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BEFORE THE DEPARTMENT OF COMMERCE  
OF THE STATE OF MONTANA

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2017-2018 ANNUAL ACTION PLAN  
PUBLIC HEARING

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TRANSCRIPT OF the PROCEEDINGS

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

July 28, 2017  
2:30 p.m.

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

1           The following testimony was taken:

2                   \* \* \* \* \*

3  
4           MS. OLSON: Good afternoon. My name is  
5 Jennifer Olson. I'm the Community Development  
6 Division Administrator here at the Montana  
7 Department of Commerce. I would like to  
8 welcome anyone who is on the phone joining us  
9 via webinar to our Annual Action Plan public  
10 hearing.

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

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

22           So part of Montana's Annual Action Plan  
23 covers specific HUD programs, the Community  
24 Development Block Grant program, which is  
25 contained within three types of programs, or

1 subprograms, economic development, housing, and  
2 public facilities; the Emergency Solutions  
3 Grant; the Home Investments Partnerships  
4 Program grant; the Housing Opportunities for  
5 Persons with AIDS, or HOPWA; and the Housing  
6 Trust Fund. So all of these four programs  
7 received our funds that are received by Montana  
8 that are administered through the Department of  
9 Commerce and also the Department of Public  
10 Health and Human Services.

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

20 So specifically the Annual Action Plan is  
21 a plan for the use of those funds and so we are  
22 opening up this public comment period, which  
23 opened actually on July 24th and will end on  
24 August 7th. We have a reduced public comment  
25 period this time and the reduction of time,

1 which was typically 30 days, has been reduced  
2 down to 15 days due to HUD's waiver of the full  
3 public comment period. It was shortened  
4 because of the time delay at the federal level  
5 in the appropriation that the State of Montana  
6 received for the programs that we just  
7 mentioned.

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

23           The components of the consolidated plan  
24 consist of a five-year plan, which we started  
25 going through a public comment process in 2014.

1 And the plan covers the years from the program  
2 years of 2015 through the calendar year of  
3 2020. So each year of the consolidated plan  
4 there is also an annual action plan and this  
5 action plan updates any information that may  
6 have been presented to the consolidated plan in  
7 order to update the amount of funds that were  
8 given to the State by the federal government in  
9 order to administer those programs, but then  
10 also modifying potential goals or objectives  
11 that have maybe been changed at the federal  
12 level or also at the state level in order to  
13 address those needs that have been better  
14 identified or have become more realized over  
15 the course of this five-year plan.

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

22 Not only is the action plan available  
23 online but it is also available at a variety of  
24 repositories across the state and Commerce is  
25 willing to provide that information to you as

1 to what those repositories or where those  
2 repositories are. The repositories are  
3 generally located across the state and that is  
4 so that individuals that are using the programs  
5 can come and find the document themselves if  
6 they have limited access to the Internet or  
7 also the limited availability of Internet  
8 connectivity and can't download the document,  
9 because it is quite lengthy.

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

18 The outcome-based report called the CAPER  
19 presents all of the information in regards to  
20 what those programs, ESG, HOME, SDBG and HTF,  
21 were able to accomplish with the funds that  
22 were received by the State by the federal  
23 government. And so how many individuals or  
24 households were we able to assist with job  
25 creation or retention, essential shelters for

1 people who are homeless or experiencing or at  
2 risk of homelessness, job creation, retention,  
3 senior centers, that sort of thing, so we help  
4 those communities with those successes and  
5 meeting the accomplishments set forth in the  
6 Annual Action Plan.

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

17 These programs have primary  
18 responsibilities, specifically providing decent  
19 housing, providing a suitable living  
20 environment, and expanding economic  
21 opportunities. While not all programs can do  
22 all three, like, for instance, CBG can do all  
23 three, however, the HOME Investment  
24 Apprenticeship Program primarily focuses on  
25 providing decent housing. The goal is also to

1 address more holistically the needs of the  
2 State and even housing, even if it's trying to  
3 provide decent housing for just a family, it  
4 also does impact the community from a suitable  
5 living environmental perspective and also  
6 ensuring and expanding, securing economic  
7 opportunities for that same local government.  
8 So it's a holistic approach as we look at  
9 individual programs and what those goals are  
10 from a federal level.

11 The draft 2017-2018 Annual Action Plan is  
12 set up in a manner that mirrors what we call  
13 the eCon Planning Suite. So the eCon Planning  
14 Suite is a format and a system that the federal  
15 government provides and requires the State of  
16 Montana to enter information into. So this is  
17 the third year that we're using it and you can  
18 then see more consistently how there is very  
19 specific ways that we are setting up how we're  
20 going to spend the funds and also specific  
21 tables that are helping to explain how we're  
22 going to use those funds, where we may be using  
23 those funds in regards to beneficiaries, and  
24 also then that mirrors itself in the CAPER,  
25 which we just chatted about.



1           So there are three major sections, the  
2           setup, the process, and the Annual Action Plan.  
3           And the setup of the document is just really  
4           some administrative details. The Department of  
5           Commerce leads that effort but is joined with  
6           the Department of Public Health and Human  
7           Services in submitting that to HUD. The  
8           process is so important because we want your  
9           public participation in regards to identifying  
10          what needs you may have that maybe the State  
11          hasn't identified and also where those funds  
12          could be potentially more beneficial in areas  
13          or are meeting the benefit in the areas that  
14          we've identified. And then what those  
15          resources, goals, and objectives and priorities  
16          will accomplish, or intend to accomplish.

17          These specific -- I'm not going to go  
18          through these, but these specific AAP sections  
19          are, again, set up by the eCon Planning Suite  
20          that HUD has established, but they generally  
21          fall under the annual goals and objectives, the  
22          allocation priorities, and the method of  
23          distribution. And the method of distribution  
24          is a very specific and important part of the  
25          document very clearly establishing which parts

1 of which programs are going to be benefited and  
2 how and who and how much.

3 So, for example, when we look at the  
4 method of distribution for CDBG public facility  
5 funds, you're able to see how those funds would  
6 be awarded and to whom, so cities, towns, and  
7 counties, and how much. Generally just under  
8 \$2 million and with a maximum grant of  
9 \$450,000. And that will go through a  
10 competitive ranking process. So the method of  
11 distribution gives you all of the nuts and  
12 bolts of how each individual program is going  
13 to operate and within which subcategories and  
14 how those subcategories are going to operate  
15 and how funds are going to be distributed.

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

1 these programs.

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

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

21 So the contact for the Department of  
22 Commercial Community Development Division who  
23 oversees the CDBG, HOME, and HTF program is  
24 myself, Jennifer Olson, and also the  
25 Communities Grants Bureau Chief, A.C.

1 Rothenbuecher. You can always reach us at  
2 DOCCDD@mt.gov or give us a holler at  
3 406-841-2770. We also can help you not only  
4 with the program questions and getting in  
5 contact with individual program staff but get  
6 you connected with the Annual Plan,  
7 consolidated plan, or CAPER.

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

18 Again, the public comment period is open  
19 beginning on the 24th of July and through  
20 August 7th. If there is anybody on the phone  
21 and that has joined our webinar, you can  
22 definitely provide a comment. If you are on  
23 the phone, please state your name, spell it,  
24 and organization you are representing. And if  
25 you choose not to make any comments today,

1 that's just fine. You can always make comments  
2 in writing via email or you can send it via  
3 postal mail to us. And we'll go back to our  
4 page with the contact information. Or send an  
5 email to DOCCDD@mt.gov and we will definitely  
6 accept your comments until close of business on  
7 August 7th.

8 So, Amy, is there anyone on the phone?

9 MS. PECK: No.

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

13 (The hearing was concluded at

14 2:47 p.m.)

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

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

Dated this 14th day of August, 2017.

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**Lisa R. Lesofski**