



## **State of Montana**

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

April 1, 2021 through March 31, 2022

EDITED

For public comment April 11 – 25, 2023

**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 (HOME), Emergency Solutions Grant (ESG), and National Housing Trust Fund (HTF) 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 2021-2022 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 2 (April 1, 2021 to March 31, 2022) of the 2020-2024 period, which falls under the 2020-2024 Montana Consolidated Plan for Housing and Community Development (Consolidated Plan) and 2021-2022 Annual Action Plan (AAP).

The Consolidated Plan and AAP fulfill three basic goals in Montana: provide decent housing, provide a suitable living environment, and expand economic opportunities. The 2021-2022 AAP outlines the actions Montana proposes to take during Plan Year 2 to support these basic goals and the strategic goals identified in the 2020-2024 Consolidated Plan. The CAPER identifies the accomplishments of the CDBG, HOME, ESG, and HTF programs and compares them to the goals and objectives put forth in the Consolidated Plan and AAP.

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 2021-2022 CAPER is the second 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, are available 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 2021-2022 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 2 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	\$750,000	11%	\$500,000	7%	\$2,787,190	41%	\$2,000,000	20%	\$450,000	7%	\$303,727	4%
CDBG-CV	\$2,035,000	20%	\$0	0%	\$5,087,340	50%	\$0	0%	\$1,017,000	10%	\$2,034,835	20%
HOME	\$2,131,411	69%	\$0	0%	\$0	0%	\$0	0%	\$650,000	21%	\$309,045	10%
ESG	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$687,765	93%	\$55,764	7%
HTF	\$2,041,696	66%	\$0	0%	\$0	0%	\$0	0%	\$750,000	24%	\$310,188	10%

Source: 2021-2022 AAP; 2019-2020 AAP

**Table CR-1B – Plan Year 2 Awards**

Program	Goal										Admin	
	Preserve and Construct Affordable Housing		Plan for Communities		Improve and Sustain Vital Public Infrastructure		Revitalize Local Economies		Reduce Homelessness			
CDBG	\$1,566,117	30%	\$653,500	13%	\$3,000,000	57%	\$0	0%	\$0	0%	N/A	
CDBG-CV	\$3,631,240	38%	\$0	0%	\$3,465,558	37%	\$0	0%	\$2,372,687	25%		
HOME	\$1,919,704	86%	\$0	0%	\$0	0%	\$0	0%	\$300,000	14%		
ESG	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$687,765	100%		
HTF	\$1,691,696	55%	\$0	0%	\$0	0%	\$0	0%	\$1,400,000	45%		

Source: Commerce Application Logs

**Table CR-1C – Plan Year 2 Expenditures**

Program	Goal										Admin	
	Preserve and Construct Affordable Housing		Plan for Communities		Improve and Sustain Vital Public Infrastructure		Revitalize Local Economies		Reduce Homelessness			
CDBG & CDBG-CV	\$207,454	4%	\$713,771	13%	\$3,856,983	70%	\$300,000	5%	\$0	0%	\$556,656	7%
HOME	\$4,751,642	92%	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$400,573	8%
ESG	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$51,959	92%	\$4,544	8%
HTF	\$5,231,196	92%	\$0	0%	\$0	0%	\$0	0%	\$150,000	3%	\$284,501	5%

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

\*In addition to the amounts in this table, \$85,155.02 of CDBG funds were used to provide technical assistance to grantees.

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.

Expenditures for Plan Year 2 for CDBG, HOME, HTF, and ESG totaled \$16,423,109.68. The first goal, Preserve and Construct Affordable Housing, expended \$10,190,292.11 in CDBG, HOME, and HTF resources to assist eligible households across the state through rental development and down payment assistance. The second goal, Plan for Communities, expended \$713,770.80 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 \$3,856,983.26 in CDBG 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 \$300,000.00 in CDBG resources to create or retain jobs and benefit eligible businesses. Lastly, the fifth goal, Reduce Homelessness, expended \$201,959.13 in ESG and HTF funds for housing and services across the state.

ESG assisted 306 individuals, spending \$10,261.90 to serve 12 individuals through homeless prevention activities and \$3,212.11 to serve 1 individual through rapid rehousing activities including case management, rental assistance, rental arrears, security deposit payments, and other housing relocation and stabilization services. ESG subrecipients spent \$33,809.99 to assist shelters, serving 293 individuals through essential services and operations support. 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 55 applications from 46 applicants for the 2021 CDBG application cycle, and CDBG funding was awarded to 32 applicants (32 projects) in September 2021 and December 2021. The State received 32 applications from 25 applicants for the 2021 CDBG-CV application cycle, and CDBG-CV funding was awarded to 15 applicants (16 projects) in December 2021. The State received five applications from three applicants for the 2021 HOME application cycle, and HOME funding was awarded to three applicants (four projects) in October 2021. The State received five applications from four applicants for the 2021 HTF application cycle, and HTF funding was awarded to four applicants (five projects) in October 2021. Applicants for CDBG, CDBG-CV, HOME, and HTF funding in Plan Year 2 are presented in **Table CR-2**.

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

Applicant	CDBG					CDBG-CV	HTF	HOME
	Planning	Housing	Public Facilities	Community Facilities	Economic Development			
Affiliated Developers, Inc.							X	
Anaconda-Deer Lodge, City-County of	X							
Baker, City of	X							
Big Horn County	X					X		
Big Sandy, Town of						X		
Butte-Silver Bow, City-County of		X				X		
Choteau, City of		X						
Colstrip, City of	X							

Applicant	CDBG					CDBG-CV	HTF	HOME
	Planning	Housing	Public Facilities	Community Facilities	Economic Development			
Columbia Falls, City of			X			X		
Community Leadership & Development, Inc.								X
Custer County	X							
Cut Bank, City of	X							
Dawson County						X		
Deer Lodge, City of	X							
Fairfield, Town of	X							
Fallon County	X							
Gallatin County						X		
Garfield County						X		
Glendive, City of	X							
Golden Valley County				X				
Granite County	X							
Hamilton, City of				X		X		
Harlowton, City of			X					
Havre, City of		X		X				
Helena, City of						X		
Hill County	X							
Homeword, Inc.							X	X
HRDC IV							X	
Jefferson County						X		
Kalispell, City of	X							
Lake County	X							
Lewis & Clark County						X		
Libby, City of			X					
Lincoln County	X	X				X		
Livingston, City of	X		W*			X		
Lodge Grass, Town of			X					
Malta, City of	X							
McCone County						X		
Meager County	X							
Miles City, City of	X							
Missoula County		X				X		
Missoula, City of						X		
Nashua, Town of	X							
NeighborWorks Montana								X
P2P Mobile Devices Inc.						X		
Park County	X					X		
Petroleum County		X						
Phillips County	X							
Pondera County	X					X		
Powder River County	X							
Ravalli County	X							
Red Lodge, City of	X					X		



Applicant	CDBG					CDBG-CV	HTF	HOME
	Planning	Housing	Public Facilities	Community Facilities	Economic Development			
Rocky Mountain Development Council, Inc.							X	
Sanders County						X		
Shelby, City of	X	X				X		
Stevensville, Town of	X							
Superior, Town of						X		
Three Forks, City of	X							
Virginia City, Town of	X							
West Yellowstone, Town of			X					
White Sulphur Springs, City of	X							
Wibaux County				X				
Wolf Point, City of	X					X		
Yellowstone County	X					X		
<b>Total</b>	<b>33</b>	<b>7</b>	<b>6</b>	<b>4</b>	<b>0</b>	<b>25</b>	<b>4</b>	<b>3</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 receipted 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: \$750,000 HOME: \$2,131,411 HTF: \$2,041,696	Rental units constructed	Household Housing Unit	60	59	98%	12	53	442%
				Rental units rehabilitated	Household Housing Unit	130	158	122%	26	10	38%
				Homeowner Housing Added	Household Housing Unit	10	0	0%	2	0	0%
				Homeowner Housing Rehabilitated	Household Housing Unit	15	1	6.67%	3	0	0%
				Direct Financial Assistance to Homebuyers	Households Assisted	250	43	17%	50	21	42%
Plan for Communities	Non-Housing Community Development	CDBG: \$2,500,000	CDBG: \$500,000	Other	Other: Local Governments Assisted	75	45	75%	15	27	180%
Improve and Sustain Public Infrastructure	Non-Housing Community Development	CDBG: \$13,000,000	CDBG: \$2,787,190	Public Facility or Infrastructure Activities Other than Low/ Moderate Income Housing Benefit	Persons Assisted	5,000	11,004	220%	1,000	7,201	189%
				Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	100	0	0.00%	20	0	0%
Revitalize Local Economies	Non-Housing Community Development	CDBG: \$10,000,000	CDBG: \$2,000,000	Façade treatment / business building rehabilitation	Businesses	5	0	0.00%	0	0	0%
				Jobs created / retained	Jobs	250	46	18%	80	30	38%
				Businesses assisted	Businesses Assisted	20	2	10%	3	2	67%

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: \$450,000	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	1,000	121	12%	200	1	1%
		HOME: \$2,500,000	HOME: \$650,000	Homeless Person Overnight Shelter	Persons Assisted	400	410	103%	80	293	366%
		HTF: \$3,500,000	ESG: \$686,765	Homelessness Prevention	Persons Assisted	2,400	192	8%	480	12	3%
		ESG: \$3,500,000	HTF: \$750,000	Housing for Homeless added	Household Housing Unit	100	56	56%	20	56	280%

Source: IDIS Report PR23 – CDBG Summary of Accomplishments; IDIS Report PR23 – HOME Summary of Accomplishments; IDIS Report PR105 – Status of HTF Activities; DPHHS

*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 2021-2022 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 2. 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 2**

Program	Applicant	County	Funds Awarded	Goal	Project Description
CDBG	Hamilton, City of	Ravalli	\$600,000	Improve and Sustain Vital Public Infrastructure	Construction of a new fire station
CDBG	Harlowton, City of	Wheatland	\$600,000	Improve and Sustain Vital Public Infrastructure	Water system improvements
CDBG	Libby, City of	Lincoln	\$600,000	Improve and Sustain Vital Public Infrastructure	Wastewater system improvements
CDBG	Lodge Grass, Town of	Big Horn	\$600,000	Improve and Sustain Vital Public Infrastructure	Wastewater system improvements
CDBG	Wibaux County	Wibaux	\$600,000	Improve and Sustain Vital Public Infrastructure	Renovation of a senior center and food bank
CDBG	Butte-Silver Bow, City and County of	Butte-Silver Bow	\$600,000	Preserve and Construct Affordable Housing	Rehabilitation of the Phoenix Building to create 15 units of affordable rental housing
CDBG	Havre, City of	Hill	\$366,117	Preserve and Construct Affordable Housing	Water system improvements for a resident owned community
CDBG	Petroleum County	Petroleum	\$600,000	Preserve and Construct Affordable Housing	Renovation of the historic courthouse to create 4 units of affordable rental housing
CDBG	Shelby, City of	Toole	N/A	Preserve and Construct Affordable Housing	Housing Stabilization Program

Program	Applicant	County	Funds Awarded	Goal	Project Description
CDBG	Anaconda-Deer Lodge, City-County of	Anaconda-Deer Lodge	\$30,000	Plan for Communities	Transportation System ADA Inventory and Transition Plan
CDBG	Baker, City of	Fallon	\$30,000	Plan for Communities	Updated zoning regulations
CDBG	Big Horn County	Big Horn	\$30,000	Plan for Communities	PAR for senior center
CDBG	Custer County	Custer	\$30,000	Plan for Communities	Growth Policy
CDBG	Cut Bank, City of	Glacier	\$30,000	Plan for Communities	Growth Policy
CDBG	Deer Lodge, City of	Powell	\$30,000	Plan for Communities	Growth Policy
CDBG	Fallon County	Fallon	\$30,000	Plan for Communities	Growth Policy update
CDBG	Glendive, City of	Dawson	\$10,000	Plan for Communities	PAR for Jordan Inn
CDBG	Granite County	Granite	\$30,000	Plan for Communities	PAR for senior center
CDBG	Hill County	Hill	\$30,000	Plan for Communities	PAR for senior center
CDBG	Kalispell, City of	Flathead	\$30,000	Plan for Communities	PAR for Samaritan House
CDBG	Lake County	Lake	\$22,500	Plan for Communities	PAR for fairgrounds
CDBG	Livingston, City of	Park	\$30,000	Plan for Communities	Market feasibility study for senior living campus
CDBG	Miles City, City of	Custer	\$30,000	Plan for Communities	Growth Policy update
CDBG	Nashua, Town of	Valley	\$28,500	Plan for Communities	Capital Improvement Plan and Growth Policy amendment
CDBG	Park County	Park	\$30,000	Plan for Communities	Capital Improvement Plan
CDBG	Phillips County	Phillips	\$30,000	Plan for Communities	Preparation of TEDD
CDBG	Pondera County	Pondera	\$30,000	Plan for Communities	Growth Policy update
CDBG	Red Lodge, City of	Carbon	\$30,000	Plan for Communities	Housing Study and PAR
CDBG	Three Forks, City of	Gallatin	\$30,000	Plan for Communities	Capital Improvement Plan
CDBG	Virginia City, Town of	Madison	\$22,500	Plan for Communities	Growth Policy update
CDBG	Wolf Point, City of	Roosevelt	\$30,000	Plan for Communities	Growth Policy
CDBG	Yellowstone County	Yellowstone	\$30,000	Plan for Communities	Updated pedestrian safety plan

Program	Applicant	County	Funds Awarded	Goal	Project Description
CDBG-CV	Big Horn County	Big Horn	\$1,000,000	Preserve and Construct Affordable Housing	Installation of sanitation upgrades for homes on the Crow Reservation
CDBG-CV	Big Horn County	Big Horn	\$625,000	Improve and Sustain Vital Public Infrastructure	Acquisition of an electronic health record system for the Big Horn Hospital Association
CDBG-CV	Butte-Silver Bow, City-County of	Butte-Silver Bow	\$700,000	Reduce Homelessness	Renovation of the Butte Rescue Mission
CDBG-CV	Gallatin County	Gallatin County	\$430,000	Preserve and Construct Affordable Housing	Acquisition of a hotel for a non-congregate shelter
CDBG-CV	Hamilton, City of	Ravalli	\$1,065,500	Reduce Homelessness	Renovation of the domestic violence shelter
CDBG-CV	Helena, City of	Lewis and Clark	\$607,187	Reduce Homelessness	Installation of ventilation upgrades for the YWCA
CDBG-CV	Lewis and Clark County	Lewis and Clark	\$1,250,000	Improve and Sustain Vital Public Infrastructure	Acquisition of property for Florence Crittenton
CDBG-CV	Lincoln County	Lincoln	\$24,972	Improve and Sustain Vital Public Infrastructure	Installation of ventilation upgrades to TFS Community Hall
CDBG-CV	McCone County	McCone	\$550,000	Improve and Sustain Vital Public Infrastructure	Installation of ventilation upgrades to the McCone County Health Center
CDBG-CV	Missoula County	Missoula	\$256,276	Improve and Sustain Vital Public Infrastructure	Addition of food distribution sites for the Missoula Food Bank and Community Center
CDBG-CV	Missoula, City of	Missoula	\$850,000	Preserve and Construct Affordable Housing	Acquisition of property for a resident owned community
CDBG-CV	Red Lodge, City of	Carbon	\$451,240	Preserve and Construct Affordable Housing	Construction of affordable housing with the Red Lodge Area Community Foundation
CDBG-CV	Shelby, City of	Toole	\$350,000	Preserve and Construct Affordable Housing	Demolition of structures for affordable housing
CDBG-CV	Superior, Town of	Mineral	\$259,310	Improve and Sustain Vital Public Infrastructure	Installation of ventilation upgrades for District XI HRC
CDBG-CV	Wolf Point, City of	Roosevelt	\$550,000	Preserve and Construct Affordable Housing	Demolition of structures for affordable housing

Program	Applicant	County	Funds Awarded	Goal	Project Description
CDBG-CV	Yellowstone County	Yellowstone	\$500,000	Improve and Sustain Vital Public Infrastructure	Renovation of the Billings Food Bank
HOME	Community Leadership & Development, Inc.	Yellowstone	\$650,000	Preserve and Construct Affordable Housing	New construction of Tapestry Apartments, a 26-unit rental development in Billings for income-eligible households.
HOME	Homeword, Inc.	Cascade	\$300,000	Reduce Homelessness	Rehabilitation of Baatz Block, a 25-unit permanent supportive housing development in Great Falls.
HOME	Homeword, Inc.	Fergus	\$380,000 *\$500,000 awarded in Plan Year 1	Preserve and Construct Affordable Housing	Rehabilitation of Crowley Flats, a 16-unit rental development in Lewistown for income-eligible households.
HOME	NeighborWorks Montana	Yellowstone	\$889,704 *\$900,000 awarded Plan Year 1	Preserve and Construct Affordable Housing	New construction of Jackson Court, a 38-unit rental development in Billings for income-eligible households.
HTF	HRDC District IV	Hill	\$541,696 *\$900,000 awarded in Plan Year 1	Preserve and Construct Affordable Housing	Rehabilitation of Highland Manor, a 32-unit rental development in Havre for income-eligible households.
HTF	Affiliated Developers, Inc	Hill	\$200,000 *\$500,000 awarded in Plan Year 1 and \$163,000 awarded Plan Year 5 of 2015-2019	Preserve and Construct Affordable Housing	Rehabilitation of Oakwood Village Apartments, a 60-unit rental development in Havre for income-eligible households.
HTF	Homeword, Inc.	Cascade	\$1,400,000	Reduce Homelessness	Rehabilitation of Baatz Block, a 25-unit permanent supportive housing development in Great Falls.
HTF	Homeword, Inc.	Deer Lodge	\$500,000	Preserve and Construct Affordable Housing	Acquisition and rehabilitation of Hearthstone, a 109-unit rental development in Anaconda for income-eligible households.
HTF	Rocky Mountain Development Council, Inc.	Lewis and Clark	\$400,000	Preserve and Construct Affordable Housing	Acquisition and rehabilitation of Fire Tower, a 44-unit rental development in Helena for income-eligible households.

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	HOME	HOPWA	ESG	HTF	Total
White	5,925	46		200	33	6,204
Black or African American	12	0		1	1	14
Asian	9	0		0	1	10
American Indian or American Native	256	4		66	2	328
Native Hawaiian or Other Pacific Islander	2	0		1	0	3
Other	34	0		30	0	64
Not Identified	0	0		8	0	8
<b>Total</b>	<b>6,238</b>	<b>50</b>		<b>306</b>	<b>37</b>	<b>6,631</b>
Hispanic	14	2		19	0	35
Not Hispanic	6,224	48		279	37	6,588
Not Identified	0	0		8	0	8

Source: IDIS Report PR23 – CDBG Summary of Accomplishments; IDIS Report PR23 – HOME Summary of Accomplishments; IDIS activities for HTF

### Narrative

At the direction of HUD’s Office of Fair Housing and Equal Opportunity, the State of Montana is working on ways to improve our processes to collect the number of female-headed households or persons with disabilities for direct benefit activities, and demographic data for indirect benefit activities. This is expected to be completed by 2023 and included in the 2023-2024 CAPER for Plan Year 4.

The CDBG, CDBG-CV, HOME, HTF, and ESG programs assisted persons from various racial and ethnic backgrounds during Plan Year 2. 6,204 assisted individuals identified as White; 14 identified as Black or African American; 10 identified as Asian; 328 identified as American Indian or American Native; and 3 identified as Native Hawaiian or Other Pacific Islander. 6,588 of the assisted individuals identified their ethnic background as Not Hispanic, 35 identified as Hispanic, and 8 did not identify. Data presented in **Table 2** are for the projects completed during Plan Year 2 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 expenses by program during Plan Year 2.

**Table 3 – Resources Made Available**

Sources of Funds	Source	Resources Made Available*	Amount Expended During Program Year
CDBG	Public/Federal	\$6,982,827	\$4,253,716.45
CDBG-CV	Public/Federal	\$10,174,175	\$1,308,675.56
HOME	Public/Federal	\$3,590,456	\$5,152,214.98
HOPWA	N/A	N/A	N/A
ESG	Public/Federal	\$743,529	\$56,503
HTF	Public/Federal	\$3,401,884	\$5,665,697.24

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 2021-2022 AAP.

### Narrative

During the 2021-2022 program year, the CDBG program received an allocation of \$6,790,917. Utilizing resources made available, the CDBG program awarded a total of \$5,219,617 to 32 projects as detailed in **Table CR-3**. Additional awards will be made early in the 2022-2023 program year for the applications received in March 2022 as detailed in **Table CR-2**. CDBG’s resources made available exceed the received allocation, which is a result of receipted program income during the program year.

During the 2021-2022 program year, the CDBG-CV program received an allocation of \$10,174,175. Utilizing resources made available, the CDBG-CV program awarded a total of \$9,469,485 to 16 projects. The remainder of the CDBG-CV program’s allocation will be used for administration.

During the 2021-2022 program year, the HOME program received an allocation of \$3,090,456. Utilizing resources made available, the HOME program awarded a total of \$2,219,704 to four projects as detailed in **Table CR-3**. HOME’s resources made available exceed the received allocation, which is a result of receipted program income during the program year.

During the 2021-2022 program year, the HTF program received an allocation of \$3,101,884. Utilizing resources made available, the HTF program awarded a total of \$3,091,696 to five projects as detailed in **Table CR-3**. HTF’s resources made available exceed the received allocation, which is a result of carryover from previous program years.

During the 2021-2022 program year, the ESG program received an allocation of \$743,529. This allocation was passed through to 9 of the 10 HRDCs in Montana via formula grants. Due to the ESG-CV allocation, subrecipients chose to spend ESG-CV funds first and only expended \$56,503 during the program year.

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, the 2021-2022 AAP, and the 2019-2020 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 2021-2022 AAP, **Table CR-4** shows the amount of CDBG, HOME, and HTF funds awarded and percent of total funding allocation by county for the 2021-2022 program year and the entire 2020-2024 Consolidated Plan period. Of the 56 counties in Montana, 39 have received CDBG, CDBG-CV, HOME, and/or HTF funding during the 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%							\$530,000	1.76%
Beaverhead	\$30,000	0.30%	\$0	0.00%							\$30,000	0.10%
Big Horn	\$450,000	4.47%	\$2,255,000	11.27%							\$2,705,000	9.00%
Blaine*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Broadwater*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Butte-Silver Bow	\$50,000	0.50%	\$1,300,000	6.50%							\$1,350,000	4.49%
Carbon	\$0	0.00%	\$481,240	2.41%							\$481,240	1.60%
Carter*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Cascade	\$0	0.00%	\$1,700,000	8.50%							\$1,700,000	5.66%
Chouteau*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Custer	\$0	0.00%	\$60,000	0.30%							\$60,000	0.20%
Daniels*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Dawson	\$0	0.00%	\$10,000	0.05%							\$10,000	0.03%
Fallon	\$0	0.00%	\$60,000	0.30%							\$60,000	0.20%
Fergus	\$530,000	5.27%	\$380,000	1.90%							\$910,000	3.03%
Flathead	\$0	0.00%	\$30,000	0.15%							\$30,000	0.10%
Gallatin	\$1,000,000	9.94%	\$460,000	2.30%							\$1,460,000	4.86%
Garfield*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Glacier	\$0	0.00%	\$30,000	0.15%							\$30,000	0.10%
Golden Valley*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Granite	\$36,000	0.36%	\$30,000	0.15%							\$66,000	0.22%
Hill	\$1,160,500	11.54%	\$1,187,813	5.94%							\$2,348,313	7.81%
Jefferson	\$37,500	0.37%	\$0	0.00%							\$37,500	0.12%
Judith Basin*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Lake	\$340,000	3.38%	\$22,500	0.11%							\$362,500	1.21%
Lewis & Clark	\$550,000	5.47%	\$2,257,187	11.29%							\$2,807,187	9.34%
Liberty*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Lincoln	\$37,500	0.37%	\$624,972	3.12%							\$662,472	2.20%
Madison	\$25,000	0.25%	\$22,500	0.11%							\$47,500	0.16%

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%							\$1,022,500	3.40%
Meagher*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Mineral	\$0	0.00%	\$259,310	1.30%							\$259,310	0.86%
Missoula	\$480,000	4.77%	\$1,106,276	5.53%							\$1,586,276	5.28%
Musselshell	\$450,000	4.47%	\$0	0.00%							\$450,000	1.50%
Park	\$0	0.00%	\$60,000	0.30%							\$60,000	0.20%
Petroleum	\$485,000	4.82%	\$600,000	3.00%							\$1,085,000	3.61%
Phillips	\$0	0.00%	\$30,000	0.15%							\$30,000	0.10%
Pondera	\$450,000	4.47%	\$30,000	0.15%							\$480,000	1.60%
Powder River*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Powell	\$0	0.00%	\$30,000	0.15%							\$30,000	0.10%
Prairie*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Ravalli	\$35,000	0.35%	\$1,665,500	8.33%							\$1,700,500	5.66%
Richland*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Roosevelt	\$450,000	4.47%	\$580,000	2.90%							\$1,030,000	3.43%
Rosebud*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Sanders	\$450,000	4.47%	\$0	0.00%							\$450,000	1.50%
Sheridan*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Stillwater	\$50,000	0.50%	\$0	0.00%							\$50,000	0.17%
Sweet Grass*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Teton	\$22,500	0.22%	\$0	0.00%							\$22,500	0.07%
Toole	\$450,000	4.47%	\$350,000	1.75%							\$800,000	2.66%
Treasure*	\$0	0.00%	\$0	0.00%							\$0	0.00%
Valley	\$450,000	4.47%	\$28,500	0.14%							\$478,500	1.59%
Wheatland	\$0	0.00%	\$600,000	3.00%							\$600,000	2.00%
Wibaux	\$0	0.00%	\$600,000	3.00%							\$600,000	2.00%
Yellowstone	\$1,565,000	15.56%	\$2,069,704	10.35%							\$3,634,704	12.09%
<b>Total</b>	<b>\$10,056,500</b>	<b>100.00%</b>	<b>\$20,000,502</b>	<b>100.00%</b>							<b>\$30,057,002</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 were four CDBG Public Facilities projects during this timeframe that were supported using publicly-owned land.

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 \$600,000 for construction activities, \$400,000 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 the state Big Sky Economic Development Trust Fund, the federal Economic Development Agency, 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.

The HOME program requires 5% match for both multi-family and single-family projects. 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.

ESG funds are matched by subrecipients who provide rental assistance, transitional housing and/or supportive services through 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.

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 invoice 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, 2020 and ending September 30, 2021. 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	\$18,673,917.24
2. Match contributed during current Federal fiscal year	\$238,077.03
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	\$18,911,994.27
4. Match liability for current Federal fiscal year*	\$0.00
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	\$18,911,994.27

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

\* HUD waived the HOME match requirement for the 2021 fiscal year.

**Table 6** reports each HOME matching fund contribution for Plan Year 2. Matching funds were recorded between October 1, 2020 and September 30, 2021, 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
5121	11/24/2020	\$17,159.00						\$17,159.00
5122	11/24/2020						\$43,580.00	\$43,580.00
5158	11/19/2020	\$9,308.74					\$41,463.00	\$50,771.74
5161	11/24/2020	\$12,685.29						\$12,685.29
5168	11/24/2020	\$7,500.00					\$64,611.25	\$72,111.25
5169	1/27/2021	\$7,500.00					\$53,985.00	\$61,485.00
5191	1/5/2021	\$5,000.00					\$46,550.50	\$51,550.50
5192	4/8/2021	\$11,500.00						\$11,500.00
5205	10/26/2020	\$4,000.00					\$79,595.00	\$83,595.00
5207	12/23/2020						\$28,227.75	\$28,227.75
5228	3/31/2021	\$5,000.00					\$68,172.50	\$73,172.50
5229	11/16/2020	\$9,654.00						\$9,654.00
5231	3/24/2021	\$5,245.00					\$18,569.25	\$23,814.25
5232	3/31/2021	\$10,000.00						\$10,000.00
5234	3/31/2021	\$18,000.00					\$61,622.25	\$79,622.25
5239	3/1/2021						\$45,412.25	\$45,412.25
5255	3/29/2021	\$12,500.00					\$42,398.75	\$54,898.75
5258	7/27/2021	\$7,500.00					\$51,187.00	\$58,687.00
5267	4/20/2021	\$5,500.00					\$19,898.25	\$25,398.25
5268	8/19/2021						\$44,724.50	\$44,724.50
5271	7/28/2021						\$44,388.25	\$44,388.25
5275	7/28/2021	\$7,500.00					\$52,331.75	\$59,831.75
5279	7/28/2021	\$7,500.00					\$43,834.25	\$51,334.25
5280	8/2/2021	\$7,500.00						\$7,500.00
5283	7/27/2021						\$36,833.50	\$36,833.50
5288	7/28/2021	\$500.00						\$500.00
5295	7/27/2021						\$60,227.25	\$60,227.25
5296	7/28/2021	\$7,500.00						\$7,500.00
		<b>\$178,552.03</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$947,612.25</b>	<b>\$1,126,164.28</b>
							<b>Total Non-Bond Financing Match:</b>	<b>\$178,552.03</b>
							<b>Total Bond Financing Match Eligible:</b>	<b>\$59,525.00</b>
							<b>TOTAL ELIGIBLE MATCH:</b>	<b>\$238,077.03</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 \$573,450.26 and expended \$573,450.26 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	\$573,450.26	\$573,450.26	\$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 2, Commerce recorded no MBE prime contractors, no MBE subcontractors, 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	1	0	0	0	0	1
Dollar Amount	\$43,288,246.32	\$0	\$0	\$0	\$0	\$43,288,246.32
<b>Sub-Contracts</b>						
Number	21	0	0	0	0	21
Dollar Amount	\$26,232,057.32	\$0	\$0	\$0	0	\$26,232,057.32
	TOTAL	Women Business Enterprises	Male			
<b>Contracts</b>						
Number	1	0	1			
Dollar Amount	\$43,288,246.32	\$0	\$43,288,246.32			
<b>Sub-Contracts</b>						
Number	21	0	21			
Dollar Amount	\$26,232,057.32	\$0	\$26,232,057.32			

Source: Form HUD-2516 for periods 4/1/2021-9/30/2021 and 10/1/2021-3/31/2022



During Plan Year 2, 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 2, 0 households were temporarily relocated because of rehabilitation activities. Relocation costs incurred during the program year totaled \$0. This information is 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.

**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	625	178
Number of non-homeless households to be provided affordable housing units	40	149
Number of special-needs* households to be provided affordable housing units	25	7
<b>Total</b>	<b>690</b>	<b>334</b>

Source: IDIS Report PR22 – Status of HOME Activities – State; IDIS Report PR23 – CDBG Summary of Accomplishments; IDIS Report PR23 – HOME Summary of Accomplishments; 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. 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	600	194
Number of households supported through the production of new units	14	111
Number of households supported through the rehab of existing units	26	8
Number of households supported through the acquisition of existing units	50	21
<b>Total</b>	<b>690</b>	<b>334</b>

Source: IDIS Report PR22 – Status of HOME Activities – State; IDIS Report PR23 – CDBG Summary of Accomplishments; IDIS Report PR23 – HOME Summary of Accomplishments; 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 2021-2022 AAP. During Plan Year 2, Commerce awarded CDBG, CDBG-CV, HOME, and HTF funds to activities that addressed Goals 1 through 4. CDBG-funded activities provided critical assistance to 7,313 individuals or households through housing, infrastructure, public and community facilities, and economic development. HOME-funded activities provided critical affordable housing development and financing to 50 households. HTF-funded activities provided critical affordable housing development to 39 households. ESG-funded activities provided assistance to 306 individuals in 194 households.

For ESG, most individuals assisted resided in emergency shelters funded with ESG funds. Few individuals were assisted with homeless prevention or rapid rehousing assistance because subrecipients focused on spending ESG-CV funds. ESG-CV funds have predominately been used for homeless prevention or rapid rehousing assistance, and ESG-CV funds are not reflected in this report.

In addition, Montana Housing with the Department of Commerce launched the Montana Emergency Rental Assistance (MERA) program on April 5, 2021. To date, over 13,000 Montana households have been assisted, including persons experiencing homelessness. Families and individuals who may have otherwise be supported by ESG were able to receive assistance for extended hotel/motel stays under the MERA program. MERA stopped accepting applications on March 24, 2023, and is processing applications previously received subject to remaining available federal funds.

Fewer households benefited from rehab of existing units because of labor shortages and residents’ desire to limit exposure to contractors due to the continued spread of COVID variants. Acquisition of single-family homes saw a dramatic downturn with HOME funds due to the extreme increase in housing prices, which left very few homes for sale in the state within HUD’s HOME Program purchase price limits.

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

Commerce will continue to improve grant processes to successfully report the accomplishments of the CDBG, HOME, and HTF programs and measure progress made towards reaching long- and short-term goals and objectives.

Actual outcomes will be used to determine anticipated outcomes in subsequent AAPs. 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	37
Low-income	6	31	N/A
Moderate-income	0	17	N/A
Total	7	50	37

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

**Table 13** reports the number of households served by CDBG, HOME, and HTF housing activities. The CDBG assisted rental housing was all occupied by single persons; 1 extremely low-income (ELI) person, and 6 low-income. HOME assisted 2 extremely low-income renter households, 31 low-income households (24 renter households and 7 homebuyer households), and 17 moderate income households (3 renter households and 14 homebuyer households). These households were made up of a total of 100 persons: 7 ELI renters, 54 low-income renters and 18 low-income homebuyers, and 5 moderate-income renters and 16 homebuyers. The 37 HTF-assisted households represent 54 extremely low-income persons.

CPD resources (HTF specifically) 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. Commerce accepted HTF applications in September 2021 and awarded its fifth round of HTF grants in October 2021. 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.

## 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 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). 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.

There were 1,585 persons experiencing homelessness on the night of January 30, 2022. 1,072 were in emergency shelters, 220 were in transitional housing and 293 were unsheltered (outside).

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

**Emergency Shelter (ES):** Of the unsheltered, there were 242 households, of which 13 were family households with 44 persons, including 25 children under the age of 18. Two of these households (six persons) were chronically homeless. There were 249 unsheltered individuals (a household without children), of which 105 were chronically homeless.

There were 858 households in emergency shelters. 80 were family households with 261 persons, of which 12 were children. 811 adult individuals (without children) were in emergency shelter, of which 238 were chronically homeless. The number of emergency shelter beds increased to 1,514.

**Transitional Housing (TH):** There were 137 households in transitional housing with a total of 213 persons, of which 119 were persons in families with 70 children. There were 94 adult individuals (without children) in transitional housing. The number of transitional housing beds in 2022 was 479.

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 2, 12 individuals were served with these funds. ESG funds were not the focus in Plan Year 2 because subrecipients focused on spending ESG-CV funds. ESG-CV funds are not reflected in this report; they are reported in the quarterly ESG-CV report.

All the housing programs are required to provide case management and assist clients in accessing cash benefits from mainstream programs that include: 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.

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. DPHHS, HRDCs, and the Department of Corrections may partner and review solutions for increasing the effectiveness of reentry objectives related to stable housing, then bring their ideas to the Reentry Task Force for consideration. Statewide Reentry Task Force public policy recommendations are provided to the Law and Justice Interim Committee to create, where appropriate, supportive legislation.

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

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):** As Coordinated Entry Systems become fully implemented, the focus on serving Chronic Homeless continues through the vulnerability assessment process provided in Coordinated Entry.

**Rapid Rehousing (RRH):** The 2022 Housing Inventory counted 349 rapid rehousing vouchers in use on the night of January 30, 2022. This was an increase from the 232 vouchers in use two years earlier.

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; 1 individual was served with these funds. ESG funds were not the focus in Plan Year 2 because subrecipients focused on spending ESG-CV funds. ESG-CV funds are not reflected in this report; they are reported in the quarterly ESG-CV report.

**Permanent Supportive Housing:** 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. CoC funding levels for Montana permanent supportive housing have remained unchanged with \$1.47 million funding five projects in Missoula, Kalispell, Helena, and Butte. Total for all permanent supportive housing inventory (including CoC and Veterans Affairs Supportive Housing or VASH) decreased to 865 permanent supportive housing beds.

One of the HTF-financed projects that was completed in Plan Year 2 provides permanent supportive housing to 12 households that were experiencing homelessness. Another HOME-assisted property, which used funds in Plan Year 2, will provide permanent supportive housing upon its completion. Furthermore, HOME and HTF funds were allocated during Plan Year 2 to yet another permanent supportive housing property that will begin construction next year.

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.



## CR-30 – Public Housing 91.220(h); 91.320(j)

### 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.

During Plan Year 2, \$1,176,000 in HOME funds and \$2,475,000 in HTF funding were disbursed to a public housing authority for eligible housing activities that were awarded funds in 2019 and 2020, respectively.

No public housing authorities applied for or partnered with a local government to apply for HTF, HOME, or CDBG funding during Plan Year 2; thus, no HTF, HOME, or CDBG funds have been awarded to public housing authorities under 2020-2024 Consolidated Plan.

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 2; 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 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.

### 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 2, 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. 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, UPCS 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 inspections 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 2, 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 participating in the Medicaid Innovation Accelerator Program, completing an application for Mainstream Vouchers, and establishing 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 is in the process of extensive outreach to agencies that serve Qualifying Populations, as defined by the HOME-ARP program. These conversations will inform Commerce's HOME-ARP Allocation Plan.

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.

## 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 2, six CDBG projects, one CDBG-CV project, six HOME projects, and four HTF projects were monitored during project completion visits. In addition, two HOME projects and four HTF projects were monitored during construction progress visits. CDBG projects monitored include Carter County, Town of Ekalaka, Pondera County, Powder River County, Town of Dodson, and City of Libby. CDBG-CV projects monitored include Lewis and Clark County. HOME projects monitored include Red Alder Apartments, Alpenglow Apartments, Meadowlark Apartments, Cottonwood Apartments, Jackson Court, and Laurel Depot. HTF projects monitored include Chapel Court, Cornerstone Apartments, Red Alder Apartments, Alpenglow Apartments, Boulevard Apartments, Fire Tower Apartments, Grandview Apartments, and Hearthstone Apartments. All projects monitored were funded during previous program years but had begun construction or were substantially complete during this program year. None of the properties monitored reported requests by residents for emergency transfers. 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.

During Plan Year 2, eight HOME projects were monitored during their period of affordability. HOME projects monitored include Big Boulder Residences, Homestead Senior Apartments, Pheasant Home, Red Fox Apartments, Guardian Apartments, Wilder Apartments, and Eagles Manor II and II. See CR-50 for more information. Please note that HUD provided waivers for on-site visits due to public health concerns during the COVID-19 pandemic. Montana utilized those waivers and began scheduling on-site visits in the summer and fall of 2021, just as the Delta variant became increasingly prevalent in Montana. Therefore, the majority of POA visits due in 2020 and 2021 have been scheduled and have or will be conducted prior to June 30, 2022. No HTF projects were monitored for POA compliance since no HTF projects were twelve months past their completion dates; HTF POA visits will be conducted similarly to HOME POA visits going forward.

All 9 ESG subrecipients were monitored with virtual 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.

The public comment period for the Draft 2021-2022 CAPER began June 2, 2022 and ended June 21, 2022. A virtual public hearing was held June 20, 2022. An official transcript of the public hearing and a record of all comments considered and responses provided are included in **Appendix A**.

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 2.

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(d)

### 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.

HUD provided several waivers in response to COVID-19, one of which allowed onsite inspections of existing HOME properties to be delayed through December 31, 2020, which was later extended to December 31, 2021. Out of an abundance of caution for the health and safety of program staff, grantees, and beneficiaries, Commerce did not complete onsite inspections of affordable rental housing in operation during 2020 and most of 2021. The onsite inspections that were not able to be completed in 2020 and 2021 are scheduled to be completed prior to June 30, 2022, as required by HUD.

See **Appendix B** for a table of HOME projects monitored between April 1, 2021, and March 31, 2022.

### 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 \$573,450.26 in program income during the program year and expended \$573,450.26. The majority, \$556,789.92, of HOME program income was used by three subrecipients to provide 16 homebuyers with down payment and closing cost assistance. An additional \$16,660.34 was used by another subrecipient as part of the financing to construct townhomes for sale to 3 income-eligible homebuyers.

NeighborWorks Montana – homebuyer assistance subrecipient	\$296,705.00 in program income	Eight homebuyers assisted	Three homebuyers with household income 60-80% AMI, two at 50-60% AMI and three with 30-50% AMI.  Five homebuyers were single heads of household  All homebuyers identified as white, non-Hispanic
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Human Resource Development District IX	\$181,716.77 in program income	Four homebuyers assisted	Four homebuyers with household income 60-80% AMI All homebuyers identified as white, non-Hispanic
Human Resource Council XI	\$147,752.43	Four homebuyers assisted	Two homebuyers with household income 60-80% AMI, two homebuyers at 50-60% AMI. One homebuyer was a single head of household All homebuyers identified as white, non-Hispanic
Habitat for Humanity of Gallatin Valley	\$16,660.34 in program income	Three homes constructed for sale	One homebuyer with household income 60-80% AMI, two homebuyers at 50-60% AMI One homebuyer was a single head of household All homebuyers identified as white, non-Hispanic

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 2021-2022 AAP, Commerce set out to use its \$3,401,884 annual allocation to support the development and rehabilitation of rental housing. All activities meet the requirements of 24 CFR part 93.

Four HTF activities were completed in Plan Year 2; these four activities created 37 HTF-assisted units in properties with 191 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 are detailed in **Appendix B**.

**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	37	0	0	37	0	37
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	7				
Total Labor Hours	3,702				
Total Section 3 Worker Hours	201				
Total Targeted Section 3 Worker Hours	201				

Source: IDIS Report Section 3

\* HOME and HTF projects that were completed in Plan Year 2 were created in IDIS after HUD’s compliance start date of July 1, 2021. As a result, there are no numbers for HOME and HTF for Plan Year 2. Data will be reported for HOME and HTF projects in Plan Year 3 and further plans.

\*\* 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	1				
Outreach efforts to generate job applicants who are Other Funding Targeted Workers	1				
Direct, on-the job training (including apprenticeships)	0				
Indirect training such as arranging for, contracting for, or paying tuition for off-site training	0				
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching)	0				
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns	4				
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services	0				
Held one or more job fairs	3				
Provided or connected residents with supportive services that can provide direct services or referrals	0				
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	0				
Assisted residents with finding childcare	0				
Assisted residents to apply for, or attend, community college or a four-year educational institution	0				
Assisted residents to apply for, or attend, vocational/technical training	0				
Assisted residents to obtain financial literacy training and/or coaching	0				
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns	0				
Provided or connected residents with training on computer use or online technologies	0				
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses	0				

Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act	0				
Other	0				

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, their Section 3 data is reported into IDIS. 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 closed out in Plan Year 2. These CDBG, HOME, and HTF projects are funded from CPD allocations from various program years.

**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
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	Ms.
First Name	Marcia
Last Name	Lemon
Suffix	
Title	Energy and Community Services Program Manager
Phone Number	406-447-4276
Extension	
Email Address	<a href="mailto:mlemon@mt.gov">mlemon@mt.gov</a>

## 2. Reporting Period – All Recipients Complete

Program Year Start Date 04/01/2021  
 Program Year End Date 03/31/2022

## 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	\$40,458.50

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	\$10,091.38

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	\$19,618.00

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	\$25,568.83

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	\$32,239.00

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	\$9,814.06

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	\$61,140.46

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	\$5,836.81

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	\$51,751.08



## 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)				

Shelter Utilization

**Table 24 – Shelter Capacity**

Number of New Units – Rehabbed	0
Number of New Units – Conversion	0
Total Number of beds – nights available	13,132
Total Number of beds – nights provided	8,215
Capacity Utilization	62.6%
Total Persons Served (unduplicated)	380

Project Outcomes Data measured under the performance standards developed in consultation with the CoC(s)

ESG funds were not the focus in Plan Year 2 because subrecipients focused on spending ESG-CV funds. ESG-CV funds are not reflected in this report; they are reported in the quarterly ESG-CV report. Two subrecipients used ESG funds to serve three shelters in their areas: District IV HRDC, which funded Essential Services and Shelter Operations, and District XI HRC, which funded Shelter Operations.

## CR-75 – Expenditures

### Expenditures

#### *ESG Expenditures for Homelessness Prevention*

**Table 25 – ESG Expenditures for Homelessness Prevention**

<i>Dollar Amount of Expenditures in Program Year</i>	FY2018	FY2019	FY2020
Expenditures for Rental Assistance	\$0	\$0	\$6,426
Expenditures for Housing Relocation and Stabilization Services – Financial Assistance	\$0	\$0	\$3,068
Expenditures for Housing Relocation and Stabilization Services – Services	\$0	\$0	\$768
Expenditures for Homeless Prevention under Emergency Shelter Grants Program	\$0	\$0	\$0
<b>Subtotal Homelessness Prevention</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,262</b>

#### *ESG Expenditures for Rapid Re-Housing*

**Table 26 – ESG Expenditures for Rapid Re-Housing**

<i>Dollar Amount of Expenditures in Program Year</i>	FY2018	FY2019	FY2020
Expenditures for Rental Assistance	\$0	\$0	\$1,230
Expenditures for Housing Relocation and Stabilization Services – Financial Assistance	\$0	\$0	\$750
Expenditures for Housing Relocation and Stabilization Services – Services	\$0	\$0	\$1,232
Expenditures for Homeless Assistance under Emergency Shelter Grants Program	\$0	\$0	\$0
<b>Subtotal Rapid Re-Housing</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,212</b>

#### *ESG Expenditures for Emergency Shelter*

**Table 27 – ESG Expenditures for Emergency Shelter**

<i>Dollar Amount of Expenditures in Program Year</i>	FY2018	FY2019	FY2020
Essential Services	\$0	\$0	\$1,221
Operations	\$0	\$0	\$32,589
Renovation	\$0	\$0	\$0
Major Rehab	\$0	\$0	\$0
Conversion	\$0	\$0	\$0
<b>Subtotal Emergency Shelter</b>	<b>\$0</b>	<b>\$0</b>	<b>\$33,810</b>

*Other Grant Expenditures*

**Table 28 – Other Grant Expenditures**

<i>Dollar Amount of Expenditures in Program Year</i>	FY2018	FY2019	FY2020
Street Outreach	\$0	\$0	\$0
HMIS	\$0	\$0	\$4,675
Administration	\$0	\$0	\$4,544
Subtotal Other	\$0	\$0	\$9,219

*Total ESG Grant Funds*

**Table 29 – Total ESG Funds Expended**

<i>Total ESG Funds Expended</i>	FY2018	FY2019	FY2020
	\$0	\$0	\$56,503

*Match Source*

**Table 30 – Other Funds Expended on Eligible ESG Activities**

	FY2018	FY2019	FY2020
Other Non-ESG HUD Funds	\$0	\$0	\$0.00
Other Federal Funds	\$0	\$0	\$0.00
State Government	\$0	\$0	\$0.00
Local Government	\$0	\$0	\$0.00
Private Funds	\$0	\$0	\$0.00
Other	\$0	\$0	\$0.00
Fees	\$0	\$0	\$0.00
Program Income	\$0	\$0	\$0.00
Total Match Amount	\$0	\$0	\$0.00

*Total*

**Table 31 – Total Amount of Funds Expended on ESG Activities**

<i>Total Amount of Funds Expended on ESG Activities</i>	FY2018	FY2019	FY2020
	\$0	\$0	\$56,503