



BSCHT Board Minutes April 17th, 2024

Present: Cryder Bancroft, Brad Niva, Lindsey Putnam, Mark Dean, Mia Lennon, Kenny Holtz, Shannon Sears, Rick Simkins, Michelle Frederick, and Staff Members: David O'Connor, Becky Brockie, Jennifer Boutsianis

Absent: David Brown, Steve Brown

Meeting was called to order at 2:02pm.

Conflict Declarations:

- *Kenny Holtz has a standing declared COI due to his involvement with Fire Lookout Capital, the developer of Yellowtail Condos, a BSCHT partner project.*
- *Shannon Sears has a standing declared COI due to her employment with First Security Bank, which holds BSCHT bank accounts and is a potential lending partner.*
- *Cryder Bancroft has a standing declared COI due to his employment with Lone Mountain Land Co., an operating partner on Powder Light and Riverview, and a potential development partner on future projects.*
- *Lindsey Putnam has a COI derived from her position with the Yellowstone Club Community Foundation. The Housing Trust has a current funding application submitted to YCCF.*

Consent Agenda made per agenda with the following additions:

- Powderlight Reserves include security deposit, damages, and a month of rent (from Unrestricted Funds) to prevent bounced checks given the staggered nature of five tenants
- David to look into percentages vs. dollar amounts in the Financial Position Report and share his findings
- Unrestricted Funds might be able to be used for a Good Deeds home, David to confirm with BSRAD and report back

MOTION to approve Consent Agenda as presented provided by Shannon, seconded by Cryder, unanimously approved.

OLD BUSINESS

Program Reports made as per agenda with the following additions:

MeadowView:

- Cancellation Fee: HRDC only implements their fee if the CLT owner sells outside of the CLT or to a non-designation buyer. This works as a deterrent but can be used for any additional costs associated with vetting the non-designated buyer.

Good Deeds:

- Is there a way to produce a data point outlining how much tenants may be saving rent-wise?
 - o Staff will research and report back
- David had a conversation with April Norton of Jackson Hole and she stated there is no silver-bullet remedy for possible issues with financing deed restrictions during resale. Many of Jackson Hole's SFHs have left their market and they typically work at a lower price point.
- **Resales have become a point of concern and we need build relationships with additional lenders who are able to work with our deed restriction, especially in the Jumbo Loan category).** Possible lenders include:
 - o **Clearwater Credit Union**
 - o First Security
 - o Opportunity Bank
 - o Evergreen (currently working on a MeadowView transaction)
 - o Guaranteed Rate
 - o US Bank (Has done similar loans for Jackson Hole and one transaction in Big Sky)
 - o George Ruther (Former Housing Director for Vail, CO; could be a good resource—Cryder to reach out)
- Purchase/Preserve spreadsheet is very helpful and should be utilized outside of board meetings if possible

Riverview Construction and Lease-up made as per agenda with the following additions:

- Will be ready to occupy in June: pursuing occupancy with county in May, full lease-up should be complete by the end of July
- Exterior finishes:
 - o Wooden slats façade covering apartment entrances (road facing) was redesigned due to whistling sound when the wind picks up. Staining should be complete by week's end.
 - o Current colors are what were presented in the building plans, but community feedback has been less than stellar. Research into whether colors may be changed in the future is being considered
- What are we doing now that we've had such success with this project?
 - o We likely won't qualify for 9% LIHTC (more credits and taxable debt) but possibly 4% LIHTC (50% of funding must come from tax-exempt debt—bonds or loans; less competitive) with a mix-income situation
 - 9% LIHTC entails more credits and taxable debt. Limited quantity and very competitive
 - 4% LIHTC needs at least 50% funding from tax-exempt debt (bonds or loans) and is not competitive. Typically utilized in mix-income situations.
 - Could be a viable option for Cold Smoke
 - BSCHT needs to build on the momentum from Riverview and complete additional community outreach; courting private investors for a 4% LIHTC project should be pursued

Update of Potential Land Opportunities made per agenda with the following additions:

- Another property was mentioned, located behind Deer Run Condos, that should be considered
- Land-banking needs to be discussed with BSRAD, especially for parcels that are ideal for BSCHT projects
 - o Aim to prepare BSRAD for large funding requests in the future and putting BSCHT in the position to have more autonomy with LIHTC funding

- Removing the cost of land from the construction/development equation opens up private funding from those that can take projects vertical

Hill Condo Lot Draft LOI made per agenda with the following additions:

- Remove 5-year “expiration date” from “Right of First Offer” clause

MOTION: To approve the LOI after removing the 5-year expiratory date in the “Right to First Offer” provision, which will then be provided to the Hill Condo HOA. Moved by Mark Dean and seconded by Cryder Bancroft. Motion carried unanimously.

NEW BUSINESS

Good Deeds Compliance Methods:

- Possible solution: find an accountant who will review and confirm applicants meet the 75% of income earned in Big Sky, but applicant pays for those services
- For households, educate upfront (during application process) and make clear that if Married Filing Jointly, tax documents for both spouses will be requested.

MOTION: To disallow a letter from an accountant certifying compliance with the Good Deeds 75% Income Ratio rule, and affirm the necessity for an Individual or Married Filing Jointly tax return from the Qualifying Occupant to verify said compliance. Moved by Mark Dean and seconded by Brad Niva. Motion carried unanimously.

Housing Needs Assessment 2023 Update:

- Maximum Housing Costs formula = Income * 30%
 - Subtract that amount from the sales price and that will be the subsidy needed
- Housing needed by 2028 = 1,354 units with \$500mil in subsidies
- There is a break-even point at 150% AMI without subsidy, but only for rentals
- Removing land and infrastructure substantially brings down the subsidy gap
- Developing a “State of the Union”/educational report to share with those we assist (and beyond), about what we’re doing, how we function, etc. would greatly decrease misconceptions about our mission and various projects
- How often should the Needs Assessment be updated?
 - The previous updates have technically been addendums (since the original report was created in 2019-20) and Wendy now feels we should do a completely new report the next go around.

Meeting adjourned at 4:00pm by unanimous consent