

BUDGETARY AUTHORITY RESOLUTION

RESOLUTION NO. 24 - _____

A RESOLUTION GRANTING THE CITY ADMINISTRATOR THE AUTHORITY TO EXECUTE CONTRACTS TO AUTHORIZE AND FACILITATE THE IMPLEMENTATION OF THE NEIGHBORHOOD STABILIZATION AND FORECLOSURE ACQUISITION / REHABILITATION PROGRAMS AND REPEALING RESOLUTIONS 10-18921, 1018984, 11-19122, 13-19325, AND 17-10660.

WHEREAS the City of Billings applied to the Montana Department of Commerce for a maximum of \$2,687,350 in Neighborhood Stabilization Program funding on July 27, 2009, to acquire, rehabilitate and offer affordable housing opportunities to low, moderate, and middle income households;

WHEREAS the funding for the Neighborhood Stabilization Program was authorized through the Housing and Economic Recovery Act of 2008 to prevent the deterioration of neighborhoods due to foreclosures;

WHEREAS the City of Billings received a finalized contract #MT-NSP-024-01-001 from the Montana Department of Commerce's Neighborhood Stabilization Program on January 25, 2010, authorizing the City of Billings to proceed in implementing the Neighborhood Stabilization Program within the City of Billings limits;

WHEREAS, the City of Billings will appropriate Neighborhood Stabilization Program Income and other federal funding for approved projects to implement the program through Budget Allocations and Amendments on a project-by-project basis;

WHEREAS, the City of Billings allocates Community Development Block Grant (CDBG) funding to further the program under the Foreclosure Acquisition / Rehabilitation Program, which is managed in a similar manner to the Neighborhood Stabilization Program;

WHEREAS, the intent of the Foreclosure Acquisition / Rehabilitation program is to improve the supply of decent, safe, sanitary and affordable housing for low-income families and individuals, and to enhance the stability and standard of living in existing neighborhoods;

WHEREAS, there have been instances where local and state governments have honored the intention of low-income programs and allowed exemptions to carry out an established program to meet the needs of low-income households, as is evident in the [MCA property tax exemption](#) for low-income tenants;

WHEREAS, the Foreclosure Acquisition / Rehabilitation Program was established in 2010 and is routinely utilized by the City as part of the City's 5-year Consolidated Plan, which is approved by the City Council and the U.S. Department of Housing and Urban Development (HUD).

WHEREAS, after properties acquired through the Foreclosure Acquisition / Rehabilitation Program have been rehabilitated, the properties shall be offered for sale to income-qualified, City-approved, [First Time Home Buyers](#).

WHEREAS, the Foreclosure Acquisition / Rehabilitation Program does not allow for alternative use or redevelopment of properties acquired through the Foreclosure Acquisition / Rehabilitation Program, as is possible with other City properties; therefore, the requirements of Billings, Montana City Code Section 22-902, Sale, Disposal, or lease of City Property shall be waived for the sale of property under this Program.

WHEREAS, a public Notice of Intent to sell city-owned property will be published three (3) times prior to the sale; and

WHEREAS, the City of Billings desires to establish market-driven funding limits that automatically adjust to current local market conditions.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Funding Appropriation: The City of Billings hereby authorizes the appropriation of funding on a project-by-project basis to acquire, rehabilitate and sell vacant, foreclosed homes to low-income purchasers whose household income is equal to or less than the U.S. Department of Housing and Urban Development's (HUD) 80% Area Median Income limits.

Section 2. Contract Authority and Execution: The City of Billings hereby authorizes the City Administrator the authority to execute maximum contracts throughout the implementation of the Neighborhood Stabilization and Foreclosure Acquisition / Rehabilitation Programs as follows:

- a) The acquisition price to purchase eligible, foreclosed and/or vacant housing units, or vacant property or lots, citywide shall not exceed the Unadjusted Median Value for Existing Homes HOME / HTF Purchase Price Limit, as established by HUD.
- b) Contracts for rehabilitation and/or new construction to bring the units to current HUD and local housing standards shall follow the City's procurement policies and procedures to ensure the most competitive pricing.
- c) Contracts to safely demolish foreclosed and blighted structures not suitable for rehabilitation in order to prepare the parcel for future affordable housing development shall follow the City's procurement policies and procedures to ensure the most competitive pricing.

Section 3. Contract Authority and Execution: The City of Billings hereby authorizes the City Administrator the authority to execute Neighborhood Stabilization and Foreclosure Acquisition / Rehabilitation programs property sales contracts, closing documents, and any and all other required documents related to the sale of acquired properties.

Section 4. Effective Date and Duration: The Resolution shall become effective on May 13, 2024, and will continue as long as program funding is available and allocated to the programs named herein.

Section 5. Repealer: Resolution number 17-10660 and any other resolutions inconsistent herewith are rescinded and repealed.

Passed and approved this 13th day of May, 2024.

THE CITY OF BILLINGS:

BY: _____
William A Cole, Mayor

ATTEST:

Denise R. Bohlman, City Clerk