		40%	
Total Units	24			Total Rents		\$ 2,009		24,000		

Cabinet Affordable Housing








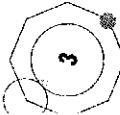
Libby, Montana



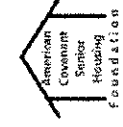
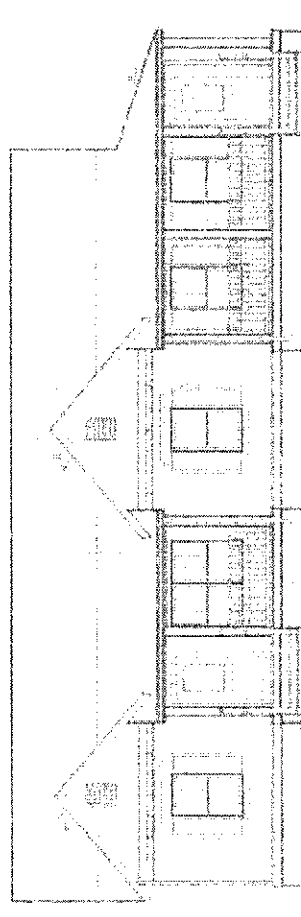
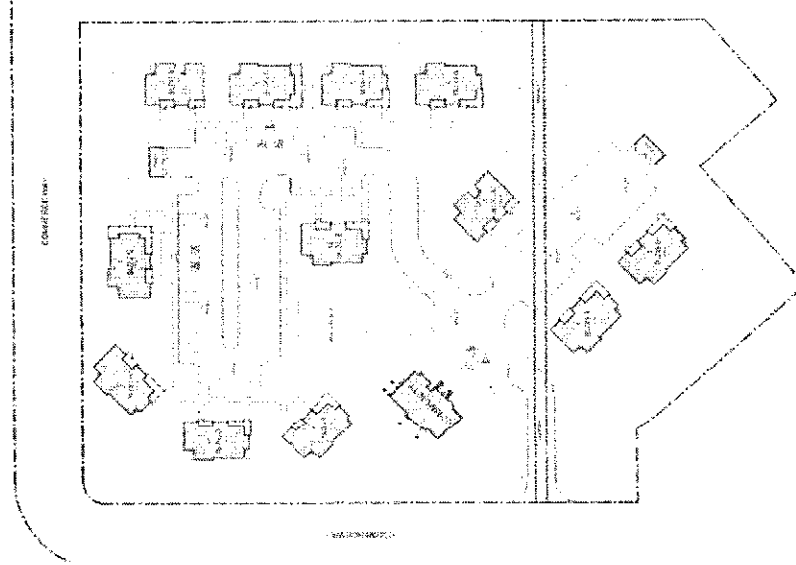
Project Summary





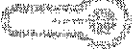




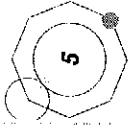
Project Highlights

				
New Construction	Rural	Need & Location	Services	Non-Profit Ownership
<ul style="list-style-type: none"> • New Construction • Single-family Duplex • 24 units • 4 units are <u>ADA compliant</u> • Superior Green <u>Building & Amenities</u> 	<ul style="list-style-type: none"> • Libby, Montana • Population less than 3,000 • Limited housing stock, with 58% of all homes being pre-1978 	<ul style="list-style-type: none"> • Only one previous 9% allocation for area, over 20 years ago • <u>Never been an allocation for FAMILY in Lincoln County</u> • 30%+ of renters in Libby are cost burdened. • All project rents are at or below 50% AMI 	<ul style="list-style-type: none"> • <u>Community Action Partnership office onsite.</u> • Heating assistance and Employment & Training for qualified households • Money Management and Rental courses 	<ul style="list-style-type: none"> • Community Action Partnership of NW MT • American Covenant Senior Housing Foundation, Inc.
				
				


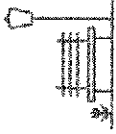

Proposed Site Plan & Elevation

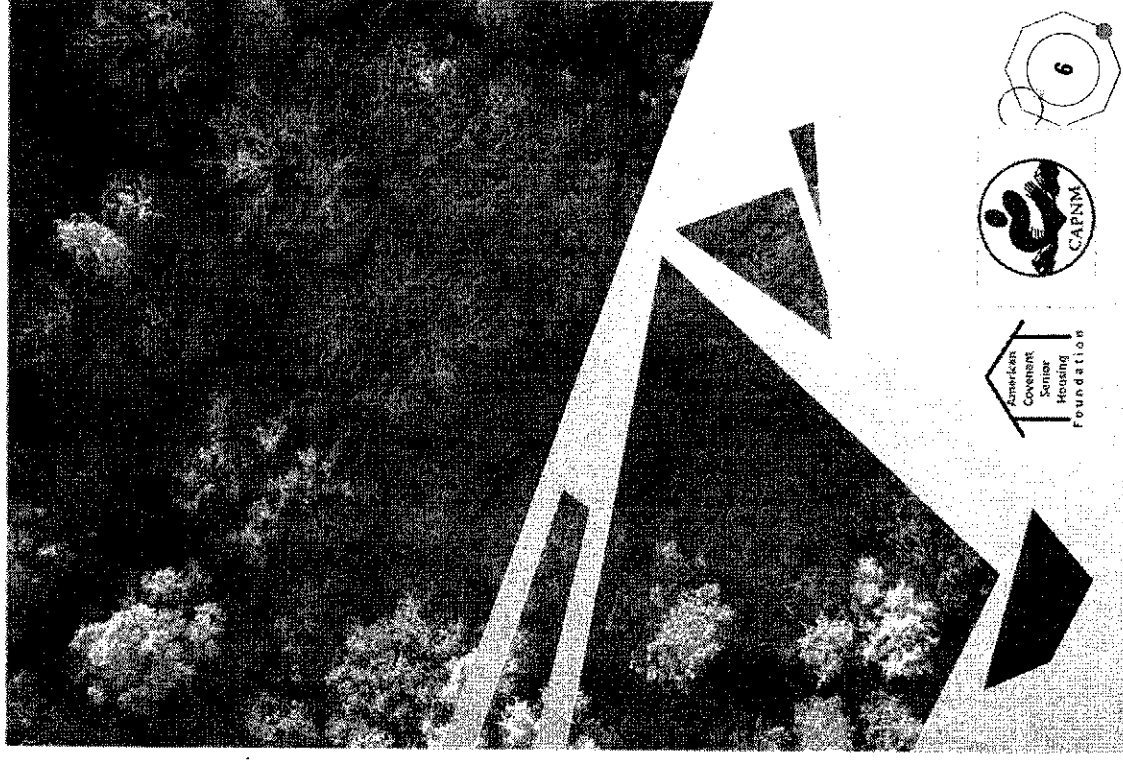


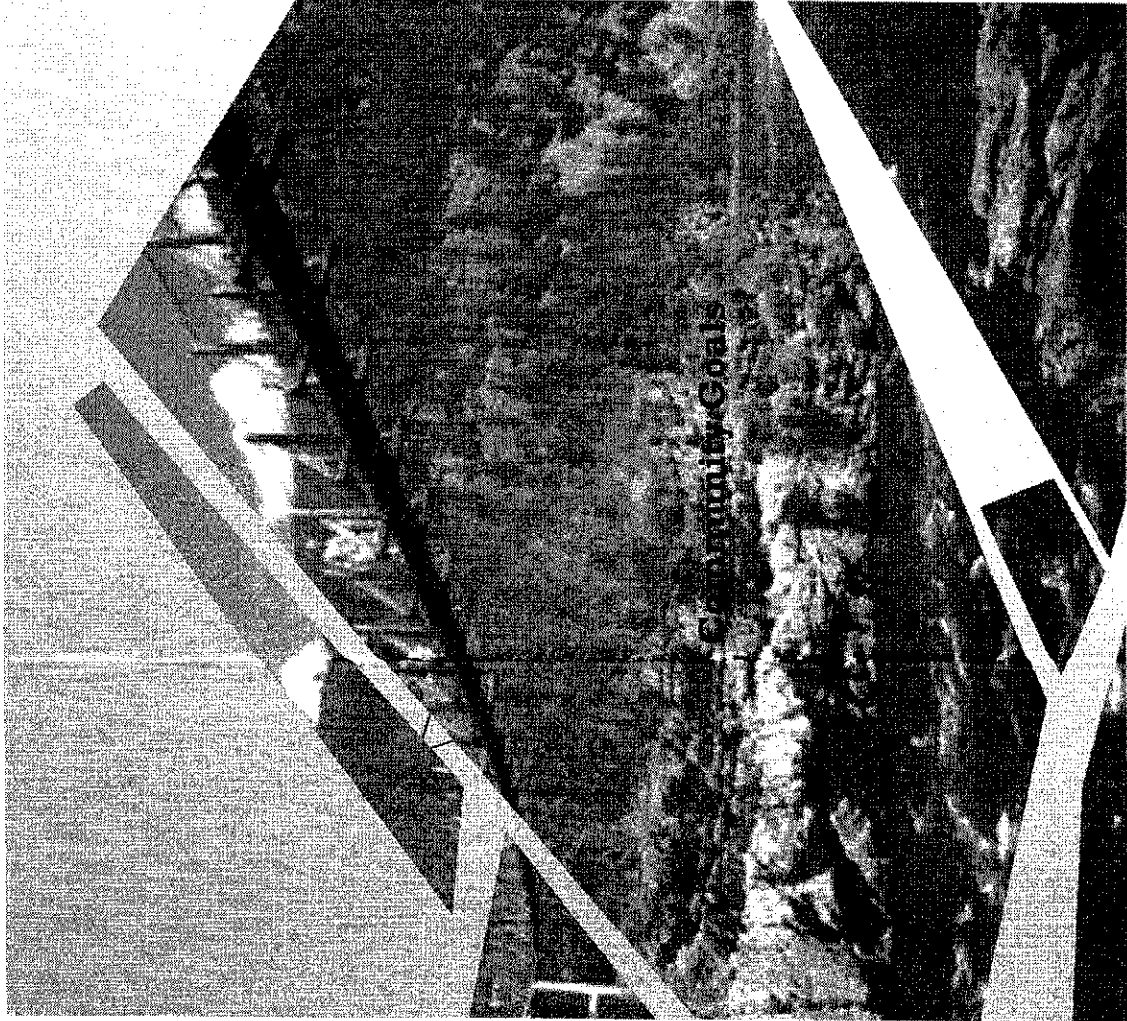
Green Initiatives

				
Energy Efficiency	Energy Efficiency Cont.	Heating/Cooling	Water Conservation	Health & Safety
Superior Insulation	Solar	Air Conditioning	water flow saving devices	100% Smoke free policy
* R50 Ceiling	Energy Star Appliances	Ceiling fans	Water efficient landscaping	Use of Low/No VOC paints/adhesives
* R38 Walls	LED Lighting	Energy Star Water Heaters		
Insulated Doors	Hardie Board type siding	Metal Roofing		
Low-E Windows				
				  

Amenities

		
Parking	Outdoor Space	Community Room
<p>28 Designated Covered Parking spaces</p> <p>4 of the designated spaces will be Van accessible</p>	<p>Outdoor Green Space</p> <p>Play Area</p> <p>Patios</p>	<p>Tenant use Computers</p> <p>WiFi</p> <p>Amazon Fire tablet provided to each unit</p>





Libby Growth Policy

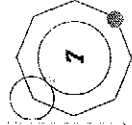
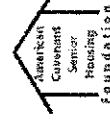
Housing:

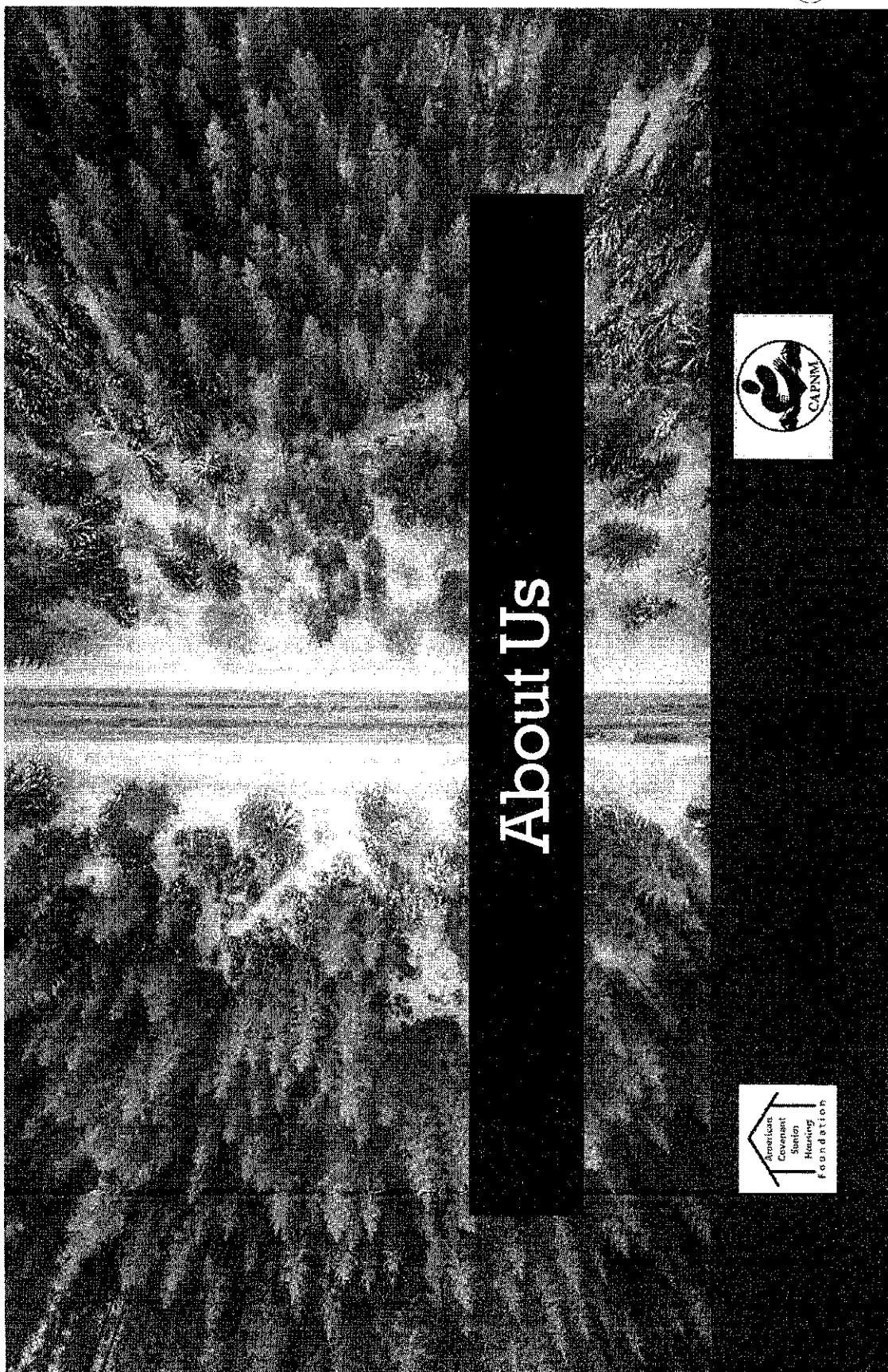
"Support development of a variety of housing opportunities to meet different needs of the community through efficient use of space, orderly growth consistent with high quality of life, fiscal responsibility and consideration of the natural environment."



Community Goals:

- 1.) Increase the availability of affordable housing.
- 2.) Maintain the aesthetic of the traditional neighborhoods of central Libby.
- 3.) Balance development with respect for natural features, the built environment and existing neighborhoods.

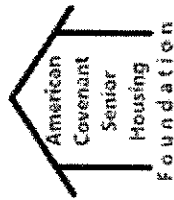




About Us



Team



American Covenant Senior Housing Foundation

ACSHF is a 501c3 Non-Profit Organization.

ACSHF has been providing safe, quality, and affordable housing for moderate to low-income seniors and families since 2003.

ACSHF has developed and own a total of 242 units in Montana, Utah, Nevada, Indiana & South Carolina.

ACSHF has been awarded LIHTC for 2 projects. A 24-unit Senior project in Wyoming and a 30-unit family project in Nevada.



Community Action Partnership of NW Montana

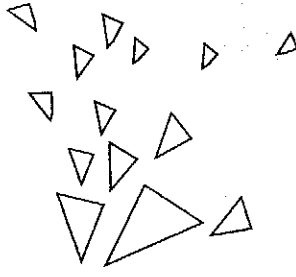
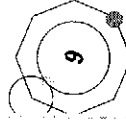
CAPNM is a 501c3 Non-Profit Organization.

CAPNM has been helping people, improving lives and strengthening communities since 1976.

CAPNM has developed and own LIHTC properties throughout Northwest Montana.

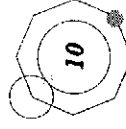
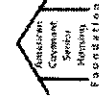
CAPNM owns a total of 152 units, many of which are LIHTC units.

CAPNM serves individuals/families by identifying and using available community resources and service to promote long-term self-sufficiency.



Summary

- A community need exists. There is a shortage of homes that are safe, affordable.
- The City of Libby has identified the goal of increasing the availability of affordable housing within the local growth policy.
- Many of the homes in Libby are pre-1978. Approximately 30% of the homes are pre-1939 (versus 14% average statewide).
- Many tenants are cost burdened, with 30% of renters paying over 30% of their monthly income for housing.
- Libby has almost twice as many families reporting income below the poverty level through out the year versus the statewide average.
- Libby has a higher number of renters per capita than the Montana state average.
- The last tax credit allocation in Libby was senior rehabilitation in 2000 and 1999.
- An opportunity exists to strengthen access to affordable and safe housing for families in Libby Montana, something the community is in great need of.



Thank You

Gerald Fritts

