



# **State of Montana**

## **Consolidated Annual Performance and Evaluation Report**

April 1, 2023 through March 31, 2024

DRAFT

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**Montana Department of Commerce**

**Montana Department of Public Health and Human Services**

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<https://commerce.mt.gov/Consolidated-Plan>

2020–2024 Montana Consolidated Plan  
for Housing and Community Development

<b>Plan Year 1 (2020)</b>	April 1, 2020 – March 31, 2021
<b>Plan Year 2 (2021)</b>	April 1, 2021 – March 31, 2022
<b>Plan Year 3 (2022)</b>	April 1, 2022 – March 31, 2023
<b>Plan Year 4 (2023)</b>	April 1, 2023 – March 31, 2024
<b>Plan Year 5 (2024)</b>	April 1, 2024 – March 31, 2025

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## Introduction

The Montana Departments of Commerce (Commerce) and Public Health and Human Services (DPHHS) receive annual U.S. Department of Housing and Urban Development (HUD) funding for the following Community Planning and Development (CPD) programs: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and National Housing Trust Fund (HTF) programs. In addition, Commerce has received one-time only allocations for the Community Development Block Grant – CARES Act (CDBG-CV) and HOME American Rescue Plan Act (HOME-ARP) programs. Funding through these programs is crucial to organizations struggling to obtain scarce funding to serve households at or below 80% of area median income (AMI). As demonstrated in this 2023-2024 Consolidated Annual Performance and Evaluation Report (CAPER), these programs have been a critical funding source for constructing senior and health facilities in rural areas; developing housing facilities to assist disadvantaged populations; supporting economic opportunities for low- and moderate-income beneficiaries; and providing clean water and sanitary sewer to support the growth of vital, resilient communities across Montana.

Montana’s CAPER reports to HUD the outcomes of activities completed with the resources made available to the State through the CDBG, HOME, ESG, and HTF programs during Plan Year 4 (April 1, 2023, to March 31, 2024), which falls under the 2020-2024 Montana Consolidated Plan for Housing and Community Development (Consolidated Plan) and the 2023-2024 Annual Action Plan (AAP). CDBG-CV and HOME-ARP funds were not made available to the State during Plan Year 4, but during Plan Years 1 and 2, respectively.

The Consolidated Plan and AAP fulfill three basic goals in Montana: provide decent housing, provide a suitable living environment, and expand economic opportunities. The 2023-2024 AAP outlines the actions Montana proposed to take during Plan Year 4 to support these basic goals and the strategic goals identified in the 2020-2024 Consolidated Plan. The CAPER identifies the accomplishments of the CDBG, CDBG-CV, HOME, ESG, and HTF programs and compares them with the goals and objectives put forth in the Consolidated Plan and AAP. HOME-ARP incurred administrative expenses, and the majority of HOME-ARP funds were awarded to four communities across Montana during Plan Year 4, and the remaining HOME-ARP funds will be awarded during Plan Year 5, and the first HOME-ARP funds will be committed to activities in Plan Year 5.

Much of the information relevant to the 2020-2024 Consolidated Plan is reported in HUD’s Integrated Data Information System (IDIS), which interfaces with HUD’s eCon Planning Suite. IDIS and the eCon Planning Suite establish the format and manner in which data is collected and reported in all Consolidated Plan documents. Montana augments some of HUD’s data, when necessary, to report additional program accomplishments or provide detail not available in IDIS. The 2023-2024 CAPER is the fourth CAPER provided for the 2020-2024 Consolidated Plan and is in the eCon Planning Suite format prescribed by HUD.

Montana’s CAPER references various IDIS reports, which the State uses to report accomplishments and progress made towards meeting established goals. These reports, which summarize project-level data for each program, including the annual Performance Evaluation Reports, are available on the Department of Commerce’s Consolidated Plan Documents page at <https://commerce.mt.gov/Consolidated-Plan/Documents> and will be provided to the public and other stakeholders upon request.

## CR-05 – Goals and Outcomes

**Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)** This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

The 2020-2024 Consolidated Plan and 2023-2024 AAP establish five goals for the CDBG, HOME, HTF, and ESG programs:

- Preserve and Construct Affordable Housing,
- Plan for Communities,
- Improve and Sustain Vital Public Infrastructure,
- Revitalize Local Economies, and
- Reduce Homelessness.

**Table CR-1A** shows planned funding allocations, by program, for each of these goals. **Table CR-1B** shows actual awards, by program, for each of these goals. **Table CR-1C** shows actual expenditures, by program, for each of these goals.

**Table CR-1A – Plan Year 4 Funding Allocations**

Program	Goal										Admin	
	Preserve and Construct Affordable Housing		Plan for Communities		Improve and Sustain Vital Public Infrastructure		Revitalize Local Economies		Reduce Homelessness			
CDBG	\$1,250,000	19%	\$650,000	10%	\$3,244,858	50%	\$600,000	9%	\$500,000	8%	\$296,232	4%
HOME	\$3,105,211	90%	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$345,023	10%
ESG	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$685,610	92%	\$55,590	8%
HTF	\$2,009,772	66%	\$0	0%	\$0	0%	\$0	0%	\$750,000	24%	\$306,641	10%

Source: 2023-2024 AAP; 2021-2022 AAP, amended

**Table CR-1B – Plan Year 4 Awards**

Program	Goal										Admin
	Preserve and Construct Affordable Housing		Plan for Communities		Improve and Sustain Vital Public Infrastructure		Revitalize Local Economies		Reduce Homelessness		
CDBG	\$2,170,000	25%	\$684,534	8%	\$3,801,000	44%	\$1,050,000	12%	\$750,000	8%	N/A
HOME	\$6,250,000	100%	\$0	0%	\$0	0%	\$0	0%	\$0	0%	
ESG	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$741,200	100%	
HOME-ARP	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$7,159,501	100%	
HTF	\$4,941,194	87%	\$0	0%	\$0	0%	\$0	0%	\$750,000	13%	

Source: Commerce Application Logs

**Table CR-1C – Plan Year 4 Expenditures**

Program	Goal										Admin	
	Preserve and Construct Affordable Housing		Plan for Communities		Improve and Sustain Vital Public Infrastructure		Revitalize Local Economies		Reduce Homelessness			
CDBG	\$506,633	9%	\$486,113	8%	\$3,996,327	70%	\$400,000	7%	\$0	0%	\$291,180	5%
CDBG-CV	\$1,344,800	52%	\$0	0%	\$895,268	34%	\$0	0%	\$234,684	9%	\$126,372	5%

HOME	\$2,275,261	89%	\$0	0%	\$0	0%	\$0	0%	\$61,754	2%	\$224,717	9%
HOME-ARP	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$98,974	100%
ESG	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$1,193,490	92%	\$95,660.11	7%
HTF	\$1,137,155	75%	\$0	0%	\$0	0%	\$0	0%	\$158,500	11%	\$218,270	14%

Source: IDIS Report PR23 – CDBG Summary of Accomplishments; IDIS Report PR23 – CDBG-CV Summary of Accomplishments; IDIS Report PR23 – HOME Summary of Accomplishments; IDIS Report PR07 – Drawdown Report by Voucher Number – All Vouchers; DPHHS

\*Included in the CDBG and CDBG-CV Admin figures, is \$ of CDBG funds and \$659.27 of CDBG-CV funds that were used to provide technical assistance to grantees.

\*ESG expenditures during plan year are from FY20, FY21, and FY22 ESG funds, and reported in SAGE.

Projects are generally funded in one plan year and have expenditures recorded in a subsequent plan year because construction activities typically begin 12 to 15 months after award, and once construction commences, grant expenditures may not occur immediately. An example of this delay is evident in Plan Year 4 HOME-ARP expenditures. During this program year, HOME-ARP logged administrative expenses but not activity expenses. HOME-ARP activities that were awarded funds will get underway during the 2024 construction season when HOME-ARP expenditures will increase.

Expenditures for Plan Year 4 for CDBG, HOME, HTF, and ESG totaled. Expenditures for Plan Year 4 for one-time grants (CDBG-CV and HOME-ARP) were \$2,700,100.24. The first goal, Preserve and Construct Affordable Housing, expended \$5,263,849.86 in CDBG, CDBG-CV, HOME, and HTF resources to assist eligible households across the state through development and rehabilitation of rental properties and owner-occupied homes, as well as down payment assistance. The second goal, Plan for Communities, expended \$486,113.13 in CDBG resources to support local governments with long-range planning activities to address various land use and project specific needs across the state. The third goal, Improve and Sustain Public Infrastructure, expended \$3,996,327.33 in CDBG and CDBG-CV resources to assist eligible Montana communities with new or improved access to vital public infrastructure and community facilities. The fourth goal, Revitalize Local Economies, expended \$400,000 in CDBG resources to create or retain jobs and benefit eligible businesses. And the final goal, Reduce Homelessness, expended \$1,648,428 in CDBG-CV, HOME, ESG, and HTF resources.

The Montana Department of Commerce modified the 2021 Annual Action Plan, which constituted a substantial amendment to the Plan and was approved by HUD, to reduce the CDBG-ED allocation. These modifications impact the area of the Plan to change the allocated CDBG-ED funding to support other CDBG programs, including housing and public and community facilities. A surplus of other readily available federal resources, including one-time-only COVID-19 relief programs under the American Rescue Plan Act, for economic development activities decreased the demand for CDBG-ED funds at that time.

ESG assisted 2,225 individuals, spending \$469,632.62 to serve 386 individuals through homeless prevention activities and \$438,262.21 to serve 452 individuals through rapid rehousing activities including case management, rental assistance, rental arrears, security deposit payments, and other housing relocation and stabilization services. ESG subrecipients spent \$244,526.45 to assist shelters, serving 1,084 individuals through essential services and operations support; and spent \$41,069.44 to assist 303 individuals through street outreach activities. ESG subrecipients have set up their coordinated entry systems and are using ESG in combination with other funds to cover expenses.

In addition to expending program funds in support of existing projects, Commerce also awarded program funds to several new projects. The State received 60 applications from 42 applicants for the 2023 CDBG application cycle, and CDBG funding was awarded to 31 projects in and October 2023. The State received five applications for the 2023 HOME application cycle, and HOME funding was awarded to four projects in November 2023. The State held two application cycles during Plan Year 3 and received six applications in June 2023 five of which received HTF awards. One of those subsequently turned back their award, when other funding sources did not come to fruition. In September 2023, the State received two HTF applications, one of which requested additional funds for a previously-awarded project, and both applications were approved. In total, five new projects financed with HTF are getting underway in Plan Year 4.

The State’s HOME-ARP Allocation Plan was approved by HUD in April 2023. The first round of HOME-ARP applications were accepted through October 2023 with \$7,159,501 in HOME-ARP funds awarded to four applicants in December 2023. The second round of HOME-ARP applications will be accepted through April 2024 (Plan Year 5) to award remaining HOME-ARP funds.

Applicants for CDBG, HOME, and HTF funding in Plan Year 4 are presented in **Table CR-2**.

**Table CR-2 – Applicants for CDBG, HOME, HOME-ARP and HTF Funding in Plan Year 4**

Applicant	CDBG					HTF	HOME	HOME-ARP
	Planning	Housing	Public Facilities	Community Facilities	Economic Development			
Accessible Space						X	X	
American Covenant						X		
Anaconda-Deer Lodge, City-County of	X							
Baker, City of	X							
Big Horn County	X							
Boulder, City of	X							
Broadwater County								
Butte-Silver Bow, City-County of		X						X
Carter County								
Cascade, Town of								
Circle, Town of	X		X					
Colstrip, City of	X							
Custer County	X							
Daniels County	X							
Dawson County								



Applicant	CDBG					HTF	HOME	HOME-ARP
	Planning	Housing	Public Facilities	Community Facilities	Economic Development			
Dillon, City of	X							
Dodson, Town of								
East Helena, City of								
Ennis, Town of	X							
Fairfield, Town of								
Family Promise of Gallatin Valley		X						
Florence Crittenton Home and Services								
Fort Benton, City of	X							
Gallatin County								
Geraldine, Town of	X							
Glasgow, Town of	X							
Glendive, City of								
Hamilton, City of		X						
Hardin, City of	X							
Helena, City of	X				X			
Homeword, Inc.							X	
Hot Springs, Town of			X					
Human Resource Development Council, District IX								X
Human Resource Council, District XI								X
Hysham, Town of	X		X					
Jefferson County	X				X			
Judith Basin County								
Kalispell, City of			X					
Lake County	X							

Applicant	CDBG					HTF	HOME	HOME-ARP
	Planning	Housing	Public Facilities	Community Facilities	Economic Development			
Laurel, City of								
Lewis and Clark County	X		X		X			
Lewistown, City of	X							
Lincoln County	X							
Livingston, City of	X		X					
Madison County	X			X				
Malta, City of	X							
Manhattan, Town of	X							
McCone County								
Melstone, Town of								
Miles City, City of								
Missoula County	X							
Mitchell Court							X	
Musselshell County	X							
Northwest Real Estate Corporation								
Park County	X	X						
Philipsburg, Town of								
Plevna, Town of								
Pondera County								
Powder River County								
Powell County	X							
Richey, Town of								
Roundup, Town of								
Saco, Town of	X		X					
Samaritan House, Inc.						X		X
Sanders County	X							

Applicant	CDBG					HTF	HOME	HOME -ARP
	Planning	Housing	Public Facilities	Community Facilities	Economic Development			
Sapphire Lutheran Homes						X	X	
Scobey, Town of				X				
Shelby, City of								
Sidney, City of	X							
Stevensville, Town of								
Superior, Town of	X							
Teton County	X							
Three Forks, City of	X							
Townsend, City of	X							
Troy, City of	X							
Twin Bridges, Town of								
United Housing Partners LLC						X		
White Sulphur Springs, City of	X							
Whitehall, Town of								
Wolf Point, Town of			X					
Yellowstone County								
<b>Total</b>	<b>38</b>	<b>4</b>	<b>9</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>4</b>	<b>4</b>

Source: Commerce Application Logs

\* Withdrew

Applicants often use CDBG, HOME, and HTF funds in combination with other federal, state, and local funds. Proposed projects align with community needs and address priorities identified in long-range plans. Commerce does not dictate which applicants apply or which projects are proposed; all applications are considered and ranked, and eligible projects are awarded funding based on their ranking score and funding availability.

*Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g) Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.*

Commerce does not prescribe the location or type of CDBG, HOME, and HTF projects that applicants submit; therefore, some goals may not be addressed in a specific plan year if applications are lacking or if proposed projects are not ultimately funded. Additionally, CDBG, HOME, and HTF projects generally take 2 to 4 years to complete; thus, expenditures for these programs may be reported in one plan year while associated accomplishments are reported in another. Because applications to be received and rankings to be determined are unknown, and because project completion dates are often difficult to predict, Commerce anticipates outcomes based on historical data. Due to these challenges, proposed outcomes may not align with actual outcomes. **Table 1** shows both current and cumulative accomplishment data for the 2020-2024 Consolidated Plan period.

**Table 1 – Accomplishments – Program Year & Strategic Plan to Date**

Goal	Category	Source / Amount		Indicator	Unit of Measure	All Program Years (To Date)			Current Program Year		
		All Program Years	Current Program Year			Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Preserve and Construct Affordable Housing	Affordable Housing	CDBG: \$4,000,000 HOME: \$11,500,000 HTF: \$10,000,000	CDBG: \$1,250,000 HOME: \$3,105,211 HTF: \$2,009,772	Rental units constructed	Household Housing Unit	60	127	212%	10	15	150%
				Rental units rehabilitated	Household Housing Unit	130	261	201%	48	40	83%
				Homeowner Housing Added	Household Housing Unit	10	0	0%	2	0	0%
				Homeowner Housing Rehabilitated	Household Housing Unit	15	6	40%	5	2	40%
				Direct Financial Assistance to Homebuyers	Households Assisted	250	63	25%	10	14	140%
Plan for Communities	Non-Housing Community Development	CDBG: \$2,500,000	CDBG: \$650,000	Other	Other: Local Governments Assisted	75	96	128%	15	33	220%
Improve and Sustain Public Infrastructure	Non-Housing Community Development	CDBG: \$13,000,000	CDBG: \$3,244,858	Public Facility or Infrastructure Activities Other than Low/ Moderate Income Housing Benefit	Persons Assisted	5,000	47042	940%	1,000	25,873	2,587%
				Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	100	0	0%	20	0	0%
Revitalize Local Economies	Non-Housing Community Development	CDBG: \$10,000,000	CDBG: \$600,000	Façade treatment / business building rehabilitation	Businesses	5	0	0%	1	0	0%
				Jobs created / retained	Jobs	250	100	40%	50	17	34%
				Businesses assisted	Businesses Assisted	20	5	25%	3	1	1

Goal	Category	Source / Amount		Indicator	Unit of Measure	All Program Years (To Date)			Current Program Year		
		All Program Years	Current Program Year			Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Reduce Homelessness	Homeless	CDBG: \$2,500,000	CDBG: \$500,000	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	1,000	503	50%	200	297	148%
		HOME: \$2,500,000	HOME: \$0	Homeless Person Overnight Shelter	Persons Assisted	400	3,787	946%	50	1084	216%
		HTF: \$3,500,000	HTF: \$750,000	Homelessness Prevention	Persons Assisted	2,400	738	30%	0	386	386%
		ESG: \$3,500,000	ESG: \$685,610	Housing for Homeless added	Household Housing Unit	100	132	132%	20	20	100%

Source: IDIS Report PR23 – CDBG Summary of Accomplishments; IDIS Report PR23 – HOME Summary of Accomplishments; IDIS Report PR105 – Status of HTF Activities; DPHHS; 2021-2022 CAPER; 2022-2023 AAP

See IDIS Report PR23 – CDBG-CV Summary of Accomplishments for a detailed accounting of CDBG-CV accomplishments across Goal categories.

*Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.*

As stated above, the 2023-2024 AAP identified the following five goals:

- Preserve and Construct Affordable Housing
- Plan for Communities
- Improve and Sustain Vital Public Infrastructure
- Revitalize Local Economies
- Reduce Homelessness

As reflected in **Table CR-3**, the CDBG, HOME, and HTF programs funded and initiated projects throughout the state during Plan Year 4. These projects will assist communities with local efforts to preserve and construct affordable housing, plan for communities, improve and sustain public infrastructure, revitalize local economies, and reduce homelessness. Upon completion, all activities supported by program funds will benefit income-eligible households.

**Table CR-3** includes the CDBG activities reported in the Timely Distribution Report, which is submitted to HUD annually.

**Table CR-3 – Projects Awarded During Plan Year 4**

Program	Applicant	County	Funds Awarded	Goal	Project Description
CDBG	Lewis and Clark County	Lewis and Clark	\$45,000	Plan for Communities	Preliminary Architectural Report for the Helena YWCA
CDBG	City of Townsend	Jefferson	\$15,000	Plan for Communities	Growth Policy Update
CDBG	City of Troy	Lincoln	\$45,000	Plan for Communities	Growth Policy Update
CDBG	City of Boulder	Jefferson	\$30,000	Plan for Communities	Zoning Regulations Update
CDBG	City of Fort Benton	Cascade	\$26,250	Plan for Communities	Growth Policy Update
CDBG	Jefferson County	Jefferson	\$50,000	Plan for Communities	Growth Policy Update
CDBG	Town of Superior	Mineral	\$20,060	Plan for Communities	Preliminary Architectural Report for the Community Food Bank
CDBG	City of Three Forks	Gallatin	\$20,000	Plan for Communities	New zoning and subdivision regulations
CDBG	Missoula County	Missoula	\$20,000	Plan for Communities	Growth Policy Update
CDBG	Madison County	Madison	\$20,000	Plan for Communities	Growth Policy Update
CDBG	City of Glasgow	Valley	\$48,974	Plan for Communities	System Wide Improvement Framework Update
CDBG	Lincoln County	Lincoln	\$26,000	Plan for Communities	Preliminary Architectural Report for Trego, Fortine, and Stryker Community Center
CDBG	Big Horn County	Big Horn	\$20,000	Plan for Communities	Housing Needs Assessment

Program	Applicant	County	Funds Awarded	Goal	Project Description
CDBG	Anaconda-Deer Lodge County	Anaconda-Deer Lodge	\$20,000	Plan for Communities	Site development plan for the Anaconda Skate Park
CDBG	Daniels County	Daniels	\$30,000	Plan for Communities	Growth Policy Update
CDBG	Town of Manhattan	Gallatin	\$20,000	Plan for Communities	Zoning codes and subdivision regulations update
CDBG	Town of Circle	McCone	\$24,000	Plan for Communities	Zoning codes and map updates
CDBG	City of Livingston	Park	\$47,500	Plan for Communities	Preliminary Architectural Report for the View Vista ROC
CDBG	Yellowstone County	Yellowstone	\$37,500	Plan for Communities	West Billings Neighborhood Plan Update
CDBG	Carter County	Carter	\$30,000	Plan for Communities	Growth Policy Update
CDBG	McCone County	McCone	\$30,000	Plan for Communities	Growth Policy Update
CDBG	City of Glendive	Dawson	\$36,750	Plan for Communities	Recreation Trails Master Plan
CDBG	City of Roundup	Musselshell	\$22,500	Plan for Communities	Growth Policy Update
CDBG	Lewis and Clark County	Lewis and Clark	\$401,000	Improve and Sustain Vital Public Infrastructure	Install upgrades at local lift station and new sewer collection system
CDBG	Town of Saco	Phillips	\$750,000	Improve and Sustain Vital Public Infrastructure	Replacing sewer mains and manholes, sludge removal, and lagoon rehabilitation
CDBG	Town of Hysham	Treasure	\$400,000	Improve and Sustain Vital Public Infrastructure	Continuation of SCADA replacement, valve replacement, water treatment plant roof replacement.
CDBG	City of Livingston	Park	\$750,000	Improve and Sustain Vital Public Infrastructure	Replace sewer system and update water system with water mains, fire hydrants and new lines.
CDBG	City of Kalispell	Flathead	\$750,000	Improve and Sustain Vital Public Infrastructure	Connect the Morning Star ROC to city water and wastewater system with new water and sewer mains
CDBG	City of Kalispell	Flathead	\$750,000	Improve and Sustain Vital Public Infrastructure	Extend sewer mains to connect to the City of Kalispell system
CDBG	Jefferson County	Jefferson	\$525,000	Revitalize Local Economies	Support Youth Dynamics facilities expansion



Program	Applicant	County	Funds Awarded	Goal	Project Description
CDBG	Lewis and Clark County	Lewis and Clark	\$525,000	Revitalize Local Economies	Construction for the Florence Crittenton House
CDBG	Butte-Silver Bow City-County	Silver Bow	\$750,000	Preserve and Construct Affordable Housing	Rehabilitation of 68 units (Aspen Place)
CDBG	City of Hamilton	Ravalli	\$750,000	Preserve and Construct Affordable Housing	Rehabilitation of 60 units (The Manor)
CDBG	Park County	Park	\$670,000	Preserve and Construct Affordable Housing	Single Family Rehabilitation (Housing Stabilization) Program
CDBG	Family Promise of Gallatin Valley	Gallatin	\$750,000	Preserve and Construct Affordable Housing	Acquisition and rehabilitation of 17 emergency shelter rooms and 10 units of transitional housing (Journey Home)
HOME	Mitchell Court	Yellowstone	\$1,650,000	Preserve and Construct Affordable Housing	New construction of 32 units (Mitchell Court)
HOME	Sapphire Lutheran Homes	Ravalli	\$1,900,000	Preserve and Construct Affordable Housing	Rehabilitation of 60 units (The Manor)
HOME	Accessible Space	Lewis and Clark	\$1,200,000	Preserve and Construct Affordable Housing	Rehabilitation of 24 units (Queen City Estates)
HOME	Homeward, Inc.	Missoula	\$1,500,000	Preserve and Construct Affordable Housing	Rehabilitation of 161 units (Creekside)
HTF	Sapphire Lutheran Homes	Ravalli	\$1,450,000	Preserve and Construct Affordable Housing	Rehabilitation of 60 units (The Manor)
HTF	Samaritan House, Inc.	Flathead	\$750,000	Preserve and Construct	New construction of 181 Permanent Supportive

Program	Applicant	County	Funds Awarded	Goal	Project Description
				Affordable Housing	Housing units (Samaritan House)
HTF	United Housing Partners LLC	Lewis and Clark	\$2,526,194	Preserve and Construct Affordable Housing	New construction of 62 units (Twin Creek Apartments)
HTF	American Covenant/CAP NWMT	Lincoln	\$745,000	Preserve and Construct Affordable Housing	New construction of 20 units (Cabinet Apartments)
HTF	Accessible Space	Lewis and Clark	\$220,000	Preserve and Construct Affordable Housing	Rehabilitation of 40 units (Aspen Village)
HOME-ARP	Housing Authority of Butte	Silver Bow	\$1,485,000	Reduce Homelessness	New construction of 4 Permanent Supportive Housing units (Butte Permanent Supportive Housing)
HOME-ARP	Samaritan House, Inc.	Flathead	\$1,500,000	Reduce Homelessness	New construction of 18 Permanent Supportive Housing units (Samaritan House – Family Living)
HOME-ARP	HRDC District IX	Gallatin	\$2,256,973	Reduce Homelessness	Acquisition and rehabilitation of 42 units of transitional housing and non-congregate shelter (Wheat Suites)
HOME-ARP	HRC XI, Inc.	Ravalli	\$1,917,528	Reduce Homelessness	New construction of 8 Permanent Supportive Housing units (Skalkaho Place)

Source: Commerce's Grants Database (<https://commerce.mt.gov/About/Funded-Projects>)

## CR-10 – Racial and Ethnic Composition of Families Assisted

*Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)*

**Table 2 – Table of Assistance to Racial and Ethnic Populations by Source of Funds**

	CDBG	CDBG-CV	HOME	HOPWA	ESG	HTF	Total
White	9,988	67	10			52	
Black/African American	22	5	1			1	
Asian	10	1	0			1	
American Indian/Alaskan Native	7	7	3			6	
Native Hawaiian or Other Pacific Islander	3	0	0			0	
American Indian/Alaskan Native and White	343	0	0			0	
Asian and White	0	1	0			0	
Black/African American and White	0	3	0			0	
American Indian/Alaskan Native and Black/African American	0	1	0			0	
Other	48	17	0			0	
Not Identified	0	0	0			0	
<b>Total</b>	<b>10,421</b>	<b>102</b>	<b>14</b>			<b>60</b>	
Hispanic	188	0	-0			60	
Not Hispanic	10,233	102	14			0	
Not Identified		0	0			0	

Source: IDIS Report PR23 – CDBG Summary of Accomplishments; IDIS Report PR23 – CDBG-CV Summary of Accomplishments; IDIS Report PR23 – HOME Summary of Accomplishments; IDIS Report PR103 – Program and Beneficiary Characteristics for Completed Units; IDIS activities for HTF

### Narrative

The CDBG, CDBG-CV, HOME, HTF, and ESG programs assisted persons from various racial and ethnic backgrounds during Plan Year 4. In total, assisted individuals identified as White; identified as Black or African American; identified as Asian; identified as American Indian or American Native; and identified as Native Hawaiian or Other Pacific Islander. of the assisted individuals identified their ethnic background as Not Hispanic, identified as Hispanic, and did not identify. Data presented in **Table 2** are for the projects completed during Plan Year 4 and are not cumulative for the 2020-2024 Consolidated Plan.

Because the State of Montana’s HOPWA funds are provided via competitive award and not through a formula grant, HOPWA data is not included in **Table 2**. HOPWA data for competitive awards is presented in a separate report, the HOPWA Annual Progress Report (APR).

## CR-15 – Resources and Investments 91.520(a)

*Identify the resources made available*

**Table 3** reflects resources made available and expenditures by program during Plan Year 4.

**Table 3 – Resources Made Available**

Sources of Funds	Source	Resources Made Available*	Amount Expended During Program Year
CDBG	Public/Federal	\$6,541,090	\$5,728,531.48
CDBG-CV	Public/Federal	\$0**	\$2,601,125.81
HOME	Public/Federal	\$3,450,234	\$2,561,732.36
HOME-ARP	Public/Federal	\$0**	\$98,974.43
HOPWA	N/A	N/A	N/A
ESG	Public/Federal	\$741,200	\$1,289,150.83
HTF	Public/Federal	\$3,066,413	\$1,513,926.12

Source: IDIS Report PR26 – CDBG Financial Summary Report; PR26 – CDBG-CV Financial Summary Report; IDIS Report PR23 – HOME Summary of Accomplishments; IDIS Report PR07 – Drawdown Report by Voucher Number

\* Amounts in this column reflect the estimates provided in the 2023-2024 AAP.

\*\* One-time-only funds made available in previous program years.

### Narrative

During the 2023-2024 program year, the CDBG program received an allocation of \$6,541,090. During the 2023-2024 program year, \$5,728,531.48 of this resource was expended. Utilizing resources made available, the CDBG program awarded a total of \$5,594,859 to 31 projects as detailed in **Table CR-3**. Additional awards will be made early in the 2024-2025 program year for the applications received in March 2024 as detailed in **Table CR-2**.

During the 2020-2021 program year, the CDBG-CV program received an allocation of \$10,174,175. During the 2023-2024 program year, \$2,601,125.81 of this resource was expended resulting in 54% of this one-time-only source of funds being expended. Resources made available were committed in previous program years.

During the 2021-2022 program year, the HOME-ARP program received an allocation of \$11,459,768. During the 2023-2024 program year, \$98,974.43 of this resource was expended. Utilizing resources made available, the HOME-ARP program awarded a total of \$7,159,501 to four projects as detailed in **Table CR-3**. Additional awards will be made in the 2024-2025 program year. During the 2023-2024 program year, the HOME program received an allocation of \$3,450,234. During the 2023-2024 program year, \$2,561,732.36 of this resource was expended. Utilizing resources made available, the HOME program awarded a total of \$6,250,000 to four projects as detailed in **Table CR-3**. HOME commitments exceed the received allocation, which is a result of carryover from the previous program year and a forward allocation of anticipated 2024-2025 funds.

During the 2023-2024 program year, the HTF program received an allocation of \$3,066,413. During the 2023-2024 program year, \$1,513,926.12 of this resource was expended. Utilizing resources made available, the HTF program awarded a total of \$5,691,194 to five projects as detailed in **Table CR-3**.

HTF’s commitments exceed the received allocation, which is a result of carryover from the previous program year and forward allocation of anticipated 2024-2025 funds.

During the 2023-2024 program year, the ESG program received an allocation of \$741,200. This allocation was passed through to 9 HRDCs in Montana via formula grants. This program year saw expenditures for FY20, FY21, and some FY22 allocations. Therefore, the amount spent is higher than the amount awarded for FY22.

Because the State of Montana’s HOPWA funds are provided via competitive award and not through a formula grant, HOPWA data is not included in **Table 3**. HOPWA data for competitive awards is presented in a separate report, the HOPWA APR.

*Identify the geographic distribution and location of investments*

Because the State of Montana does not have geographic priorities for any of its federally funded CPD programs, data is not provided in **Table 4**.

**Table 4 – Identify the Geographic Distribution and Location of Investments**

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description

**Narrative**

As described in the 2020-2024 Consolidated Plan and the 2023-2024 AAP, the State of Montana does not target any particular geographic area for special assistance but allows non-entitlement communities to apply for CDBG, all communities to apply for CDBG-CV, all communities and nonprofits to apply for HOME, and entitlement communities and nonprofits to apply for HTF funding. Entitlement communities may apply for HOME funds if their project demonstrates clear segregation between state-assisted units and entitlement-assisted units. ESG funds are distributed via formula allocation to HRDCs throughout the state.

While there is no planned geographic distribution in the 2020-2024 Consolidated Plan or 2023-2024 AAP, **Table CR-4** shows the amount of CDBG, HOME, and HTF funds awarded and percent of total funding allocation by county for the 2023-2024 program year and the entire 2020-2024 Consolidated Plan period.

**Table CR-4 – Project Geographic Distribution and Percentage of Allocation for CDBG, HOME, and HTF**

County	2020-2021 Funded Amount	2020-2021 % of Awards	2021-2022 Funded Amount	2021-2022 % of Awards	2022-2023 Funded Amount	2022-2023 % of Awards	2023-2024 Funded Amount	2023-2024 % of Awards	2024-2025 Funded Amount	2024-2025 % of Awards	2020-2024 Total Funded Amount	2020-2025 Total % of Awards
Anaconda-Deer Lodge	\$0	0.00%	\$530,000	2.65%	\$35,000	0.25%	\$20,000	.07%			\$585,000	.81%
Beaverhead*	\$30,000	0.30%	\$0	0.00%	\$0	0.00%	\$0	0%			\$30,000	.04%
Big Horn	\$450,000	4.47%	\$2,255,000	11.27%	\$0	0.00%	\$20,000	.07%			\$2,725,000	3.80%
Blaine*	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0%			\$0	0.00%
Broadwater*	\$0	0.00%	\$0	0.00%	\$400,000	2.82%	\$0	0%			\$400,000	.56%
Butte-Silver Bow	\$50,000	0.50%	\$1,300,000	6.50%	\$800,000	5.65%	\$2,235,000	8.11%			\$4,435,000	6.18%
Carbon*	\$0	0.00%	\$481,240	2.41%	\$0	0.00%	\$0	0%			\$481,240	.67%
Carter	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$30,000	.08%			\$30,000	.04%
Cascade	\$0	0.00%	\$1,700,000	8.50%	\$26,250	.19%	\$26,250	.09%			\$1,752,500	2.44%
Chouteau*	\$0	0.00%	\$0	0.00%	\$750,000	5.29%	\$0	0%			\$750,000	1.04%
Custer*	\$0	0.00%	\$60,000	0.30%	\$750,000	5.29%	\$0	0%			\$810,000	1.13%
Daniels	\$0	0.00%	\$0	0.00%	\$50,000	0.35%	\$30,000	.08%			\$80,000	.11%
Dawson	\$0	0.00%	\$10,000	0.05%	\$626,250	4.42%	\$36,750	.13%			\$673,000	.93%
Fallon*	\$0	0.00%	\$60,000	0.30%	\$0	0.00%	\$0	0%			\$60,000	.08%
Fergus*	\$530,000	5.27%	\$380,000	1.90%	\$250,000	1.76%	\$0	0%			\$1,160,000	1.62%
Flathead	\$0	0.00%	\$30,000	0.15%	\$850,000	6.00%	\$3,750,000	13.61%			\$4,630,000	6.45%
Gallatin	\$1,000,000	9.94%	\$460,000	2.30%	\$718,000	5.07%	\$3,046,973	11.06%			\$5,224,973	7.27%
Garfield*	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0%			\$0	0.00%
Glacier*	\$0	0.00%	\$30,000	0.15%	\$0	0.00%	\$0	0%			\$30,000	.04%
Golden Valley	\$0	0.00%	\$0	0.00%	\$600,000	4.23%	\$0	0%			\$600,000	.84%
Granite*	\$36,000	0.36%	\$30,000	0.15%	\$40,000	0.28%	\$0	0%			\$106,000	.15%
Hill*	\$1,160,500	11.54%	\$1,187,813	5.94%	\$297,050	2.10%	\$0	0%			\$2,645,363	3.69%
Jefferson	\$37,500	0.37%	\$0	0.00%	\$15,000	0.11%	\$620,000	2.25%			\$672,500	.94%
Judith Basin*	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0%			\$0	0.00%
Lake*	\$340,000	3.38%	\$22,500	0.11%	\$0	0.00%	\$0	0%			\$362,500	.50%
Lewis & Clark	\$550,000	5.47%	\$2,257,187	11.29%	\$2,054,282	14.50%	\$4,917,194	17.84%			\$9,778,663	13.62%
Liberty*	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0%			\$0	0.00%
Lincoln	\$37,500	0.37%	\$624,972	3.12%	\$1,400,000	9.88%	\$816,000	2.96%			\$2,878,472	4.01%
Madison	\$25,000	0.25%	\$22,500	0.11%	\$776,250	5.49%	\$20,000	.07%			\$843,750	1.18%

County	2020-2021 Funded Amount	2020-2021 % of Awards	2021-2022 Funded Amount	2021-2022 % of Awards	2022-2023 Funded Amount	2022-2023 % of Awards	2023-2024 Funded Amount	2023-2024 % of Awards	2024-2025 Funded Amount	2024-2025 % of Awards	2020-2024 Total Funded Amount	2020-2025 Total % of Awards
McCone	\$472,500	4.70%	\$550,000	2.75%	\$0	0.00%	\$54,000	.19%			\$1,076,500	1.50%
Meagher*	\$0	0.00%	\$0	0.00%	\$630,000	4.45%	\$0	0%			\$630,000	.88%
Mineral	\$0	0.00%	\$259,310	1.30%	\$750,000	5.29%	\$20,060	.07%			\$1,029,370	1.43%
Missoula	\$480,000	4.77%	\$1,106,276	5.53%	\$900,000	6.35%	\$1,520,000	5.52%			\$4,006,276	5.58%
Musselshell	\$450,000	4.47%	\$0	0.00%	\$0	0.00%	\$22,500	.08%			\$472,500	.66%
Park	\$0	0.00%	\$60,000	0.30%	\$0	0.00%	\$1,467,500	5.32%			\$1,527,500	2.13%
Petroleum	\$485,000	4.82%	\$600,000	3.00%	\$0	0.00%	\$0	0%			\$1,085,000	1.51%
Phillips	\$0	0.00%	\$30,000	0.15%	\$787,500	5.56%	\$750,000	2.72%			\$1,567,500	2.18%
Pondera*	\$450,000	4.47%	\$30,000	0.15%	\$0	0.00%	\$0	0%			\$480,000	.67%
Powder River*	\$0	0.00%	\$0	0.00%	\$46,000	0.32%	\$0	0%			\$46,000	.06%
Powell*	\$0	0.00%	\$30,000	0.15%	\$0	0.00%	\$0	0%			\$30,000	.04%
Prairie*	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0%			\$0	0.00%
Ravalli	\$35,000	0.35%	\$1,665,500	8.33%	\$41,000	0.28%	\$6,017,528	21.83%			\$7,759,028	10.80%
Richland*	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0%			\$0	0.00%
Roosevelt*	\$450,000	4.47%	\$580,000	2.90%	\$0	0.00%	\$0	0%			\$1,030,000	1.43%
Rosebud*	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0%			\$0	0.00%
Sanders*	\$450,000	4.47%	\$0	0.00%	\$0	0.00%	\$0	0%			\$450,000	.63%
Sheridan*	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0%			\$0	0.00%
Stillwater*	\$50,000	0.50%	\$0	0.00%	\$0	0.00%	\$0	0%			\$50,000	.07%
Sweet Grass*	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0%			\$0	0.00%
Teton*	\$22,500	0.22%	\$0	0.00%	\$526,500	3.72%	\$0	0%			\$549,000	.76%
Toole*	\$450,000	4.47%	\$350,000	1.75%	\$0	0.00%	\$0	0%			\$800,000	1.11%
Treasure	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$400,000	1.45%			\$400,000	.56%
Valley	\$450,000	4.47%	\$28,500	0.14%	\$0	0.00%	\$48,974	.17%			\$527,474	.73%
Wheatland*	\$0	0.00%	\$600,000	3.00%	\$0	0.00%	\$0	0%			\$600,000	.84%
Wibaux*	\$0	0.00%	\$600,000	3.00%	\$0	0.00%	\$0	0%			\$600,000	.84%
Yellowstone	\$1,565,000	15.56%	\$2,069,704	10.35%	\$50,000	0.35%	\$1,687,500	6.12%			\$5,322,204	7.41%
<b>Total</b>	<b>\$10,056,500</b>	<b>100.00%</b>	<b>\$20,000,502</b>	<b>100.00%</b>	<b>\$14,169,082</b>	<b>100.00%</b>	<b>\$27,556,229</b>	<b>100.00%</b>			<b>\$71,782,313</b>	<b>100.00%</b>

Source: Commerce's Grants Database (<https://commerce.mt.gov/About/Funded-Projects>)

\*County did not apply for or was not awarded CDBG, CDBG-CV, HOME, or HTF funding.

## Leveraging

*Explain how federal funds leveraged additional resources (private, state, and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.*

Commerce programs leveraged CDBG, HOME, and HTF resources with other federal, state, and local funding to maximize the impact of HUD funding and utilize available funding resources to conduct housing and community development activities that will benefit income-eligible households. There was no publicly owned land or property that was used to address the needs identified in this plan.

The CDBG program requires 50% match for Economic Development projects and 25% match for Public Facilities projects. For other CDBG projects, match is encouraged but not required. However, applicants' relative ability to leverage private, local, state, or federal funds is considered when ranking other CDBG projects. The maximum amount of CDBG funds that can be awarded to an individual project cannot exceed \$750,000 for construction activities, \$525,000 for economic development activities, and \$50,000 for planning activities. These caps make leveraging an important component of any CDBG-funded project.

CDBG Economic Development match contributions can come from a variety of sources, including cash investment, bank loans, state or federal loan programs, or grants. Most Economic Development grants are at least partially matched with funds from state grants, private bank loans, or owner equity.

CDBG Public Facilities match contributions are typically provided by a direct cash contribution or by incurring a loan through bond financing, which is re-paid through user charges or property tax assessments. Other local match sources include loan or grant funds from other competitive state grant programs, funds expended for predevelopment planning, the value of donated land or materials provided by the applicant, and the value of labor performed by the applicant's employees. The 25% match requirement may be waived if the local government demonstrates financial hardship and satisfies the waiver request requirements.

Commerce's HOME program requires 5% match for both multi-family and single-family projects. This match requirement may be fully or partially waived if the subrecipient demonstrates financial hardship or shows that extenuating circumstances justify an exemption. HOME matching contributions must come from non-federal sources and are typically obtained through private grants; direct cash contributions; donated materials and labor; donated land or real property; foregone interest, taxes, fees; and proceeds from bond financing. The HTF, CDBG-CV and HOME-ARP programs do not require match.

ESG funds are matched by subrecipients who provide rental assistance and/or supportive services through their housing programs and the Montana Continuum of Care (MTCOC) Program. A significant amount of local ESG subrecipients contribute additional resources such as block grant funds, local public funds, and local philanthropic foundation resources to the homeless programs they operate. ESG grant funds are required to be matched 100% after the first \$100,000 of the fiscal year grant. The state recipient must transfer the benefit of this exception to its subrecipients that are least capable of providing the recipient with matching contributions. See 24 CFR §576.201 (matching requirement) for further details. ESG match amounts are reported in the SAGE data system. An attachment of the report is included.



Commerce’s internal tracking processes are utilized to record and report all matching funds from CDBG and HOME projects. Grantees submit invoices and correlate funding sources to specific expenditures. Commerce staff document eligible matching funds with each drawdown and track the cumulative tally throughout the project. **Table 5** indicates the excess matching funds the HOME Program carried over from previous federal fiscal years, matching funds contributed during the current federal fiscal year, the total of all matching funds available for the current federal fiscal year, the amount of match liability for the current federal fiscal year, and the excess match that will be carried over to the next federal fiscal year. The match reported in this CAPER falls within the federal fiscal year beginning October 1, 2022, and ending September 30, 2023. In addition to this CAPER, Commerce provides match reporting via HUD form HUD-40107-A.

**Table 5 – Fiscal Year Summary – HOME Match Report**

1. Excess match from prior Federal fiscal year	\$19,725,313.77
2. Match contributed during current Federal fiscal year	\$165,341.00
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	\$19,890,654.77
4. Match liability for current Federal fiscal year	\$221,200.00
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	\$19,669,454.77

Source: IDIS Report PR33 - HOME Matching Liability; Commerce Comprehensive Tracking Spreadsheets

**Table 6** reports each HOME matching fund contribution recorded between October 1, 2022, and September 30, 2023, per HUD requirements. These funds are contributed as part of the HOME Program, which supports housing development and rehabilitation activities, and provides down payment assistance to homebuyers.

**Table 6 – Match Contribution for the Federal Fiscal Year**

Project No. or Other ID	Date of Contribution	Cash (Non-Federal Sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation Construction, Materials, Donated Labor	Bond Financing	Total Match	
5423	10/4/2022						\$27,001.75	\$27,001.75	
5435	10/4/2022	\$14,700.00						\$14,700.00	
5436	11/10/2022						\$33,691.75	\$33,691.75	
5439	12/5/2022	\$2,500.00					\$36,742.25	\$39,242.25	
5446	2/22/2023						\$48,750.00	\$48,750.00	
5450	5/24/2023	\$7,500.00						\$7,500.00	
5451	5/24/2023	\$7,700.00					\$40,700.00	\$48,400.00	
5305	7/27/2023		\$78,141.00	\$13,500.00				\$91,641.00	
		<b>\$32,400.00</b>	<b>\$78,141.00</b>	<b>\$13,500.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$186,885.75</b>	<b>\$310,926.75</b>	
								<b>Total Non-Bond Financing Match:</b>	<b>\$124,041.00</b>
								<b>Total Bond Financing Match Eligible:</b>	<b>\$41,300.00</b>
								<b>TOTAL ELIGIBLE MATCH:</b>	<b>\$165,341.00</b>

Source: IDIS Report PR07 - Drawdown by Voucher Number - All Vouchers; Commerce Comprehensive Tracking Spreadsheets

HOME began the program year with \$0.00 in program income, received \$578,958.55 and expended \$578,958.55 in program income during the program year. The HOME program does not award or expend funding for Tenant Based Rental Assistance (TBRA) activities, therefore there are zero dollars listed in **Table 7** for TBRA activities.

**Table 7 – Program Income**

Program Income – Enter the program amounts for the reporting period				
Balance on hand at the beginning of the reporting period \$	Amount received during reporting period \$	Total amount expended during reporting period \$	Amount expended for TBRA \$	Balance on hand at end of reporting period \$
\$0.00	\$578,958.55	\$578,958.55	\$0.00	\$0.00

Source: IDIS Report PR09 – Receipt Fund Type Detail Report

### HOME MBE/WBE Report

Commerce collects and records Disadvantaged Business Enterprise (DBE), Minority Business Enterprise (MBE), and Women-Owned Business Enterprise (WBE) information throughout the program year and reports it to HUD for the Federal Fiscal Year in the Contract and Subcontract Activity Report. **Table 8** shows the number of contracts reported for HOME grants, the dollar amount of these contracts, and whether the contractors for the HOME projects report being MBE or WBE. For HOME in Plan Year 4, Commerce recorded no MBE prime contractors, no MBE subcontractors, no WBE contractors, and no WBE subcontractors.

**Table 8 – Minority Business and Women Business Enterprises**

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	TOTAL	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
<b>Contracts</b>						
Number	2	0	0	0	0	2
Dollar Amount	\$7,072,345	\$0	\$0	\$0	\$0	\$7,072,345
<b>Sub-Contracts</b>						
Number	65	0	0	0	0	65
Dollar Amount	\$15,966,859	\$0	\$0	\$0	0	\$15,966,859
	TOTAL	Women Business Enterprises	Male			
<b>Contracts</b>						
Number	2	0	2			
Dollar Amount	\$7,072,345	\$0	\$7,072,345			
<b>Sub-Contracts</b>						
Number	65	0	65			
Dollar Amount	\$15,966,859	\$0	\$15,966,859			

During Plan Year 4, Commerce received no report of any Minority Owner of Rental Property for housing grants. This is reflected in **Table 9**.

**Table 9 – Minority Owners of Rental Property**

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	TOTAL	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

During Plan Year 4, as reflected in **Table 10**, no parcels were acquired, no businesses were displaced, and no nonprofit organizations were displaced. No households were displaced during the program year. Households were temporarily relocated from rental properties during rehabilitation; all were provided General Information Notices, and none were permanently displaced.

**Table 10 – Relocation and Real Property Acquisition**

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition						
Parcels Acquired	0	\$0				
Businesses Displaced	0	\$0				
Nonprofit Organizations Displaced	0	\$0				
Households Temporarily Relocated, not Displaced	0	\$0				
Households Displaced	TOTAL	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	---	---	---	---	---
Cost	\$0	---	---	---	---	---

## CR-20 – Affordable Housing 91.520(b)

*Evaluation of the jurisdiction’s progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.*

**Table 11 – Number of Households**

	1-Year Goal	Actual
Number of homeless* households to be provided affordable housing units	100	20
Number of non-homeless households to be provided affordable housing units	140	31
Number of special-needs* households to be provided affordable housing units	35	40
<b>Total</b>	<b>275</b>	<b>91</b>

Source: IDIS Report PR22 – Status of HOME Activities – State; IDIS Report PR23 – CDBG Summary of Accomplishments; IDIS Report PR23 – HOME Summary of Accomplishments; IDIS Report PR104 – HTF High Priority Performance Goals; DPHHS

\*Special needs, for the purpose of this report, is defined as disabled, elderly, veteran, and HIV/AIDS households, or households that have been impacted by domestic violence. With the exception of HTF, neither homeless nor special-needs households as defined are tracked and reported in IDIS.

**Table 12 – Number of Households Supported**

	1-Year Goal	Actual
Number of households supported through rental assistance	200	0
Number of households supported through the production of new units	20	35
Number of households supported through the rehab of existing units	43	42
Number of households supported through the acquisition of existing units	12	14
<b>Total</b>	<b>275</b>	<b>91</b>

Source: IDIS Report PR22 – Status of HOME Activities – State; IDIS Report PR23 – CDBG Summary of Accomplishments; IDIS Report PR23 – HOME Summary of Accomplishments; IDIS Report PR104 – HTF High Priority Performance Goals; DPHHS

*Discuss the difference between goals and outcomes and problems encountered in meeting these goals.*

The State of Montana made progress towards reaching the goals and objectives identified in the 2020-2024 Consolidated Plan and 2023-2024 AAP. During Plan Year 4, Commerce awarded CDBG, HOME, and HTF funds to activities that addressed Goals 1 through 4 and **Tables 11** and **12** demonstrate that Commerce exceeded its goals for the number of households assisted by projects completed during Plan Year 4. CDBG funds financed the completion of rehabilitation activities for one homeowner, while rehabilitation of several other homes are partially completed. CDBG-CV funds helped retain a critical source of housing for 24 owners of manufactured homes whose non-profit corporation acquired their community, which prevented them being displaced during the COVID-19 pandemic. HOME-funded activities provided critical affordable housing development with completion of 15 HOME-assisted units in two rental properties and by providing downpayment and closing cost assistance to 14 households. HTF-funded activities provided critical affordable housing development to 60 households. ESG-funded activities provided assistance to individuals in households.

For this program year with ESG, subrecipients utilize FY20, 21, and 22 funds to assist as many participants as possible. With the ending of ESG-CV and MERA funds, there was a rise in need.

All HTF projects serve extremely low-income households and in program year 4, projects served 40 households with disabilities and 20 households experiencing chronic homelessness. CDBG projects are also underway to serve those experiencing homelessness. Importantly, these efforts to serve households in critical need are supplemented by CDBG-CV and HOME-ARP activities.

*Discuss how these outcomes will impact future annual action plans.*

Commerce and DPHHS will continue to improve grant processes to successfully report the accomplishments of the CDBG, CDBG-CV, HOME, HOME-ARP, ESG, and HTF programs and measure progress made towards reaching long- and short-term goals and objectives. The 1-Year Goals for our regular HUD CPD programs (CDBG, HOME, HTF) were developed under our 2020-2024 Consolidated Plan and related Annual Action Plans for each program year. These “stretch goals” were solidified prior to passage of significant federal legislation, such as the American Rescue Plan Act. As previously mentioned, the State of Montana aimed to prioritize use of these one-time-only federal resources, and in some instances that effort did have unintended impacts on our regular HUD CPD program utilization and performance. In addition, market conditions such as inflation, increased construction costs, market interest rates, labor/contractor shortages and supply chain issues are continuing to have an impact on production and performance goals. We are unfortunately seeing a trend of developers reducing their overall size (number of units) in proposed developments in response to these factors.

As a means of improving our actual performance going forward, Commerce is shifting from single application cycles each calendar year to multiple application cycles when needed (including CDBG Planning, CDBG Housing and HOME/HTF application cycles). We also are actively applying lessons learned and feedback from our grantees as we consider revisions to our grant administration manuals/processes, and as we develop our next Annual Action Plan and future 2025-2029 Consolidated Plan. In subsequent AAPs, we will continue to factor actual performance as in the development of future goals, but it will be important that we go a step further in considering underlying market conditions and the “why” behind some of the recent reductions in application volume we have observed. This step will include both data analysis and stakeholder engagement to ensure we have a wholistic picture to guide future goal setting.

All AAPs will properly transmit within the format prescribed through the eCon Planning Suite.

*Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.*

**Table 13 – Number of Households Served**

Number of Households Served	CDBG Actual (Housing)	HOME Actual	HTF Actual
Extremely Low-income	1	2	60
Low-income	0	26	N/A
Moderate-income	1	N/A	N/A
Total	2	28	60

Source: IDIS Report PR23 – CDBG Summary of Accomplishments; IDIS Report PR23 – HOME Summary of Accomplishments; IDIS Report PR103 – HTF Program and Beneficiary Characteristics for Completed Units

## Narrative Information

CPD resources are used to address the needs of individuals who are homeless or at risk of homelessness, extremely low-income seniors and persons with disabilities, and households who are rent-burdened or live in substandard housing. Commerce encourages all applicants to develop affordable housing that addresses the needs of their community's most vulnerable families and individuals; however, Commerce does not mandate the types or locations of projects that are submitted. Commerce accepts applications from all eligible entities working to meet the highest and most critical housing needs in local communities. Projects awarded are detailed in **Table CR-3**. All awards will address the highest and most critical housing needs of families and individuals in Montana.

**Table 13** reports the number of households served by CDBG, HOME, and HTF housing activities. CDBG assisted 1 extremely low-income and 1 moderate-income homeowner. HOME assisted 2 extremely low-income households who were renters and 26 low-income households through rental new construction projects and first-time homebuyer assistance. Of the 14 homebuyers assisted, two households had incomes below 50% AMI, five with incomes between 51% and 60%, and the remaining seven had incomes between 61% and 80%. HTF assisted 60 extremely low-income households through new construction and rental rehabilitation projects. Again, of those 60, 40 were households living with disabilities and 20 were experiencing chronic homelessness.

## CR-25 – Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

*Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:*

### Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

DPHHS coordinates and aligns its goals for ESG with the efforts of the MTCOC. The continued role of the statewide continuum of care is critical in meeting the needs of the homeless population in Montana.

While MTCOC strives to meld and leverage programs and resources at the federal and state level, it also strives to assure homeless persons can access these programs through effective, coordinated entry, case management and service delivery at the local level. It does so by encouraging strong community continuum of care organizations that bring all providers of homeless services together to identify needs, close gaps, coordinate client services across all programs, and identify new and innovative approaches to eradicating homeless conditions.

Outreach, especially to the unsheltered, is being met primarily through the outreach activities of the state's emergency shelters, the Supportive Services for Veteran Families (SSVF) program which now operates statewide, local Veteran groups, faith-based programs and the federally funded Project for Assistance in Transition from Homelessness (PATH) programs (but only in Billings, Butte, and Missoula). Limited ESG funds are being used for street outreach activities in one community. Coordinated Entry Systems across the state provide for uniform intake and assessment using the assessment tools and case conferencing to score vulnerability levels and prioritize those most in need for available housing opportunities.

### Addressing the emergency shelter and transitional housing needs of homeless persons

**Emergency Shelter (ES):** ESG funds were used to assist four emergency shelters in four different communities. Two of these shelters were victim service providers. A total of 1084 individuals in 778 households were assisted. Emergency shelters continue to need support. As funding levels return to pre-COVID levels, ESG will not be able to support them at the same level it has this past program year.

HOME-ARP resources are being used to develop non-congregate shelters, in addition to permanent supportive housing. Furthermore, Emergency Shelter Facilities Grant (ESFG) resources provided by the State of Montana are being used in seven Montana counties to develop or rehabilitate congregate and non-congregate emergency shelter facilities.

**Transitional Housing (TH):** ESG is not used to support transitional housing. The P.I.T. counted individuals sheltered in transitional housing.



Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

ESG funds are used for Homelessness prevention activities. In Plan Year 4, 386 individuals were served with these funds.

All the housing programs are required to provide case management and assist clients in accessing cash benefits from mainstream programs, including: Supplemental Security Income, Social Security Disability Insurance, Veterans Disability, TANF, retirement and pensions or child support. These programs also assist clients to access non-cash mainstream benefits from Medicaid, Medicare, state children's health insurance, WIC, VA medical services, TANF childcare, temporary rental assistance, and Section 8 or other public rental assistance.

There are many vital programs providing other services to the homeless, such as:

- Health Care for the Homeless (HCH) is a federally funded Health Resources and Services Administration (HRSA) program that provides temporary medical services to homeless individuals and families. There are two clinics in Billings and Missoula and six satellite service sites in Billings, Butte, and Helena.
- The PATH program coordinates the SSI/SSDI Outreach, Access and Recovery (SOARS) training which helps all homeless case managers successfully assist homeless clients apply for SSI and SSDI assistance.
- Volunteers of America, Billings, is a recent recipient of a Veterans Administration's Supportive Services for Homeless Veteran Families grant which provides services and some rental assistance to veteran households in the Billings area.
- The 10 HRDCs provide a statewide network of no-wrong-door accessibility to homeless assistance, including short-term rental assistance, emergency shelter, food banks, and referral assistance to a myriad of other programs.
- Montana Housing Stability Services Program is a partnership with the Montana Department of Public Health & Human Services (DPHHS) and the Montana Emergency Rental Assistance (MERA/ERA) Program in the Department of Commerce. The HSS Program assists individuals with developing a housing plan to find and/or keep housing. This includes making connections to other supportive services that an individual might need to live successfully in the community.

Discharged Persons from Public Institutions: Both the ESG and continuum of care Rapid Rehousing programs serve discharged persons. The MTCoC does not specifically target funding toward discharged persons, the ESG and continuum of care programs assist persons according to vulnerability assessments conducted during the Coordinated Entry System intake and assessment process.

The Montana Department of Corrections works with incarcerated individuals to develop individualized plans for the offender reentry. Efforts include connecting offenders with potential housing leads,

engaging landlords, onsite reviews of potential housing opportunities to identify safe and supportive environments and networking with other community resources.

The Statewide Reentry Task Force reviews and compiles policy recommendations related to offender reentry.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

ESG subrecipients participate in MTCOC activities. The MTCOC, along with all other low-income organizations, continue to prioritize the severe shortage of affordable housing as the greatest need followed by the need for more federal—and state—funding of permanent supportive housing. To date, efforts to increase state funding through the legislature have not been successful and Congressional funding to HUD/CoC continues to be the sole resource.

**Chronically Homeless (CH):** The focus on serving Chronic Homeless continues through the vulnerability assessment process provided in Coordinated Entry.

**Rapid Rehousing (RRH):**

Eligible applicants for all program components include states, local governments, other government agencies (such as public housing authorities), private nonprofit organizations, and community mental health associations that are public nonprofit organizations.

ESG funds are used for RRH activities; 452 individuals were served with these funds.

**Permanent Supportive Housing (PSH):** Permanent supportive housing provides long-term housing with supportive services for persons with disabilities experiencing homelessness allowing them to live independently in a permanent setting. ESG funds are not used for a permanent supportive housing program. CDBG funds were allocated during Plan Year 3 to rehabilitate and expand a motel to be used for non-congregate supportive housing for veterans experiencing homelessness. Similarly, CDBG-CV funds assisted a non-profit in purchasing a motel in response to the COVID pandemic; the motel provides non-congregate shelter with support to individuals and families experiencing homelessness. An HTF project that includes 30 units of PSH leased up, with another under construction. HOME-ARP funds are expected to provide PSH for projects serving qualifying populations in the coming years. As part of its December 2023 HOME-ARP awards, the State anticipates 18 units of PSH being constructed in three communities across Montana, while a fourth project will provide 39 units of non-congregate shelter.

Beds provided with HOPWA funds are reported in the HOPWA APR since the State receives a competitive HOPWA award and not a formula grant.

Currently, neither TANF nor Medicaid are used to provide homeless housing assistance.

### Actions taken to address the needs of public housing

While HTF, HOME, and CDBG funds are not used for public housing investment, these resources are available to public housing authorities for the development of other, non-public affordable housing.

No public housing authorities applied for or partnered with a local government to apply for HTF, HOME, or CDBG funding during Plan Year 4; however, one public housing authority, the Housing Authority of Butte, applied for and received HOME-ARP funds during this period.

All needs, including public housing needs, are assessed by gathering and evaluating data and soliciting citizen and community input. While some identified needs may fall outside the scope of the HTF, HOME, and CDBG programs, Commerce can and does work collaboratively with others to ensure that comprehensive and statewide strategies for addressing all priority needs are in place.

### Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

All applications for homebuyer assistance under the HOME Program identify whether prospective homebuyers come from public housing. Divisions within Commerce work collaboratively to encourage low- and moderate-income residents, including public housing residents, to attend homebuyer education courses offered throughout the state by various qualified providers. These courses are advertised statewide at various public housing authorities, with key partner agencies, and through a multi-media marketing approach.

Consolidated Plan documents are made available at various repositories where public housing residents are likely to seek services. All Montana citizens, including public housing residents, are encouraged to actively engage in the development and assessment processes of Montana’s Consolidated Plan.

### Actions taken to provide assistance to troubled PHAs

The HOME, HTF, and CDBG programs did not identify a troubled public housing authority during Plan Year 4; therefore, no actions were taken to assist troubled public housing authorities.

## CR-35 – Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220(j); 91.320(i)

Commerce administers the Community Technical Assistance Program (CTAP). CTAP provides direct technical assistance to local governments and elected officials, land use planners, associated professionals, and members of the public on issues related to land use planning, regulations, housing assessments, and development throughout the state.

Through CDBG funding, local communities can prepare or update various planning documents, including comprehensive land use planning documents, which identify barriers to affordable housing (such as zoning, subdivision, and annexation regulations) and assist communities with addressing local needs.

In July 2022, Governor Gianforte issued Executive Order No. 5-2022 creating the Housing Advisory Council, also known as the Governor’s Housing Task Force. The purpose of the Task Force was to “provide the Governor with short- and long-term recommendations and strategies for the State of Montana to increase the supply of affordable, attainable workforce housing.” This 30-member, bipartisan Task Force was directed to provide two written reports. First, a written report by October 15, 2022 “with recommendations and strategies to increase the supply of affordable, attainable workforce housing, specifically focusing on measures the Legislature could consider and the Governor could sign into law.” Second, a written report by December 15, 2022 “with recommendations and strategies to increase the supply of affordable, attainable workforce housing, specifically focusing on regulatory changes and best practices that could be adopted by state agencies and local governments.”

As a result of the Task Force recommendations and a broad, bipartisan coalition, the State of Montana 68<sup>th</sup> Legislature passed a suite of significant land use and zoning ordinance bills, which were recently signed into law. These bills include but are not limited to:

- Montana Land Use Planning Act, which requires local governments to plan for future housing needs and adopt pro-housing zoning reforms.
- Revise zoning laws related to Accessory Dwelling Units (ADUs), to give landowners more freedom to respond to housing needs.
- Allow for duplex, triplex, and fourplex housing in city zoning, to end exclusionary zoning and increase access to starter homes and “missing middle” housing.
- Revise municipal zoning to allow multifamily and mixed-use development, to build denser homes in urban areas and protect our open spaces from sprawl.
- As communities enact and comply with the new land use planning bills, there has been an increase in requests for planning dollars and technical assistance to identify new strategies to reduce the barriers to affordable homes in Montana. Assessing the comprehensive housing need is the first step, followed by identifying appropriate sites and then adapting the regulations to clearly remove the regulatory barriers.

The Governor’s Housing Task Force reconvened in October 2023 and is currently evaluating successes from the 68<sup>th</sup> Legislative session, including local government implementation of land use reforms to

comply with new state laws, as well as identifying remaining challenges. The Task Force will produce another report later in 2024 with additional recommendations. Some areas of focus have included parking reforms, minimum lot sizes, litigation against the state and/or municipalities over allowing housing, allowing for one staircase in multifamily residential construction, legalizing micro-units/co-housing, and additional financing tools to support infrastructure for new housing growth.

#### Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

All the activities funded under the CDBG, HOME, HTF, and ESG programs addressed obstacles to meeting underserved needs. CDBG, HOME, and HTF all promote projects that align with the resiliency goals set forth by Commerce which include projects aimed at strengthening local independence, stability, and sense of community.

During Plan Year 4, the CDBG, HOME, and HTF programs awarded grants to projects that will provide clean, safe, affordable, decent, and sanitary housing for underserved and special needs populations.

Coordinated Entry Systems across the state provide for uniform intake and assessment of ESG and partnering programs using the local assessment tools and case conferencing to score vulnerability levels and prioritize those most in need for available housing opportunities.

#### Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

The State diligently undertakes rehabilitation and construction activities to ensure that households, particularly those with children, benefitting from federal housing programs are safe from LBP hazards and comply with current requirements of Title X of the Residential Lead Based Paint Hazard Reduction Act of 1992, HUD's Lead Safe Housing Rule and other applicable federal laws and regulations. Both Commerce and DPHHS provide education and information on LBP hazards to parents, families, healthcare providers, grant recipients, and contractors. Commerce requires that any contractor or subcontractor engaged in renovation, repair, and painting activities that disturb LBP in homes and childcare facilities built before 1978 is certified and follows specific work practices to prevent lead contamination. In addition to complying with Title X, LSHR, UPCS or NSPIRE inspections are performed on all homes (renter or owner-occupied) assisted with HTF, HOME, Section 8, and other public funds. UPCS inspections are also conducted on all homes purchased with HOME assistance prior to the commitment of HOME funds. State staff conducting UPCS or NSPIRE inspections, as applicable, complete UPCS training as well as HUD's online Lead-Based Paint Visual Assessment Training.

Units that ESG-eligible households live in or move into must adhere to LBP requirements as set forth by HUD.

#### Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The State, in coordination with nonprofit organizations and the private sector, work to ensure individuals and families have pathways out of poverty by supporting local and regional efforts to increase household incomes and provide affordable housing options. All of the strategies and priorities identified in the Consolidated Plan and AAP target the improvement of economic conditions for Montanans of low to moderate income, from the rehabilitation and new construction of affordable units, homebuyer assistance, and temporary shelter services to investment in compact, walkable development where efficiencies of public infrastructure, community services, and employment centers encourage healthy, vital, and resilient communities.

All HOME and HTF housing activities and all CDBG housing, public and community facilities, and economic development activities target extremely low-, low-, and moderate-income households and either directly or indirectly benefit poverty-level families.

### Actions taken to develop institutional structure. 91.220(k); 91.320(j)

Gaps in the institutional delivery system exist primarily due to funding limitations that are outside the control of the State. CDBG, HOME, HTF, and ESG resources are not adequate to meet the needs of Montanans with less than low to moderate incomes, particularly the homeless, disabled, elderly, and other disadvantaged populations. However, the ability to effectively relay information regarding existing grant opportunities and technical assistance from the State to eligible entities continues to be one of Montana's greatest challenges. There are areas of opportunity for increased collaboration vertically and horizontally, as well as across and between agencies, organizations, and the private sector to ensure that services are delivered to the greatest number of eligible entities and individuals in the state.

During Plan Year 4, both vertical and horizontal collaboration was emphasized with Commerce's Community MT Division and Montana Housing working closely together, along with DPHHS and the MTCOC, to address housing and healthcare needs in Montana. Efforts included continued participation in the Interdepartmental Housing Integration Project (IHIP). For more information, see Montana's 2020-2024 Consolidated Plan for Housing and Community Development.

### Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

Commerce pursues opportunities to coordinate with public and private housing and social service agencies and partners. Coordination occurs during the execution and completion of planning and development projects.

DPHHS is represented on various state advisory groups to ensure coordination of social services for needy populations in Montana. DPHHS works proactively with its MTCOC partners to ensure that efficient and effective coordination of services exists between affordable housing and social services.

Commerce and DPHHS continue to work with a vast array of public entities and key stakeholders, through numerous public meetings to affirmatively further fair housing. Commerce and DPHHS also participate in the IHIP to address housing and healthcare needs.

Commerce undertook extensive outreach, as detailed in our [HOME-ARP Allocation Plan](#) pages 1 through 7, to agencies that serve Qualifying Populations, as defined by the HOME-ARP program. These conversations informed Commerce's HOME-ARP Allocation Plan, which was approved in April 2023.

### Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

Commerce staff have been attending HUD's Fair Housing Planning Office Hours and will procure services to produce its plan to identify and address impediments to fair housing choice in order to meet HUD's guidance.

Commerce is newly assessing barriers to affordable housing as part of its development of the 2025-2029 Consolidated Plan and associated Equity Plan. This action will provide important data to all stakeholders working to remove and ameliorate the negative effects of public policies currently serving as barriers to affordable housing and fair housing choice.

## CR-40 – Monitoring 91.220; 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Commerce works closely with all grantees to ensure compliance with program requirements. The HOME, CDBG, and HTF programs continually evaluate and improve processes to ensure compliance with federal regulations. Program staff hold regular calls with grantees to deliver technical assistance in every phase of a project.

CDBG project activities are all monitored at least once during the project's scope of work. The monitoring includes a review of the grantee's project file, an inspection of the facility, and a review of the financial processes. Program staff work with grantees and relevant partners to schedule monitoring visits, providing ample notice and sufficient details to ensure a productive and thorough monitoring. If issues are observed or technical assistance is needed, a project may be monitored more than once before closeout. After a project has been monitored, Commerce issues a monitoring letter documenting performance issues, concerns, or findings and relevant corrective actions (if any).

HOME and HTF project activities are monitored at various stages during a project's life. Commerce staff conduct a construction monitoring to verify work is underway and to provide technical assistance, as needed. A final monitoring includes a visit to the construction site at project completion to conduct a detailed file audit of all relevant records and documents related to the project, as well as UPCS inspections to ensure the project is prepared for closeout. HOME and HTF projects are then monitored during the first 3 years of their periods of affordability, with the first monitoring occurring within 1 year of project closeout per HUD regulations. These initial monitoring visits provide the grantee with an opportunity to receive HOME and HTF program training and technical assistance. After the first 3 years of the period of affordability, project monitoring occurs every 1 to 3 years depending on assessed risk. During all period of affordability monitoring, a property inspection as well as a file review to verify tenant income eligibility, rent limit compliance, and proper documentation is completed for a sample of assisted units. Additionally, on an annual basis, HOME and HTF grantees submit rent and occupancy information to Commerce reporting on beneficiaries, rent structure, and changes to leases or tenant selection policies. Monitoring visits also help verify the information submitted in rent and occupancy reports.

During Plan Year 6, CDBG projects, three HOME projects, and three HTF projects were monitored during project completion visits. In addition, six HOME projects and three HTF projects were monitored during construction progress visits. CDBG projects monitored included Madison County, Hill County, Cascade County, Valley County, City of Wolf Point and City of Harlowton.

During Plan Year 4, Commerce staff conducted period of affordability monitoring on-site visits to 16 HOME and 7 HTF properties. See **Appendix B** for a complete list of the projects and CR-50 for more information. None of the properties monitored reported requests by residents for emergency transfers, and no property managers reported requests for transfers in their annual HOME and HTF rent and occupancy certifications. Some properties monitored reported requests for reasonable accommodations, as detailed in **Appendix B**. Both the annual certifications and period of affordability monitoring forms now request information from property owners/managers regarding the number of reasonable accommodation and emergency transfer requests they received during the previous year.

All 9 ESG subrecipients were monitored with a combination of on-site visits, and desk monitoring.

Monitoring activities completed for the HOPWA Program are reported in the HOPWA APR since the State receives a competitive HOPWA award and not a formula grant.

### Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports

Commerce announces the availability of draft documents through its website, print advertisements in newspapers across the state, and a listserv of approximately 5,000 individuals, towns, counties, nonprofits, and interested parties. The draft documents are available electronically on Commerce's website and in hard copy at 22 repositories spread across Montana. The draft documents are also available upon request.

Citizens are invited to comment on draft documents via oral testimony during in-person or virtual public hearings or via written statements provided through email or regular mail. Citizens are provided reasonable accommodations and alternative formats of draft documents and hearing materials upon request.



Specify the nature of, and reasons for, any changes in the jurisdiction’s program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

There have not been any changes in Commerce’s program objectives during Plan Year 4.

Does this jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No.

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

N/A

## CR-50 – HOME 91.520(e)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

As described in CR-40, HOME projects under construction are monitored two or more times during the grant period. At least one construction site visit is conducted and one full monitoring visit, which includes a full review of the grantee file and inspection of the HOME-assisted project and units. Projects are then monitored during the first 3 years of the period of affordability and then every 1 to 3 years thereafter depending on assessed risk.

See **Appendix B** for a table of HOME projects monitored between April 1, 2023, and March 31, 2024. The appendix also provides information regarding requests for emergency transfers and reasonable accommodation. Note there were no emergency transfers requested at the monitored properties.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

Commerce reviews all Affirmative Fair Housing Marketing Plans (AFHMP) for HOME-assisted projects. Each project with five (5) or more HOME-assisted units is required to complete and submit an AFHMP for review and approval. During the Annual Rental Certifications, Commerce requests that all updated documentation be submitted and kept in project records. Commerce provides technical assistance for updating AFHMP to grantees and property owners/managers during the construction phase and on an ongoing basis during the period of affordability.

Provide data on the amount and use of program income for projects, including the number of projects and owner and tenant characteristics.

According to IDIS Report PR09, HOME began the program year with \$0.00 in program income, received \$578,958.55 in program income during the program year and expended \$578,958.55. Of those funds, \$354,839.00 of HOME program income was used by two subrecipients to provide 8 homebuyers with down payment and closing cost assistance; 2 had incomes under 50% AMI, 2 with income between 51% and 60%, and 4 with income between 61% and 80%. An additional \$224,119.55 was used as part of larger investments of HOME funds in three different multifamily projects that are projected to assist primarily very low-income households.

Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)

Within Commerce, LIHTC program managers and CPD program managers work together to foster and maintain affordable housing in Montana. LIHTC is often a leveraged funding source for HOME, HTF, and CDBG housing projects. The LIHTC, HOME, HTF, and CDBG-Housing applications share a Uniform Application so that each group requests common information from applicants in a consistent manner. Commerce staff coordinated the distribution of State and Local Fiscal Recovery Funds from the ARPA with HOME and HTF awards to ensure that previously funded projects were able to fill financing gaps

that resulted from labor and material shortages due to the Coronavirus pandemic. Coordination within Commerce has aligned application deadlines and improved communication with grantees to provide for more comprehensive technical assistance at every phase of project work.

Identify the number of individuals assisted and the types of assistance provided

The number of individuals assisted and the types of assistance provided under the HOPWA Program are reported in the HOPWA APR since the State receives a competitive HOPWA award and not a formula grant.

**Table 14 – HOPWA Number of Households Served**

Number of Households Served Through:	1-Year Goal	Actual
Short-term rent, mortgage, and utility assistance payments		
Tenant-based rental assistance		
Units provided in transitional housing facilities developed, leased, or operated with HOPWA funds		
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds		
Total		

Narrative

Because the State of Montana’s HOPWA funds are provided via competitive award and not through a formula grant, HOPWA data is not included in **Table 14**. HOPWA data for competitive awards is presented in a separate report, the HOPWA APR.

## CR-56 – HTF 91.520(h)

Describe the extent to which the grantee complied with its approved HTF allocation plan and the requirements of 24 CFR part 93.

As detailed in the 2023-2024 AAP, Commerce set out to use its \$3,066,413 annual allocation to support the development and rehabilitation of rental housing. All activities meet the requirements of 24 CFR part 93.

Three HTF activities were completed in Plan Year 4; these three activities created 60 HTF-assisted units in properties with 250 total housing units. All HTF-assisted units were occupied and the household incomes of the residents in those units were below 30% AMI, as shown in **Table 15**.

Onsite monitoring results for HTF projects under construction and in their periods of affordability are detailed in **Appendix B**. No requests for emergency transfers were made at the monitored properties.

**Table 15 – CR-56 HTF Units in HTF Activities Completed During the Period**

Tenure Type	0 – 30% AMI	0% of 30+ to poverty line (when poverty line is higher than 30% AMI)	% of the higher of 30+ AMI or poverty line to 50% AMI	Total Occupied Units	Units Completed, Not Occupied	Total Completed Units
Rental	60	0	0	60	0	60
Homebuyer*	0	0	0	0	0	0

Source: IDIS Report PR104 – HTF High Priority Performance Goals

\* The approved AAP outlines all HTF funds will be used for rental projects.

**Table 16 – CR 58 Section 3 Total Labor Hours**

	CDBG	HOME*	ESG**	HOPWA	HTF*
Total Number of Activities	3	0			0
Total Labor Hours	2,609	0			0
Total Section 3 Worker Hours	0	0			0
Total Targeted Section 3 Worker Hours	0	0			0

Source: IDIS Report Section 3

\* HOME projects completed during Plan Year 4 were not Section 3 projects. HTF projects completed in Plan Year 4 were created in IDIS before HUD’s compliance start date of July 1, 2021. As a result, there are no numbers to report for HOME and HTF for Plan Year 4.

\*\* Section 3 does not apply to ESG.

**Table 17 – CR 58 Section 3 Qualitative Efforts – Number of Activities by Program:**

	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers					
Outreach efforts to generate job applicants who are Other Funding Targeted Workers	1				
Direct, on-the job training (including apprenticeships)	1				
Indirect training such as arranging for, contracting for, or paying tuition for off-site training					
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching)					
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns	2				
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services					
Held one or more job fairs					
Provided or connected residents with supportive services that can provide direct services or referrals					
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation					
Assisted residents with finding childcare					
Assisted residents to apply for, or attend, community college or a four-year educational institution					
Assisted residents to apply for, or attend, vocational/technical training					
Assisted residents to obtain financial literacy training and/or coaching					
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns					
Provided or connected residents with training on computer use or online technologies					
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses	1				

Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act					
Other	1				

Source: IDIS Report Section 3

### Narrative

The Section 3 Final Rule became effective on November 30, 2020, and the State of Montana switched its Section 3 reporting to IDIS for activities created in IDIS after HUD’s compliance start date of July 1, 2021. When projects are completed, staff enters applicable Section 3 data in IDIS for each completed activity. CDBG, HOME, and HTF projects where Section 3 is triggered – in other words, where HUD assistance is used for housing rehabilitation/construction or public rehabilitation/construction above \$200,000 – often take multiple years to complete. Therefore, **Table 16** and **Table 17** contain Section 3 data for CDBG, HOME, and HTF projects that were set up after July 1, 2021, and were completed in Plan Year 4. These CDBG, HOME, and HTF projects are funded from CPD allocations from various program years. Note the IDIS Section 3 report indicates there were no projects set up after July 1, 2021, and completed in Plan Year 4.

**ESG Supplement to the CAPER in *e-snaps* for Paperwork Reduction Act**

**1. Recipient Information – All Recipients Complete**

Basic Grant Information

Recipient Name	MONTANA
Organizational DUNS Number	809790579
UEI (SAM)	QP1EAYPHGCD6
EIN/TIN Number	810302402
Identify the Field Office	DENVER
Identify CoC(s) in which the recipient or subrecipient(s) will provide ESG assistance	

ESG Contact Name

Prefix	Ms.
First Name	Sara
Middle Name	
Last Name	Loewen
Suffix	
Title	Bureau Chief

ESG Contact Address

Street Address 1	1400 Carter Drive
Street Address 1	
City	Helena
State	MT
ZIP Code	59620
Phone Number	406-447-4265
Extension	
Fax Number	
Email Address	<a href="mailto:sloewen@mt.gov">sloewen@mt.gov</a>

ESG Secondary Contact

Prefix	Mrs.
First Name	Julianna
Last Name	Campbell
Suffix	
Title	Community Services Section Supervisor
Phone Number	406-329-1612
Extension	
Email Address	<a href="mailto:julianna.campbell@mt.gov">julianna.campbell@mt.gov</a>



## 2. Reporting Period – All Recipients Complete

Program Year Start Date                      04/01/2023  
 Program Year End Date                         03/31/20243

## 3. Subrecipient Form – Complete one form for each subrecipient

Subrecipient or Contractor Name	Northwest Montana Human Resources
City	Kalispell
State	MT
Zip Code	59903-1058
DUNS Number	
Is subrecipient a victim services provider	N
Subrecipient Organization Type	Other Non-Profit Organization
ESG Subgrant or Contract Award Amount	\$108,450

Subrecipient or Contractor Name	HRDC of District IX, Inc.
City	Bozeman
State	MT
Zip Code	59715-6241
DUNS Number	
Is subrecipient a victim services provider	N
Subrecipient Organization Type	Other Non-Profit Organization
ESG Subgrant or Contract Award Amount	\$77,890

Subrecipient or Contractor Name	Human Resources Development Council
City	Missoula
State	MT
Zip Code	59801-5763
DUNS Number	
Is subrecipient a victim services provider	N
Subrecipient Organization Type	Other Non-Profit Organization
ESG Subgrant or Contract Award Amount	\$109,774

Subrecipient or Contractor Name	Action Inc - Human Resources Council District XII
City	Butte
State	MT
Zip Code	59701-9362
DUNS Number	
Is subrecipient a victim services provider	N
Subrecipient Organization Type	Non-Profit Organization
ESG Subgrant or Contract Award Amount	\$50,455

Subrecipient or Contractor Name	Rocky Mountain Development Council, Inc.
City	Helena
State	MT
Zip Code	59624-1717

DUNS Number	
Is subrecipient a victim services provider	N
Subrecipient Organization Type	Other Non-Profit Organization
ESG Subgrant or Contract Award Amount	\$47,842

Subrecipient or Contractor Name	District IV HRDC
City	Havre
State	MT
Zip Code	59501-4960
DUNS Number	
Is subrecipient a victim services provider	N
Subrecipient Organization Type	Other Non-Profit Organization
ESG Subgrant or Contract Award Amount	\$9,330

Subrecipient or Contractor Name	HRDC District 7
City	Billings
State	MT
Zip Code	59101-2114
DUNS Number	
Is subrecipient a victim services provider	N
Subrecipient Organization Type	Other Non-Profit Organization
ESG Subgrant or Contract Award Amount	\$135,597

Subrecipient or Contractor Name	District 6 - HRDC VI
City	Lewistown
State	MT
Zip Code	59457-1700
DUNS Number	
Is subrecipient a victim services provider	N
Subrecipient Organization Type	Other Non-Profit Organization
ESG Subgrant or Contract Award Amount	\$41,644

Subrecipient or Contractor Name	Opportunities Incorporated
City	Great Falls
State	MT
Zip Code	59401-2605
DUNS Number	
Is subrecipient a victim services provider	N
Subrecipient Organization Type	Other Non-Profit Organization
ESG Subgrant or Contract Award Amount	\$84,014

## CR-65 – Persons Assisted

### 4. Persons Served

Not applicable to ESG. Data uploaded to Sage.

#### *4a. Complete for Homelessness Prevention Activities*

**Table 16 – Household Information for Homeless Prevention Activities**

Number of Persons in Households	Total
Adults	
Children	
Don't Know/Refused/Other	
Missing Information	
Total	

#### *4b. Complete for Rapid Re-Housing Activities*

**Table 17 – Household Information for Rapid Re-Housing Activities**

Number of Persons in Households	Total
Adults	
Children	
Don't Know/Refused/Other	
Missing Information	
Total	

#### *4c. Complete for Shelter*

**Table 18 – Shelter Information**

Number of Persons in Households	Total
Adults	
Children	
Don't Know/Refused/Other	
Missing Information	
Total	

#### *4d. Street Outreach*

**Table 19 – Household Information for Street Outreach**

Number of Persons in Households	Total
Adults	
Children	
Don't Know/Refused/Other	
Missing Information	
Total	

4e. Totals for all Persons Served with ESG

**Table 20 – Household Information for Persons Served with ESG**

Number of Persons in Households	Total
Adults	
Children	
Don't Know/Refused/Other	
Missing Information	
Total	

5. Gender – Complete for All Activities

**Table 21 – Gender Information**

	Total
Male	
Female	
Transgender	
Don't Know/Refused/Other	
Missing Information	
Total	

6. Age – Complete for All Activities

**Table 22 – Age Information**

	Total
Under 18	
18-24	
25 and over	
Don't Know/Refused/Other	
Missing Information	
Total	

7. Special Populations Served – Complete for All Activities

**Table 23 – Special Population Served**

Subpopulation	Total	Total Persons Served – Prevention	Total Persons Served – RRH	Total Persons Served in Emergency Shelters
Veterans				
Victims of Domestic Violence				
Elderly				
HIV/AIDS				
Chronically Homeless				
Persons with Disabilities:				
Severely Mentally Ill				
Chronic Substance Abuse				
Other Disability				
Total (unduplicated if possible)				

## CR-70 – ESG 91.520(g) – Assistance Provided and Outcomes

No longer applicable to ESG. All data is uploaded to Sage.

– As of Oct 1, 2021 this form is no longer applicable to ESG. Data is uploaded to Sage.

## CR-75 – Expenditures

Expenditures – – As of Oct 1, 2021 this form is no longer applicable to ESG. Data is uploaded to Sage.