BEFORE THE DEPARTMENT OF COMMERCE
OF THE STATE OF MONTANA

2017-2018 ANNUAL ACTION PLAN
PUBLIC HEARING

TRANSCRIPT OF the PROCEEDINGS

Heard before Jennifer Olson, Presiding Officer
Montana Department of Commerce
Room 228, 301 South Park Avenue
Helena, Montana

July 28, 2017
2:30 p.m.

REPORTED BY:   LISA R. LESOFSKI, RPR
FOR: CHERYL ROMSA COURT REPORTING
ONE NORTH LAST CHANCE GULCH
P.O. BOX 1278
HELENA, MONTANA 59624
(406) 449-6380
The following testimony was taken:

* * * * * * * *

MS. OLSON: Good afternoon. My name is Jennifer Olson. I'm the Community Development Division Administrator here at the Montana Department of Commerce. I would like to welcome anyone who is on the phone joining us via webinar to our Annual Action Plan public hearing.

We have announced this public hearing in some newspapers, as well as on our state eCalendar and also on our website with the consolidated plan. So we're happy to present to you our draft Action Plan, and it is available on our website. We'll get to a few more details than that.

I'm going to go through some basic information about the Annual Action Plan and then open up the comment period for any questions that you might have.

So part of Montana's Annual Action Plan covers specific HUD programs, the Community Development Block Grant program, which is contained within three types of programs, or
subprograms, economic development, housing, and public facilities; the Emergency Solutions Grant; the Home Investments Partnerships Program grant; the Housing Opportunities for Persons with AIDS, or HOPWA; and the Housing Trust Fund. So all of these four programs received our funds that are received by Montana that are administered through the Department of Commerce and also the Department of Public Health and Human Services.

And the Annual Action Plan is our kind of pseudo application to HUD to award those funds in a specific way that we have outlined and provided some detailed information about, as well as what those programs' goals and objectives are in order to meet not only the federal program goals but also goals within the state of Montana and how they fit within the Montana consolidated plan.

So specifically the Annual Action Plan is a plan for the use of those funds and so we are opening up this public comment period, which opened actually on July 24th and will end on August 7th. We have a reduced public comment period this time and the reduction of time,
which was typically 30 days, has been reduced
down to 15 days due to HUD's waiver of the full
public comment period. It was shortened
because of the time delay at the federal level
in the appropriation that the State of Montana
received for the programs that we just
mentioned.

So the Annual Action Plan is part of what
we call our consolidated plan. It's a
five-year plan and that five-year plan covers
all of the needs that we would have or
established identified needs that we have for
funds that are needed or received from the
federal government to address federal housing,
our federal funds with housing issues,
community and public facility issues, or
deficiencies, and economic development
investments in the state. So this combines not
only the planning and application but some
citizen participation requirements and
reporting requirements for CDBG, HOME, and ESG,
as well as HTF.

The components of the consolidated plan
consist of a five-year plan, which we started
going through a public comment process in 2014.
And the plan covers the years from the program years of 2015 through the calendar year of 2020. So each year of the consolidated plan there is also an annual action plan and this action plan updates any information that may have been presented to the consolidated plan in order to update the amount of funds that were given to the State by the federal government in order to administer those programs, but then also modifying potential goals or objectives that have maybe been changed at the federal level or also at the state level in order to address those needs that have been better identified or have become more realized over the course of this five-year plan.

Again, the public comment period is July 24th and ends on August 7th, so any comments that you might have you can send to the Department of Commerce and we will address them and finalize the Annual Action Plan document based on those comments.

Not only is the action plan available online but it is also available at a variety of repositories across the state and Commerce is willing to provide that information to you as
to what those repositories or where those repositories are. The repositories are generally located across the state and that is so that individuals that are using the programs can come and find the document themselves if they have limited access to the Internet or also the limited availability of Internet connectivity and can't download the document, because it is quite lengthy.

While we're not talking about the consolidated annual performance report, I want to take this opportunity to identify or call out that the CAPER is also part of the consolidated plan. That is presented on an annual basis as well. It's an outcome-based report and we go through a public comment period for that as well.

The outcome-based report called the CAPER presents all of the information in regards to what those programs, ESG, HOME, SDBG and HTF, were able to accomplish with the funds that were received by the State by the federal government. And so how many individuals or households were we able to assist with job creation or retention, essential shelters for
people who are homeless or experiencing or at
risk of homelessness, job creation, retention,
senior centers, that sort of thing, so we help
those communities with those successes and
meeting the accomplishments set forth in the
Annual Action Plan.

So let's figure out a little bit more
about the Annual Action Plan. So, again, it's
an annual update and we identify a number of
different types of things that we're going to
do with those funds, but mainly looking at what
is our needs, priorities, and goals. We also
in our method of distribution identify how the
funds would be allocated and also how we, the
State, are going to invest money in the areas
of greatest need.

These programs have primary
responsibilities, specifically providing decent
housing, providing a suitable living
environment, and expanding economic
opportunities. While not all programs can do
all three, like, for instance, CBG can do all
three, however, the HOME Investment
Apprenticeship Program primarily focuses on
providing decent housing. The goal is also to
address more holistically the needs of the State and even housing, even if it's trying to provide decent housing for just a family, it also does impact the community from a suitable living environmental perspective and also ensuring and expanding, securing economic opportunities for that same local government. So it's a holistic approach as we look at individual programs and what those goals are from a federal level.

The draft 2017-2018 Annual Action Plan is set up in a manner that mirrors what we call the eCon Planning 5suite. So the eCon Planning Suite is a format and a system that the federal government provides and requires the State of Montana to enter information into. So this is the third year that we're using it and you can then see more consistently how there is very specific ways that we are setting up how we're going to spend the funds and also specific tables that are helping to explain how we're going to use those funds, where we may be using those funds in regards to beneficiaries, and also then that mirrors itself in the CAPER, which we just chatted about.
So there are three major sections, the setup, the process, and the Annual Action Plan. And the setup of the document is just really some administrative details. The Department of Commerce leads that effort but is joined with the Department of Public Health and Human Services in submitting that to HUD. The process is so important because we want your public participation in regards to identifying what needs you may have that maybe the State hasn't identified and also where those funds could be potentially more beneficial in areas or are meeting the benefit in the areas that we've identified. And then what those resources, goals, and objectives and priorities will accomplish, or intend to accomplish.

These specific -- I'm not going to go through these, but these specific AAP sections are, again, set up by the eCon Planning Suite that HUD has established, but they generally fall under the annual goals and objectives, the allocation priorities, and the method of distribution. And the method of distribution is a very specific and important part of the document very clearly establishing which parts
of which programs are going to be benefited and how and who and how much.

So, for example, when we look at the method of distribution for CDBG public facility funds, you're able to see how those funds would be awarded and to whom, so cities, towns, and counties, and how much. Generally just under $2 million and with a maximum grant of $450,000. And that will go through a competitive ranking process. So the method of distribution gives you all of the nuts and bolts of how each individual program is going to operate and within which subcategories and how those subcategories are going to operate and how funds are going to be distributed.

Additionally, there are Annual Action Plan sections that get to another larger document as part of our analysis of impediments to fair housing choice, which was part of our five-year consolidated plan. We do identify other additional barriers to affordable housing that mimics what we've already established as goals for our ANI, analysis of impediments, and also some other program-specific requirements if HUD has identified any changes or modifications to
these programs.

So one of the tables is what identifies the programs' goals for the year. So, as you can see, we have identified goals to preserve and construct affordable housing, as well as plan for communities, improve and sustain public infrastructure, revitalize local economies, and reduce homelessness. And, again, together, CDBG Housing Trust Fund, the HOME program, and ESG work together to collaboratively address and meet these goals.

And here is a table that shows you the allocation priorities. This table really identifies what percentage of which programs' funds are going to be spent on one of those categories. So, as you can see, the HOME program is spending approximately just over 70 percent of the funds on preserving and constructing affordable housing and 19, almost 20 percent on reducing homelessness.

So the contact for the Department of Commercial Community Development Division who oversees the CDBG, HOME, and HTF program is myself, Jennifer Olson, and also the Communities Grants Bureau Chief, A.C.
Rothenbuecher. You can always reach us at DOCCDD@mt.gov or give us a holler at 406-841-2770. We also can help you not only with the program questions and getting in contact with individual program staff but get you connected with the Annual Plan, consolidated plan, or CAPER.

The Montana Department of Public Health and Human Services Emergency Solutions Grant, Jamie Palagi is their division administrator, and Andrea Goetsch is their bureau chief. They both can help you as well with any sort of ESQ questions and also get you connected with their programs, as well as HOPWA, to get you connected with any services or also connection with the Action Plan or Consolidated Plan. They can be reached at 406-447-3267.

Again, the public comment period is open beginning on the 24th of July and through August 7th. If there is anybody on the phone and that has joined our webinar, you can definitely provide a comment. If you are on the phone, please state your name, spell it, and organization you are representing. And if you choose not to make any comments today,
that's just fine. You can always make comments in writing via email or you can send it via postal mail to us. And we'll go back to our page with the contact information. Or send an email to DOCCDD@mt.gov and we will definitely accept your comments until close of business on August 7th.

So, Amy, is there anyone on the phone?

MS. PECK: No.

MS. OLSON: So seeing nobody on the call and no one in the room, we'll go ahead and close the hearing.

(The hearing was concluded at 2:47 p.m.)

* * * * * * *
CERTIFICATE

I, LISA R. LESOFSKI, Registered Professional Reporter do hereby certify:

That the proceedings were taken before me at the time and place herein named, that the proceedings were reported by me and that the foregoing pages contain a true record of the proceedings to the best of my ability.

Dated this 14th day of August, 2017.

____________________________________
Lisa R. Lesofski