



APPENDIX B

SUMMARY OF PUBLIC COMMENTS

PUBLIC HEARINGS

The Montana Department of Commerce provided two opportunities for the public and stakeholders to review the HUD-accepted 2012 Action Plan, giving the public and stakeholders an opportunity to comment on the creation of the 2013 draft Action Plan. The first public input meeting took place on June 27, 2012 at the Montana Housing Conference in Billings. MDOC held a breakfast called the “consolidated plan breakfast” for the 100 attendees, seeking comments on the 2013 draft. The second public input meeting was August 30, 2012 in Helena, and was conducted as a webinar and conference call, with several people from Helena attending in person.

After receiving public comments from these meetings, MDOC staff then responded to them in preparing the draft 2013 Action Plan, which was released November 28, 2012. The final public hearing was on December 12, 2012, followed by a 30-day comment period running until January 13, 2013.

For all three public meetings, the public was notified through public notices printed in seven daily newspapers and two weeklies. The newspaper notices summarized the contents and purpose of the plan and contained the web address where the full document was available. Complete contact information was provided to assist those persons otherwise unable to locate complete copies of the draft Five-Year Consolidated Plan and Annual Action Plan. The Consolidated Plan documents are located on MDOC’s website at: <http://housing.mt.gov/CP/cpdocuments.mcp>

In advance of the June and August, 2012 public input meetings as well as the December 2012 final public hearing, notices were emailed to a distribution list of about 350 local officials, public agencies, interested citizens, and organizations statewide, encouraging them to participate in preparing Montana’s Consolidated Plan. Display advertisements were placed in seven daily and two weekly newspapers around the state asking for public comment, giving dates and locations of the upcoming public input meetings. Notices were posted on the *Discovering Montana e-Calendar*, and were also posted on the Consolidated Plan web page. In addition, information about the June meeting at the Montana Housing Partnership Conference in Billings was printed in the conference brochure and on NeighborWorks’ website, as well as MDOC’s Housing Division’s website.

Public (Input) Hearings				
Location		Date	Time.	# Attendees
Billings	MT Housing Conference	6/27/12	7:30 – 9:30 am	100 + 15 staff
Helena	301 S. Park Ave. – Room 228 (Webinar)	8/30/12	9:00-11:00 am	25 + 6 staff

HOME, CDBG, MBOH, and MDPHHS representatives were present at the meetings to answer questions and respond to public comments.

The draft 2013 Annual Action Plan was released for public review and comment on November 28, 2012. The public comment period was open through January 13, 2013. The comment periods were advertised in the state’s seven major dailies and two weeklies (in eastern Montana, which is experiencing rapid growth due to the Bakken Oil Field). Flyers were sent to the Consolidated Plan mailing list, and meeting notices were posted on the *Discovering Montana* E-Calendar and the Consolidated Plan web page.

A final public review meeting was held on December 12, 2012. Again, to encourage greater participation and to minimize travel costs for participants, this meeting, originating in Helena, was open to the public as well as being conducted in webinar format.

Public (Review) Hearings				
Location		Date	Time.	# Attendees
Helena	301 S. Park Ave. – Room 228 (Webinar)	12/12/12	9:00-11:00 a.m.	13 + 6 staff

MEETING SUMMARIES

Copies of the meeting summaries from the public meetings are on file with the Montana Department of Commerce, Business Resources Division; 301 South Park Avenue; P.O. Box 200505; Helena, Montana 59620.

Summary of Public Comments

A variety of comments were received at the meetings, as well as some written comments. In general, the questions were program-specific. Some questions were able to be answered on the spot by representatives from the individual programs. Other questions requiring a more in-depth response were referred to the appropriate program staff for follow-up.

Barb Stiffarm, Opportunity Link, 6-27-12

Thank you for hearing me today; I am Barb Stiffarm the Executive Director of Opportunity Link and administrator of Vibrant Futures, a HUD Sustainable Communities Regional Planning Grant Project. Opportunity Link serves an 11 county, 3 Indian Reservation region in North Central Montana. Vibrant Futures is a three year regional planning project focused on addressing local and regional priorities in housing, transportation, community health, and employment.

Maintaining and creating strong sustainable Montana communities requires that all of us engage in significant and sustained action at all levels of our public and private sector. Montanans who never before understood, or even considered, what it means to experience poverty are understanding what it means to be vulnerable. Some of our rural communities who were comfortable in their long history and culture are experiencing the upheaval of a bust and boom economy and there here is an increased recognition of the meaning of failed systems. Jobs and housing cannot be assumed to be there in many communities and as the outmigration continues we begin to see the collapse of some communities throughout our state. But this does not have to happen.

How do wemeaning all of us....address the issue of sustainability in our rural communities? The first stepone imperative to fulfilling that mission is to ensure that there is increased

community capacity to advance public policy solutions to long term issues in rural communities that involve housing, jobs, access to education and healthcare.

This public policy work needs to be integrated with strategies for building organizational and individual leadership capacity at the local level. It must impact systems change in targeted areas. More housing is not the solution if there is not the income for families to pay for their homes. Income is not the solution if people do not know how to manage their financial resources and build wealth. Housing is not a solution in communities that do not have access to transportation, healthcare and education....places that cannot sustain a community.

Public policy is the set of decisions made at all levels of government about how we will care for one another, our communities and the land. Strong public policy work required capacity building for, and implementation of, good planning, research, education, outreach and organizing.

The mission of Vibrant Futures is to enable the Communities of Northcentral Montana to complete a region-wide visioning, planning, capacity building and information exchange system that will help coordinate and move forward existing local plans to create a comprehensive response to high priority needs and opportunities for a more economically and environmentally sustainable development.

Key to this planning is the housing crisis in many of our communities. The lack of affordable and quality homes to purchase or rent has created a barrier to sustained growth in many communities. Comprehensive housing solutions require comprehensive solutions to structural and institutional economic disparities. It also requires that we work to create the partnerships that attract private enterprise and require individual investment. Resource management and land use planning are issues that leverage many changes in our communities. Resources are the assets of a community. How they are sustained and used properly may define whether or not a community is relegated to long-term poverty, devastated by a bust and boom cycle or enjoys economic stability. Land use decisions have a direct impact on how and where business and industry can thrive, whether or not workers can easily get to jobs, whether or not decent housing stock is available for them to live in a community.

Solving the housing issues in our rural communities needs public dialogue at the local level creating strong community leadership that has genuine representation of community needs. By creating dialogue in all of our communities, not just the Vibrant Futures communities, to create a working partnership with the public and private sectors that will generate changes that will sustain strong communities where affordable and safe housing options exist for all residents.

This will take more than a state plan. It must be at a regional and even community level. Communities need to review all of the existing growth plans and data in the region that will inform a regional level planning process. This means that there should be resources made available for data gathering and planning and structures to engage vested regional stakeholders in the planning process for sustainable development throughout their region. I urge that communities incorporate

regional planning elements into local implementation projects and demonstrate effective models for sustainable comprehensive development. Utilizing local engagement as a vehicle to outline ideas and effective approaches to begin adapting the Livability Principles outlined in the HUD Sustainable Communities guidelines as starting points for community development. A state housing plan must include a strategy to create regions where there are highly skilled, well-educated populations with living wage jobs necessary to creating healthy, vibrant communities.

MDOC RESPONSE:

The Department thanks Ms. Stiffarm for her comments. The Montana Consolidated Plan documents incorporate the State's plans for expenditure of US Department of Housing and Urban Development funds for furtherance of economic development, housing, and public facilities. Public input is critical to the Consolidated Plan process and helps facilitate discussion such as Ms. Stiffarm's. The CDBG program offers grant funding and technical assistance to assist communities in planning at the local and regional level. The CDBG Economic Development Program works towards making jobs available to low and moderate-income persons, and by providing job training to help increase total household income.

Regional planning efforts funded in part with CDBG Economic Development funds help identify local community needs, set goals, and address critical areas affected by the State's migration issues in eastern and western Montana.

CDBG community planning grant funds help communities complete planning activities for studies, plans and identification of actions that will implement planning tools such as growth policies; capital improvements plans and land use regulations; housing needs assessments to guide future development decisions based on availability as well as capacity; revitalization strategies and preservation planning tools that support sustained economic growth and vitality within Montana communities; among other elements of a comprehensive planning approach to support, enhance and inform regional efforts such as Vibrant Futures.

In addition, the Department of Commerce offers technical assistance to local governments, elected officials, the private sector and the public through the Community Technical Assistance Program (CTAP) to encourage land use planning and sustainable development. Communities are encouraged to utilize CTAP resources, which include onsite trainings and workshops, land use publications and legal updates, the creation of model documents, guidance on statewide planning issues, GIS mapping and analysis. The Vibrant Futures project has already communicated with CTAP in an effort to coordinate local community planning efforts with the resources available at the state level through the Department of Commerce.

Heather Denny, Office of Public Instruction, 6-27-12

OPI, and my office in particular (Title 1 and Homeless Education), keeps a large amount of data on poverty and homelessness here in Montana. We can break down data by county, school district, and school, which would provide stakeholders a more detailed picture of what children are experiencing around the state. We do use the Department of Education definition, which is broader than HUD's. It would still give a good picture of deep poverty and hunger.

Darren Larson, Summit Independent Living Center, 6-27-12

I was thankful for being able to work with the State to require Visitability in HOME, CDBG, and LIHTC. The Housing Division and Board of Housing have been great to work with. Also, being able to

assist with applying for the 811 grant has been a great experience.

As far as action steps for the ConPlan, here are my ideas:

1. Property owners building with HOME, CDBG, or LIHTC funds must comply with the accessibility requirements or be at risk of losing funding.
2. PHAs will consider offering set-aside rental subsidies for individuals living on SSI or SSDI to adjust their rental payments to not exceed 30% of their income until they obtain other sources of income or a Housing Choice Voucher (HCV).
 - a. To consider whether this is a need, PHAs will review their HCV wait-list and if individuals receiving SSI or SSDI as their only source of income exceed 5% of the list, an internal meeting will be conducted, and an outreach to HUD for technical assistance regarding this possible plan will be put forth.

MDOC RESPONSE:

All Public Housing Authorities (PHA) in Montana, including MDOC's, must comply with HUD's regulations relating to income-targeting when issuing vouchers.

As required by regulation, federal income-targeting requirements were established as part of QHWRA (Quality Housing and Work Responsibility Act) to ensure that the nation's neediest families would continue to receive first priority in the allocation of tenant-based housing assistance. These requirements stated that no less than 75 percent of any local public housing agency's (PHA's) new admissions to the HCV Program in any given fiscal year must be families with extremely low incomes (ELIs) (income at or below 30 percent of the area median income).

In the 2012 Annual Action Plan, the CDBG and HOME program announced that both programs would require all new construction and major rehabilitation that replaces interior walls and doors to follow universal accessibility features. This requirement continues in the 2013 Annual Action Plan. These requirements, along with additional specific program rules and regulations, are considered as part of the ranking process for housing applications for both programs. The Department thanks Mr. Larson for his comment.

Lori Davidson, Missoula Housing Authority, 8-30-12

I would like to see HOME and CDBG review their guidelines to allow more flexibility in the procurement process that would allow us to use an alternative to the lowest bidder.

MDOC RESPONSE:

HUD regulation 24 C.F.R. 85.36(d)(3)(V) (2009) does not endorse the use of the Construction Manager at Risk procurement method or other non-competitive procurement methods which discourage free and open competition. The Montana Department of Commerce supports the use of competitive bid processes and free and open competition in the administration of its programs.

Paula Marcinkowski, Missoula Job Service, 8-30-12

Even though I didn't have questions or comments to share, it was very interesting hearing about the specific parts of the Action Plan. The moderator was great, and the presenters had useful information.

My only comment is that when we are not in the room with the presenters, I would like to see their

names and contact info before they go into their presentation. I got confused by the voices and wasn't always sure who-was-who. It was still helpful to learn more, though.

MDOC RESPONSE:

The PowerPoint presentation for the final public hearing on Dec. 12, 2012, has been revised to address her comments. Before each staff person speaks, there will be a slide showing that person's name and contact information; plus, each staff person will introduce him- or herself before presenting.

Sheila Rice, NeighborWorks Montana, 8-30-12

My comments:

1. That the CP specify that land trust homes qualify for funding and the process by which HOME and CDBG is used for land trust home development or purchase.
2. That the CP specify that manufactured home replacement qualify for funding and the process by which HOME and CDBG is used for manufactured home replacement.
3. That the CP specify the HOME and CDBG funds not awarded in the first round will be awarded in another round within six months of the announcement of the first round awards.

MDOC RESPONSE:

Per the 2012 Annual Action Plan Amendment (MDOC conducted a webinar on this amendment on Oct. 24, 2012), HOME is working on a process to allow open round applications for monies not allocated to a project. When completed, this process will allow more flexibility in allocating funds to projects that are ready to proceed (i.e. funding in place, adequately underwritten).

HOME has prioritized the workload through meetings and comments from the public. Land trust and manufactured home replacement issues will be revisited in the future to allow adequate time to understand how HOME can be used in these projects.

The Consolidated Plan currently allows eligible applicants to apply for funding for any eligible CDBG activity that complies with a national objective. Specifically, the CDBG housing program allows for individual homeownership activities, which may include the acquisition of a single family home located on trust property or a manufactured home. Specific housing activities are more thoroughly discussed in the CDBG Housing and Neighborhood Renewal application guidelines. Additionally, the CDBG noncompetitive housing program changes may help to provide assistance to a larger group of income qualified households more expeditiously. Lastly, the Annual Action Plan specifically identifies MDOC's commitment to working with partners across the state regarding manufactured housing, for more information please review Chapter IX. Other Actions, of the 2012 Annual Action Plan.

As stated in the 2012 Annual Action Plan, the MDOC Director, at his discretion, may reallocate unexpended CDBG funds in between normal grant application cycles to expedite necessary projects and the expenditure of CDBG funds consistent with the objectives of the Montana Community Development Block Grant (CDBG) Program. This was the case in FFY 2012, where there was limited interest in one CDBG program and remaining funds were reallocated to another CDBG program for award.

Rick Edwards, Headwaters RC& D; Jim Smitham, Butte Local Development; and Jim Davison, Anaconda Local Development

The CDBG program has a long history as a primary economic development tool in Montana. Because the allocation of funding process is not based on population, it is a critical resource for smaller communities in meeting public facility needs as well as a means to support housing, community infrastructure, and economic development for all Montana communities. It has been widely and fairly utilized to support all sectors of our state.

While we recognize and support the program's need for some flexibility to move funds between categories in order to meet changing circumstances, we feel strongly that not more than 10% of the funds should be moved between categories without public notice and the opportunity for public input. Maintaining the integrity of the process by which all partners affected by CDBG funding are part of the planning and allocation formulas is extremely important. As economic development practitioners, we would urge that not less than 25% of available funds be committed to the economic development category.

We feel very strongly that major changes to the plan should include public notice and a period of public comment before implementation to maintain clarity and understanding of the goals and objectives of the CDBG program by all parties.

The comment period would also be more effective if a comment box was included on the website.

MDOC RESPONSE:

Thank you for the opportunity to have our comments contained in the public record.

As stated in the 2012 Annual Action Plan, the MDOC Director, at his discretion, may reallocate unexpended CDBG funds in between normal grant application cycles to expedite necessary projects and the expenditure of CDBG funds consistent with the objectives of the Montana Community Development Block Grant (CDBG) Program. This was the case in FFY 2012, where there was limited interest in one CDBG program and remaining funds were reallocated to another CDBG program for award.

Darren Larson, Summit Independent Living Center, 8-30-12

An idea:

PHAs will consider offering set-aside rental subsidies (maybe HOME TBRA) for individuals living on SSI or SSDI to adjust their rental payments to not exceed 30% of their income until they obtain other sources of income or a Housing Choice Voucher (HCV).

To consider whether this is a need, PHAs will review their HCV wait-list and if individuals receiving SSI or SSDI as this only source of income exceed 5% of the list, an internal meeting will be conducted and an outreach to HUD for technical assistance regarding this possible plan will be put forth. Thank you for your hard work! MT Housing Division is great!

MDOC RESPONSE:

(Please see MDOC's response above regarding the Quality Housing & Work Responsibility Act.)

Liz Mogstad, Rocky Mountain Development Council, during Helena webinar on 8-30-12

I just had a comment on the possibility of applicants being able to have more than one open HOME grant at a time, especially when you're getting towards the end of a current grant. It would just be – I feel like we could get a lot more done if we don't have to wait a couple years in between projects.

MDOC Response:

Per the 2012 Annual Action Plan Amendment, the proposed open application will allow grantees to apply at any time without waiting for the competitive application round. Thus, the applicant could submit an application when the project was meeting the spend-down requirements per the HOME guidelines.

The Annual Action Plan provides discussion regarding geographical distribution of funds in further detail, however, the limited availability of resources and the extent of community development and housing needs requires each of the three formula grant programs to develop its own method to address priority needs and geographic distribution.

Shyla Patera, WICLS, 8-30-12

For the record, I'm with North Central Independent Living Services and Black Eagle, and yes, I drove down, so obviously I felt this was important today. Plus, I couldn't register for the webcast, so I figured a drive to Helena would be just perfect. Like with the other comments, a lot of what I'm seeing in Great Falls is the open need for housing very urgently for low income people with disabilities.

But what I'm seeing, for instance, I've got two guys that recently became disabled. And the Great Falls Housing Authority, their list for one and two bedrooms is currently closed. And there's nowhere to go because everybody's competing for the same acceptable unit. I've kind of told my own individual story at the housing conference because I got booted out because I got a raise. I did get a home, thanks to MBOH, and that worked out. But it's really quite scary in Montana to think that all of a sudden, the recession has hit us. And we were doing a great job in some areas, but maybe not in others.

And this might be the time to kind of see what program developers can do because I get calls every day for housing. I originally was hired to do legislative advocacy work, and now all of my work involves housing. Every single consumer I've got, that I deal with, doesn't just deal with the legislative profits anymore. It's looking for a home. And that's a testament to what you guys do, but it's also scary because somebody becomes disabled every day through a fall or an accident. We'd like to thank you for your hard work on this 811 Grant, hope we get it. It will be a drop in the bucket. But I'd just like to encourage a lot of your providers who may be tax credit providers to look at ways to help citizens in whatever way you can. Thank you for your time.

Andrea Davis, HOMEWORD, 8-30-12

Q: I have a question about the 811 program. Is funding stream available for five years only?

MDOC RESPONSE:

If MDOC is awarded the 811 grant, it is anticipated HUD will provide funding for annual renewals. As with all of HUD's programs, the RFP stated that renewal funding is based on future funds being

appropriated.

Jane Nolan, Community Action Partnership, 8-30-12

Hi. This is Jane Nolan at Community Action Partnership of Northwest Montana, up in Kalispell. I had a comment about the Emergency Solutions Grant. And we would like to be on record saying that we're very thankful that this grant is out there to help the folks that are homeless and at risk of homelessness, but to let you know that the dollar amount certainly is not anywhere near enough to meet the needs of the folks in our communities. We realize that the dollar amount has gone way down from HPRP, and unfortunately the regulations have gone way up. And the box that people have to fit in, in order to get those funds is very, very small. However, we're still very thankful that those funds do exist. Thank you.

DPHHS RESPONSE:

Funding for the Emergency Solutions Grant (ESG) is determined by the federal appropriations process. We appreciate the comment that was submitted, but we can disburse only what is made available to us.

Jim Smitham, Butte Local Development, 8-30-12

We've been hearing that there may be some changes in the CDBG Program in regard to focusing funds to eastern Montana. And we're wondering if that could be addressed and give us details on what all is going on with that program.

MDOC RESPONSE:

The Department thanks Mr. Smitham for his comments. The Community Development Division intends to develop a new program that will provide strategic technical assistance to communities directly impacted by rapid increases in population growth associated with oil and gas development. The CDBG program is able to play unique role in assisting Montana communities because of its ability to offer planning grants to local governments in a wide variety of long-term planning-related activities. These funds can help communities facing rapid population growth associated with oil and gas development. The CDBG project funds, partnered with other state and federal agency funds, can assist communities with implementing the strategic objective identified in the local community plan. The Department will assist communities in developing a comprehensive strategic plan that will guide the development of housing, infrastructure, public health and safety services, and economic development to encourage long-term sustainable growth. Commerce will facilitate direct consultation with other state and federal agencies and local non-profits to provide a comprehensive approach to the planning and implementation of the improvements. Additionally, all communities in Montana, with the exception of entitlement communities, continue to be eligible for all CDBG funding, including economic development, housing, and public facility planning and project grants.

Andrea Davis, HOMEWARD, 8-30-12

I would just make a general comment that, first, I appreciate the accessibility and availability of public comment to help shape the action plan and the consolidated plan. And the thing that we recognize as affordable housing developers and providers around the state, as well as providing education and counseling for home buyer education and financial literacy, we are asked pretty routinely – in fact, I had another conversation this morning with a relatively large community in the state about finding creative ways to address affordable housing needs – anywhere from homeless shelters and emergency family shelter, to transitional housing and permanent housing.

I know that you have to work within the federal funding restraints and regulatory restraints. And I

would just like to put on record that for Montana, because of the limited number of resources we have, I would just encourage us all to be as flexible as possible when using these different funding streams, all the way from Community Development Block Grants, and the Emergency Solutions Grants, to the Home Investments Partnerships Program. Because of the amounts that we receive are not enough to address the need, we don't necessarily have any Montana based solutions, in terms of funding. And we have a great number of varying needs around the state. I would just encourage us to get creative and use as much flexibility as possible. Thank you.

MDOC Staff Question: Are you talking about public facilities or economic development, or emergency services, or are you talking about all of them, housing?

Andrea Davis: I'm more talking about housing. And housing would really range anywhere from emergency shelter up to permanent housing on the construction side. And then you know, as well as the operating side, and I'm really torn on this because you know, for example, with the HOME program, you have the opportunity to utilize some of those funds for tenant-based rental assistance. But there's such a limited number of bricks and mortar dollars, that it's – me personally, I find it hard to justify that. But there is this great need to have operating assistance when you're developing transitional housing for homeless families for example.

So there are some other solutions out there. Locally, we've done some things where we've been able to project base Section 8 vouchers. And you know, I think we're going to have to take another look at something like that because we, as developers, we're asked all the time, how can you help us handle this very critical need? And a lot of times, it comes back down to how is this property going to function after we develop it because there is no operating assistance to help with the very lowest of low income. In this case, we're talking about homeless families.

Homeless individuals, of course, would be in the same boat. A number of communities around the state have developed – or at least Billings has developed, and Missoula is working on their ten-year plan to end homelessness. And this continues to be a major need. I don't necessarily have a solution. I guess I'm putting it out there that there is a tug or a push and pull, with the need to have bricks and mortar dollars to actually build these properties, and then the need for operating dollars.

MDOC RESPONSE:

The Department will continue to examine the application guidelines, written compliance rules, and regulations to determine whether they can be simplified or made more flexible. The Department, through individual programs, will continue discussion with developers and grantees as a forum to better understand this concern.

COMMENTS FROM THE FINAL PUBLIC HEARING, 12-12-12

Darren Larson, Summit Independent Living Center, 12-12-12

Summary: Next year, the state is going to be required to transition people from nursing homes and institutions into the community. His concern is that when people are ready to move out of nursing homes, available housing in their town or region will not be available. Mr. Larson plans on contacting Gov. Bullock about this issue.

MDOC Response:

The Department doesn't have anything to add at this point because HUD has not made any awards. The Department's implementation schedule in the grant application would be the work plan for assisting individuals out of the nursing home and into an apartment.

Shyla Patera, North Central Independent Living, 12-12-12

I am going to go, and my name is – for the record, my name is Shyla Patera. I am also affiliated with the Housing Task Force with Mr. Darren Larson, but I also work at North Central Independent Living. We echo a lot of what Darren said on the TBRA because we do know that Money Follows the Person plans to institute between to – or to help transition like between 200 and 300 people over the five years, if I've gotten my figures correct. I don't have them in front of me, but we also would like to thank the Commerce Division and the Housing Division for all of its work on visitability, and the work that it has undertaken in the past plans because many Montanans, myself included, have become homeowners over these last periods, and we still want to include that work in the next plans moving forward.

So anything you can help disabled seniors age in place or stay in their homes, that would be a great option. I do have a question for Mr. Nolan because a lot of my calls lately have been concerning the ESG, and while I think housing stock is a great idea, I'd love to encourage everybody to keep building in Montana, for seniors and people with disabilities. My question is, is the department working with the PJs in some of the cities to expand shelter – Shelter Plus Care Grants, and grants for homeless because I've dealt with some people where our emergency – our rooms in Great Falls at our shelters, for accessibility were full, and the people didn't have any place to go because they had concurring disabilities.

And when I talked to our Fair Housing folks and our individuals, they say, well, yeah, we'll think about Shelter Plus Care, but anything we can do to help these grants to get people who suddenly become homeless due to their own choice or evictions by landlords or leases ending would be very helpful because it's really hard when I don't know how my community – you know, how any other communities but mine are doing, but it's hard when I have people who are becoming newly disabled, who can't even go to our local housing authority to apply for the list because the lists are closed.

They can't even put their names on it until last week. So it's really hard to plan for the future if we're not applying for these grants. And I know there's a pushback because some places, people don't want to invest in the housing and transportation and livable infrastructure. But for me, as a Montanan, I just think it's really important and in August, I told you my story because I was a higher income living in an 811 facility, and all of a sudden, I got a raise and I'm out.

And it didn't take long for me to feel like, geez, I could be homeless, and we know there are a lot of factors involving homeless, but it would be really nice to hear if there's a push between the departments to make these grants maybe easier or more accessible, so that we can prevent some of the factors that may be involved in homelessness, or give us as advocates more tools, I guess, to help citizens such as the 811. We don't know the decision, but it would be nice to have those opportunities to work between the departments in all areas of state government. Thank you for comments, and I'll wait for answers.

DPHHS RESPONSE:

Thank you for your comment. This is Jim Nolan from the Department of Public Health. One of the things we do is to support the statewide continuum of care. We actually make funds available to fund a – to have a staff member work with the continuum of care, which consolidates and works with individuals and groups throughout the state to prepare a funding package to HUD on an annual basis, and Shelter Plus Care is a – is one of the primary recipients of the continuum of care.

And what our Continuum of Care coordinator does is work very much hands on with people in individual communities to work – to prepare an application that can survive, if that's the right term, a review and screening process by the continuum to become part of the application that goes to – that

does go to HUD. It's been very extraordinarily successful over the years that we've been involved. In the old days, the state was leaving many hundreds of thousands of dollars on the table by not having a statewide approach. And since we got Bob in harness, he now, through that collaborative process, brings in almost \$2 million a year for anywhere from ten to fifteen different projects, depending on the year around the state. And I would encourage you to get hold of him at 586-1572, to see how you could become part of that.

Julie Jones, Single Tree Consulting, 12-12:

Can you explain the CDBG non-competitive program for housing a little bit better?

MDOC RESPONSE:

The CDBG Housing application guidelines will be further developed and published for public comment. At this time, the intent of the non-competitive CDBG housing program is to allow any income eligible household receive CDBG assistance to purchase or rehabilitate housing. This will allow the program funds to directly assist income eligible households in many communities across the state that may not have previously been able to access the CDBG funds because the local government didn't have enough interest to apply for a large CDBG grant. The CDBG program will be sure to include Ms. Jones in the public process for comments regarding the drafted housing guidelines.

MDOC STAFF PERSON'S RESPONSE DURING HEARING: we have made the proposal again, to have two distinct components in housing, both the competitive and the non-competitive. Frankly, we will not have the details available until those are finalized in the application guidelines. My understanding is that we – once we finalize the guidelines, Julie, we will schedule an administrative rules hearing. They'll be available for public review before they are implemented. But we're pretty excited about it because we feel that this gives an opportunity for the local governments that have like straightforward housing rehab to bring those proposals right into it.

I think the big thing that we want to stress is that we're particularly excited about it because it gives us a response, or it gives us a method to respond pretty quickly to those home owners that need the assistance and are ready to go, perhaps in multiple communities across the state. So as opposed to the traditional plan, where we would just grant 450,000.00, and then maybe do two, three rehabs at a time, and then do three more and three more. And the project would go on, sometimes three, four years or even more, we would fund those individual housing assistance applications that are ready to go, and then, so if monies are available to go in one community, they'll go there.

If we've got a couple houses that need assistance up in the northeast part of the state, we can turn around and get the dollars up there. So what we're excited about is the flexibility it gives us. And again, we'll still have the traditional competition for – like these projects that come in that are leveraged with tax credits for multi-family. So, Julie, I think that's all I can say at the moment, and we'll be providing more information as we get this further developed. Certainly, if you have ideas or comments, in terms of how we can best administer that, send them in to me. Type them up and email them to me. Thank you.

Jim Morton, District XI Human Resource Council, 12-12-12:

I just wanted to support what you're doing with the eligible entity program, where outside of this free participating jurisdictions, we're allowed to do the first-time homebuyer loan program as well as rehab in the rural areas. That's really been a significant assistance to the folks in rural areas, who want to buy their first home. So I really applaud you for continuing that program.

Jean Harte, City of Missoula, 12-12-12:

We want to thank you for taking the time to visit with us, as you have so many times over the years. And we do appreciate the changes that you've made through the housing portion of the project. We do echo what Jim Morton has said.

I'd like to make a comment about the – and thank you for a change that appears on page 38 of the Action Plan, where it talks about how state CDBG funds can be used to fund an activity that is located within the boundaries of an entitlement community, to primarily benefit non-entitlement residents, and that if the applicant applies for CDBG funds, the entitlement community will be expected to provide a reasonable share of the project funds, such as the project be for a homeless shelter or a senior center that's located within the boundaries of the entitlement community, but is providing a significant benefit to non-entitlement residents.

The broadened use of CDBG funds will provide a more regional approach and comprehensive planning between entitlement and non-entitlement communities. We applaud you for that language. Thank you so much. We look forward to pushing on with our homeless shelter needs here in Missoula – in Missoula County of course. We do have a project that will have a significant contribution from the city, and it will also significantly benefit the whole county. There is one word change we'd like in that paragraph, where it says primarily benefit non-entitlement residents. We would like to see the word primarily benefit to significantly benefit just as it says, to provide a significant benefit to non-entitlement residents. If we could get that on the record, we'd appreciate that.

We have one other thought that we will probably bring forward in a letter from the county and the city, and that is that we are very appreciative of having a current public facilities grant to build the youth homes. That timeline though, has pushed the youth homes project into a construction season that didn't turn out to be this year, but turns out to be next year, so we actually lost the whole construction year by the changing in the deadlines from – on the CDBG applications. As you recall, the CDBG applications were in, I think, May in 2011. Then they were pushed to September of 2011. And then March of 2012, and the decision was made in October of 2012.

So we had that whole year of construction season that we would like to get back in some way. And the only way that we can think of this would be is if during the application round for 2013, that is your April 2013 deadline, if we're looking at finishing our public facilities, and having it closed out by the end of the summer of 2103. So if it would be possible to allow us to submit a second public facility application in April, that we wouldn't be starting till the fall of 2013 or later, we'd just like to think about if you folks could insert a clause that would allow a waiver, or perhaps allow a second application for those awardees that have already received a grant, but haven't quite spent it all down. So that's – we're going to put this to you in an email or a letter a little bit later, but thank you very much.

Letter from the City of Missoula and the Missoula County Board of Commissioners, 1-8-13

Thank you for the opportunity to comment on the State's Consolidated Plan 2013 Annual Action Plan. We are pleased with the broadened use of State CDBG funds between entitlement and non-entitlement communities as it may affect the City and County of Missoula's combined efforts to provide decent housing and to end homelessness.

Throughout the Action Plan, the phrase *significantly* benefit non-entitlement residents" is used, with one notable difference on Page 38, which reads: "*primarily* benefit non-entitlement residents." For consistency in the document, and to ensure a more reasonable approach to determining benefits, we request the phrase in the paragraph on Page 38 (as shown below) be changed to "*significantly* benefit non-entitlement residents."

"Montana's three entitlement cities, Billings, Great Falls and Missoula, are not eligible to apply for state CDBG funding since they receive their own CDBG funds directly from HUD. However, state CDBG funds can be used to fund an activity that is located within the boundaries of an entitlement community to significantly (strike out the word "primarily" benefit non-entitlement residents. If an applicant applies for CDBG funds, the entitlement community will be expected to provide a reasonable share of the project funds. These project activities could be a homeless shelter or senior center that is

located in the boundaries of an entitlement community, but is providing a significant benefit to non-entitlement residents. This broadened use of CDBG funds will provide a more regional approach and comprehensive planning between entitlement and non-entitlement communities.”

We are also requesting a waiver of the requirement that FFY 2012 local government grantees must significantly draw down their current funds by the spring 2013 application due date, before they are eligible to apply for FFY 2013 program funds. We recognize the difficult timing with federal appropriations and are supportive of the State’s plans for an expedited award process. However, two years ago, the deadline for applications for FFY 2012 funds was initially May 2011, then changed to September 2011 (at which time Missoula County’s application for Missoula Youth Homes was submitted). To allow for additional submittals, the deadline was extended, again, to March 2012, with awards subsequently made in November 2012. Missoula County, and perhaps other grantees as well, lost the 2012 construction season for our new construction project.

A waiver from the 75% spend down requirement for 2012 grantees who have projects ready for submittal this spring will help to ensure projects may proceed in a timely manner and avoid potential increased construction costs. It will allow us to address unsafe living conditions for some of our community’s most vulnerable citizens. Because of the unique circumstances surrounding the FFY 2012 grant awards, we are formally asking for a one-time waiver to the spend down requirement.

Thank you for considering and incorporating these comments for changes in the Consolidated Plan 2013 Annual Action Plan. If you have questions or concerns, please do not hesitate to contact us or Principal Grants Administrator Cindy Wulfekuhle, cwulfeku@co.missoula.mt.us, 406-258-3795.

MDOC RESPONSE:

The CDBG application guidelines for both housing and public facilities will be modified to more accurately reflect the intent of the housing and public facility categories. The program will modify the housing guidelines through a public process to allow funding for eligible housing applications where the primary mission of the facility is to provide for emergency housing. Examples of these types of facilities will be more fully explained in CDBG housing guidelines, but will include homeless shelters, domestic violence shelters, youth shelters and group homes. The program will modify the public facility guidelines through a public process to allow funding for eligible community facilities where the primary mission of the facility is to provide a public service. Examples of these types of facilities will be more fully explained in the CDBG public facilities guidelines but will include Head Start centers, senior centers and food banks. Congress and HUD continue to place high importance upon the completion of CDBG projects to see that the investment of public funds is realized in a short period of time. The CDBG guidelines will continue to require that the older the fiscal year of the original local government grant award, the higher the percentage of expended funds must be in order to be able to re-apply. This system provides an incentive for CDBG recipients to complete their current projects as expeditiously as possible in order to be able to re-apply for additional CDBG funding.

Also to encourage projects to be completed more expeditiously, the program will continue to receive applications around the typical date of the award of CDBG funds from HUD. This will allow the program to receive applications with current project details such as implementation schedules, budgets and readiness to proceed.

Heather McMilin, Homeward, 12-12-12:

This is Heather with Homeward. I’ll just add a little bit to some of the questions we ask, but just say thank you for the consideration of the new opportunities. They were always there, but making a pot for potentially the multi-family and other housing options within CDBG, especially in these rural projects – rural parts of the state, small projects, 12 units. It’ll be really helpful to have a pool of funding that could help cover some gap financing to create enough room with the right income targets.

On these small projects, we struggle. If we put too many restrictions on income, we are really hampering the performance of the project and limiting who can move in. And so, these small projects might be a perfect match for this set aside that you guys are talking about, for a lot of different reasons, on the underwriting side, and long-term operations. So, we're excited about that opportunity.

I also wanted to just go on the record and say that we've appreciated the – while it might have been challenging, and we've taken a lot of time to do this, all the players with the HOME Program sitting down with us, and having the open dialogue we've had over the last few months, and to see a lot of the changes that were officially the 2012 carried through to 2013 in a collaborative effort, it doesn't sound like we made a lot of changes, but we did. And I just wanted to thank Bruce and Maureen, and all the staff at HOME for working through that with us in the community.

MDOC RESPONSE:

The CDBG Housing application guidelines will include a new non-competitive CDBG housing program. The intent of this program is to allow any income-eligible households to receive CDBG assistance to purchase or rehabilitate housing. This will allow the program funds to directly assist income-eligible households in many communities across the state that may not have previously been able to access the CDBG funds because local government didn't have enough interest to apply for a large CDBG grant.