

State of Montana 2010 ANNUAL ACTION PLAN AMENDMENT



Governor Brian Schweitzer

Investing in Montana's Communities

DEPARTMENT OF COMMERCE

Anthony Preite, Director

Community Development Block Grant Program

Home Investment Partnerships Program

DEPARTMENT OF PUBLIC HEALTH & HUMAN SERVICES

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Emergency Shelter Grant Program

For the Plan Year
April 1, 2010
through
March 31, 2011

As submitted to HUD
June 29, 2010

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Phone: (406) 841-2820
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2010 ANNUAL ACTION PLAN AMENDMENT

The Montana Department of Commerce is proposing to amend the State of Montana's Consolidated Plan **2010 Annual Action Plan** as follows:

Section II. Sources of Funds: Federal Resources: HUD Formula Grants: Community Development Block Grant (CDBG) Program

Page 5: The Community Development and Business Resources Divisions of the MDOC administer the CDBG Program. For the plan year beginning April 1, 2010, the state will receive \$7,466,019 million in federal CDBG funds. Of these dollars, after program administration and technical assistance, a minimum of 30%, but not to exceed 40%, will be allocated to the Business Resources Division for economic development projects, including \$210,000 for planning grants. A minimum of 60%, but not to exceed 70%, will be allocated to the Community Development Division for public facility and housing and neighborhood renewal projects and planning grants.

Section V. Method of Distribution: Community Development Block Grant Program: Funding: Annual CDBG Grant

Page 33: For the plan year beginning April 1, 2010, the state will receive \$7,466,019 million in federal CDBG funds. Of these dollars, a minimum of 30%, but not to exceed 40%, will be allocated to the Business Resources Division for economic development projects, including \$210,000 for planning grants. A minimum of 60%, but not to exceed 70%, will be allocated to the Community Development Division for public facility and housing and neighborhood renewal projects and planning grants.

Section VI. Allocation Priorities and Geographic Distribution of Funds: Community Development Block Grant Program: Economic Development Category

Page 50: The **economic development** component of the CDBG Program, which receives a minimum of 30%, but not to exceed 40%, of the state's annual HUD allocation, accepts applications on a continuous cycle until all funds are committed. Since the state distributes economic development funds through a first-come, first serve process throughout the year, it cannot predict the ultimate geographic distribution of the assistance.

The Montana Department of Commerce is proposing to amend the State of Montana's **Five-Year Consolidated Plan** as follows:

Section II. Housing, Homeless, and Community Development Needs: D. Non-housing Community Development Needs: 1. Community Development Block Grant – Economic Development Program: a. General Information

Page 50: The Economic Development component of the CDBG program ensures that program activities meet the goals of the Montana Department of Commerce and of the CDBG program as mandated by HUD. The CDBG Economic Development Program is managed within MDOC's Business Resources Division, and receives a minimum of 30%, but not to exceed 40%, of the state's annual HUD allocation. MDOC accepts applications and awards funds on a continuous cycle until all funds are committed.

Once funding is obligated, project development and funding awards may occur in anticipation of next year's funding allocation.

Note of Explanation:

The Department recognizes that there are serious needs in all the areas of eligible CDBG activities; however, in any given year needs vary among economic development, housing, and public facilities. As stated in Montana's 2010 Annual Action Plan and the Five-Year Consolidated Plan, "[s]ince HOME and CDBG grant funds are primarily distributed through competitive and/or first-come, first-serve processes, the state cannot accurately predict the number of and distribution of grant assistance among specific objectives. The specific number of households, businesses, etc., expected to be assisted each program year is based on the historic number assisted in previous years, adjusted for anticipated declines in funding and rising costs, which may or may not be an accurate reflection of future fund distributions." (Action Plan, page 25, n.5 and page 29, n.9; Five-Year Consolidated Plan, page 98, n.78.) This amendment clarifies MDOC's flexibility in allocating CDBG funds among categories to respond to needs and real community projects as they are identified.

This proposal would not adjust application deadlines nor competitive evaluation of proposals as set forth in the respective programmatic application guidelines (economic development, housing, and public facilities). The proposed change would be in effect for FFY 2010 project awards and thereafter.

A copy of the **2010 Annual Action Plan** is available at
<http://housing.mt.gov/Includes/CP/ApplicationDocs/CP-AAP-10.pdf>

A copy of the **5-Yr Consolidated Plan** is available at
http://housing.mt.gov/Includes/CP/ApplicationDocs/CP-5YrPlan_2010-2015.pdf

Or contact the Department at **406-841-2820**

SUMMARY OF PUBLIC COMMENTS

PUBLIC MEETING

MDOC held a public meeting in **Helena** on Thursday, **June 10, 2010**, 10:00–11:00 am, 301 S. Park Ave., 2nd Floor Conference Room 228, on the proposed amendment. A copy of the proposed amendment was posted on the Consolidated Plan website http://housing.mt.gov/Hous_CP_Apps.asp. Written comments on the proposed amendment are also accepted through June 21, 2010

Informational flyers were sent to local officials, public agencies, interested citizens, and organizations statewide inviting participation in preparing Montana's Consolidated Plan. Display advertisements were placed in major newspapers around the state (Billings, Great Falls, and Missoula) asking for public comment, giving date and location of the public input meeting. Notices were posted on the *Discovering Montana* e-Calendar at <http://app.mt.gov/cal/html/event?eventCollectionCode=comm>. The information on the public meetings was also posted on the Current Events web page of the Consolidated Plan http://housing.mt.gov/Hous_CP_Apps.asp.

PUBLIC COMMENTS

No one attended the public meeting and no comments were received during the comment period, which ran from May 22, 2010 through June 21, 2010.