BEFORE THE DEPARTMENT OF COMMERCE
OF THE STATE OF MONTANA

DRAFT 2017-2018 CONSOLIDATED ANNUAL
PERFORMANCE EVALUATION & REPORT (CAPER)
PUBLIC MEETING

TRANSCRIPT OF THE PROCEEDINGS

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

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REPORTED BY:  
CHERYL ROMSA
CHERYL ROMSA COURT REPORTING
1 NORTH LAST CHANCE GULCH, SUITE 1
P. O. BOX 1278
HELENA, MONTANA 59624
(406) 449-6380
APPEARANCES

MONTANA DEPARTMENT OF COMMERCE STAFF:

Jennifer Olson, CDD, Presiding Officer
Stephanie Crider, CDD
A.C. Rothenbuecher, CDD

PARTICIPANTS VIA WEBINAR:

Shari Eslinger
Carilla French
Shyla Patera
Tori Matejovsky

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WHEREUPON, the proceedings were had as follows:

MS. OLSON: I'll go ahead and open the hearing. Thank you so much for joining us.

This morning's hearing is about the Consolidated Annual Performance & Evaluation Report. This evaluation report, or we call it the CAPER, is specifically related to the State of Montana's Consolidated Plan, which is a five-year plan that the State completes and then annually updates through the Annual Action Plan to ensure that we are providing the public the opportunity to engage and comment in to how the State will administer or use funds from a federal perspective on how HUD funds will be used in the state of Montana. And the CAPER is the report out regarding how we did complete that task or use those funds.

So with that, these programs that are listed on the screen in front of you are the programs that are included in the Annual Action Plan and also the CAPER. So the Community Development Block Grant Program; ESG, which is administered by the Department of Public Health and Human Services; HOME Program; HOPWA, which is also overseen by the Department of Public Health and Human Services; and the Housing Trust Fund are the programs that are included in the update and report out of the CAPER and then also included in the Annual Action Plan and Consolidated Plan.
that identify how we're going to be using those funds.

And as you can see, Community Development Block Grant
has three different types of uses, economic development,
housing, and public facilities. And so we specifically
identify those in our Action Plan and in our report as to
how we have intended to use them and, in this report, how
we have established our use and expenditure of them.

So this is again the Consolidated Plan, the five-year
plan for federal housing, community and public facilities,
and then, of course, it combines all of the reporting into
one report of the CAPER for all of the programs that you
just briefly saw.

So as a reminder, the Consolidated Plan, we are
currently under the 2015-2020 Consolidated Plan. And
actually, we'll begin shortly our update to the
Annual Action Plan. This CAPER is a report about the
activities that the State has undertaken for the 2017
federal fiscal year and falls under our 2016-2017
Annual Action Plan.

So in the CAPER, there are detailed project
accomplishments that show the expenditure of the funds as
it pertains to the projects that were awarded throughout
our program year. Our program year begins April 1st and
ends March 31st. Specific to this CAPER, it was
So we're going through a public comment period. It began June 14th and it ends June 28th. So if you have any comments about the use of funds or how we expended those dollars, we would ask you to view our CAPER, hopefully you already have, by the close of June 28th and give us comments back regarding any questions or comments that you might have about the use of those funds. Once those comments are received, we will provide an official response and include that in our CAPER to ensure that any comments that you have, we not only provide a response but then also are able to provide any updates to the CAPER or edits to the CAPER before sending it off to HUD.

This is our third year of our Consolidated Annual Performance Evaluation Plan, again, of that five-year performance period.

So in the Department of Commerce, Community Development Division, myself and A.C. Rothenbuecher, as the operations manager, help to oversee the CDBG, HOME, HFT funds, and we help to administer those funds on behalf of the Department of Commerce and the State of Montana.

Within the CDD Division we have awarded CDBG grants, three to public facilities; three to community facilities, which are local community facilities that would support low and moderate income folks such as food banks, HeartStart centers, senior centers; and two housing
projects. And also, public facilities are infrastructure related, so that would be water and wastewater and other sorts of public infrastructure.

We have one economic development project that was awarded and one HOME rental development and rehabilitation project -- or, excuse me, two rehab projects and then one that was a new construction project funded by the HOME Program. We also have, as part of our HOME funds, set aside HOME funds that are for down payment assistance to individual households. And so we have one project of those, and then also funded, out of our housing trust funds allocation, one rehabilitation project.

Next, the Department of Public Health and Human Services oversees the ESG, Emergency Solutions Grant, and also the HOPWA funds. So Jamie Palagi is the division administrator and Sara Loewen is the bureau chief that oversee the administration of those funds that are the responsibility of Department of Public Health and Human Services.

Jointly, the Department of Commerce and Public Health and Human Services complete all of the plans that we've been talking about, the Consolidated Plan, Annual Action Plan, and the CAPER, to provide a consolidated response and report and application to HUD on an annual and five-year basis.
So the ESG grants are distributed on a formula basis to the HRDCs, and the HRDCs use those funds to meet the needs of homelessness -- or of the homeless or those at risk of homelessness at the local level. They also provide funding for activities for rapid rehousing, which you can see the activities that are included as part of rapid rehousing.

Next, the HOPWA funds also are overseen by DPHHS and work to increase the availability of affordable housing, meeting the needs of people that have HIV or AIDS and their families. And it's a partnership between DPHHS and four private agencies, and you can see that those are regional agencies that span Montana, North Dakota, and South Dakota.

So the CAPER is included as part of what we call the eCon Planning Suite, which is an electronic consolidated plan format that HUD prescribes and is put into that format and then produced as a document so that we can report in all of the accomplishments for the annual program year and then provide that format to the public to provide comment on. So within the CAPER there are two major sections. They report for all HUD funded programs under the CR. And then ESG has specific reporting.

What you'll see in our CAPER is that there are some
sections that are specific to programs, but we also try to supplement the information that is required by HUD to add state level data that may not be captured in the eCon Planning Suite to further inform the public about the activities and actions, accomplishments carried out by the State for this program year.

So CR-05 lists the goals and outcomes. Overall, CDBG and HOME expended $8.7 million for Program Year Three. We established the goal in the Annual Action Plan, as you can see in the chart in front of you, as to how we were going to expend CDBG, HOME, ESG, and HTF funds. And those funds are representative of the actual activity costs and don't include the funds that may be designated towards administrative costs.

So here you can see the other goals that we have. If you'll note, the five goals that are listed are the specific goals that are not only listed in the Consolidated Plan, the five-year plan, but then also the Annual Action Plan. And those goals are, first -- and no prioritized order, but the first goal is improve and sustain public infrastructure, of which CDBG funds have been allocated and have produced results in this program year and then also in the five-year period.

Second, preserve and construct affordable housing with direct financial assistance to home buyers. That's
included in that preserve and construct affordable housing. Reducing homelessness, primarily looking at homeless persons, overnight shelters, and care of those persons assisted, which is primarily and exclusively ESG's and HOPWA reporting. Reducing homelessness through homelessness prevention, which is a combination of CDBG, HOME, HTF, and ESG sources of funds. And then revitalizing local economies to create and retain jobs, which is a CDBG objective.

So over the past year, we have served extremely low income to moderate income families, so a total of CDBG activities have served 48 households and HOME funds have served 86 households.

As part of the CAPER, we are required to report how many projects were monitored for all of the programs listed, and you'll note there's two HOME designations here, a HOME that indicates three projects and a HOME POA. POA stands for period of affordability. So HOME Investment Partnerships Program requires that the State oversee and monitor the continual affordability of any projects that were previously funded by HOME funds, so those can range anywhere from 10 years to 20 years. So we have monitored those projects that were previously funded during this past program year, so you can see the number of projects that we have monitored.
Also of note, we have not monitored any HTF projects. That is because the monitoring comes in after the project has been completed, and we are just beginning the HTF project here, so in the next program year the CAPER will report more monitoring regarding HTF.

Next is CR-55, which is a HOPWA spreadsheet that shows the number of households served, with five different -- excuse me, four different types of attributes and processes through which HOPWA serves these individuals. You can see what the one-year goal is and what the actual goal is. So the total of all of the ways that HOPWA would serve households was 106 households served, and the actual result was 100. So you can see that there was two different categories that didn't apply, and so the majority of the activities were completed on short-term rental assistance payments, mortgage payments, utility payments, and then also tenant-based rental assistance.

Additionally, the Analysis of Impediments is a part of the CAPER in an indirect way while not directly reported in the CAPER. The steering committee continues its efforts as it relates to the analysis of impediments to fair housing. And DPHHS and Commerce continue to collaborate with a statewide partnership in order to complete activities that will reduce any identified impacts that would be an impediment to fair housing choice.
across Montana.

While we're working with all public housing authorities across the state, we are directly working with the three entitlement communities of Great Falls, Missoula, and Billings to specifically move into a coordinated affirmative fair housing plan for the state of Montana that will have specific elements in each one of the entitlement areas.

So as I stated earlier, this is a public comment period. It's open until June 28th, 2018, and the State of Montana is accepting written comments regarding the CAPER. Please send your name -- or, excuse me, send your comment via email or in writing. I'll give you some information about that in just a moment. Or you can definitely provide comments right now verbally to the process.

So I'm going to go ahead and open up the phone line. Hopefully we can get the folks that are on the line to be able to comment. If you don't have any comments, that's fine too, but if you could state your name and spell it and the organization you're representing so that we can record it for our hearing today.

And I see there's some folks on the phone.

MS. CRIDER: I sent Shyla and Tori their PINs so that if they want to log in and ask questions they can.

MS. OLSON: So it looks like Shari Eslinger is on
the phone and Shyla Patera. And then Tori Matejovsky, you're also on the phone. So if any of you would like to make a comment, you can also type it into the queue in front of your computer screen.

I'm also going to bring up the slide that shows how you can submit written comments to the Department regarding the CAPER. You can send them to the email address that you see in front of you, which is DOCConPlan@mt.gov, or you can put them in writing and send them in the mail. Please send them so that they can be received by the Department during the public comment period time frame, which ends, again, June 28th. And we look forward to receiving any comments that you might have.

Just as I'm waiting to see if anybody has any comments, once you open up the CAPER online -- in which case you can also access it at the 25 or so repositories across the state that allow you to see a physical copy -- I would direct you to view the table on page 7, which is Accomplishments. That specifically addresses how much funds were used in each one of those categories that established the goals and then also what the percentage of use of those funds were, as well as identifying the amount that was expended during the program year. I find that that table is most helpful in identifying where the funds
were -- excuse me, how much of the funds were spent.

And then also directing your attention to page 9, which shows the projects that were awarded during the plan year specifically from the CDBG and HOME and HTF funding sources. I think that gives a really great picture of the use of the funds that was awarded by the State to entities that applied during this program year.

So Shyla, it looks like you have some comments. If you'd like, you can type them in and I can read them for the record and we can record your comments.

MS. CRIDER: Shyla is having computer issues.

MS. OLSON: So Shyla, we see that you're having some computer issues, so we're just going to give you some time to participate.

MS. CRIDER: And I also sent her an email saying that comments can also be submitted through email.

MS. OLSON: So I'm going to chat a little bit about the process for public comment. Once you make a public comment, the State will consider that and then provide a formal response via the document, and we'll be sure to post that online so that you can not only see your question and then also see the response that, that either DPHHS or Commerce will provide as applicable to the programs.

Additionally, this is a draft version of the CAPER,
and so any comments that are made that would substantiate some changes to be made to the CAPER will be considered by the State, and any of those changes will be reflected in the final draft that will be prepared and sent to HUD. Of course, this will all be published on the Commerce's Consolidated Plan website. And then after that's been sent up to HUD, the State then will receive a response from HUD based on their review and any modifications that they request before it is fully finalized and approved by HUD. Any changes to that will be posted on our website to ensure that the public is fully informed.

Shyla, if you can hear me, it looks like you're trying to log back in. We'll definitely wait and give you some time to be able to chime in when things are working.

MS. CRIDER: Carilla French from HRDC 4 is now on the line, so I unmuted her.

MS. OLSON: So Ms. French, it looks like you just joined the call. We went through a summary of the CAPER, but if you have any comments or questions, I'm happy to repeat anything as you're just joining the call. Your phone has been unmuted, so if you have any comments about the CAPER, happy to hear those comments. And as well as anybody else on the line, your phone has been unmuted and we're happy to accept comments verbally or you can also send them to us in writing at the address you see in front
of you or you can email them to DOCConPlan@mt.gov.

MS. FRENCH: Thank you, Stephanie.

MS. OLSON: Perfect. Who do we have on the line?

This is Jennifer.

MS. FRENCH: Oh. This was just Carilla French saying thank you.

MS. OLSON: Oh. No worries. And if you have any comments, we're more than happy to accept them today on the phone. And if you'd like to have me repeat or go over anything that was already discussed about the CAPER or any questions about the CAPER, I'm happy to also give you kind of an overview of what that document is.

MS. FRENCH: So I apologize for ringing you late. I had another meeting that ran over. So did I miss the entire review of the CAPER?

MS. OLSON: Well, the public hearing is just an abbreviated version of the CAPER since it's a 47-page document, so we just went over the highlights. Some of the things that I will just kind of go back over is I would direct you to the Accomplishments listed on page 7, which is in Table 1 of the CAPER, and then also specifically page 9, which lists the CDBG, HOME, and HTF awards.

But generally, let me give you kind of a short synopsis. The CAPER is the final accomplishment report to
HUD, which is based off of the five-year Consolidated Plan that the State completes and the Annual Action Plan that is an update, if you will, annual update to the Consolidated Plan that is sent to HUD as the State's intended use of funds.

And so the CAPER shows how we did use them and how we did expend the funds that were received by the State from HUD. Those funds include CDBG, HOME, HTF, ESG, which is the Emergency Services Grant, and HOPWA, which is the housing opportunities for persons with AIDS.

So those are the specific programs that are included within the CAPER, and then you can see within the document, there's a couple of good tables that -- well, all of them are really good tables, but some really specific tables that point to the use and expenditure of funds.

The use of these funds are for the program year that began April 1st, 2017, and ended March 31st, 2018. And so we received our HUD award and contract on October 31st, 2017, so it's reporting all of those funds that were then made available in late October and then have then been awarded out to grantees over the past program year.

So we're just accepting public comments right now on the CAPER, but you can definitely, you know, take a look at the CAPER if you haven't already, and we are accepting
comments through June 28th, 2018. You can email them to
DOCConPlan@mt.gov or you can send them in writing to the
address that you see in front of you, which is
Community Development Division, P.O. Box 200523, Helena,
Montana 59620-0523.

I think we have a comment from Shyla. We've been able
to help, through other means, work around the technical
issues that we were having. So Shyla, I think you're on
the phone now.

MS. PATERA: Huh-uh. Hi. For the record, my
name is Shyla Patera, spelled S-H-Y-L-A, P-A-T-E-R-A. And
I represent North Central Independent Living Services at
1120 25th Avenue Northeast in Black Eagle, 59404;
452-9834.

And my comment on this current CAPER is we, we applaud
the Department in its efforts to work on its five goals.
We encourage the Department and Montana housing in all of
its forms to include visitable, accessible, and affordable
housing. We do encourage the Commerce and DPHHS to
continue working together regarding disability issues,
particularly those around homelessness and the continuum
of care.

We, we would like to see more data tracked as to the
transition needs of people with physical, sensory, and
mental health issues. And we hope that, that housing,
transportation, and health care will continue to be a staple throughout the entire five-year plan and beyond. And I will be submitting written comments as well.

MS. OLSON: That sounds great. I appreciate your comments today verbally, and we look forward to seeing the comments in writing, Shyla.

MS. PATERA: Thank you so much.

MS. OLSON: And thanks for bearing with us as we figured out the technical issues.


MS. OLSON: Bye-bye.

If there are any other public comments, please feel free to state them verbally now or you can type them in your computer and we can read them for the record and then include them as part of our record of response when we finalize the document.

So seeing none from the group that is on our webinar or in the room, I'm calling maybe one last time for them. I want to thank everyone for your time today and participation in our CAPER hearing, and I really want to encourage you to provide any comments to be submitted to DOCConPlan@mt.gov, and please submit them before June 28th to be considered as part of our formal public hearing process.

Additionally, if you would like to engage with the
Department of Commerce at any time, you can always email us at DOCConPlan@mt.gov or DOCCDD@mt.gov to get on any of our ListSers regarding any of the programs that we've talked about here today or any other Commerce programs to help support the community and affordable housing, infrastructure, economic development, and also addressing homelessness across the state.

Thank you so much for your time, and we look forward to receiving your comments. Have a great day.

(The proceedings concluded at 10:35 a.m.)

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COURT REPORTER'S CERTIFICATE

STATE OF MONTANA )
COUNTY OF LEWIS AND CLARK ) ss.

I, CHERYL ROMSA, Court Reporter, residing in Helena, Montana, do hereby certify:

That the foregoing proceedings were reported by me in shorthand and later transcribed into typewriting; and that the foregoing 19 pages constitute a true and accurate transcription of my stenotype notes of the proceedings.

DATED this 25th day of June, 2018.

/s/Cheryl A. Romsa
CHERYL A. ROMSA