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1 WHEREUPON, the proceedings were had as follows:

2 MS. GOLDICH: Great. Thank you. And I'll pass
3 it over to Jen.

4 MS. STEPLETON: Hi, everyone. Welcome to the
5 public hearing for the HOME-ARP Allocation Plan and the
6 2020 and 2021 Annual Action Plan Amendments. This meeting
7 is hosted by the Montana Department of Commerce.

8 We have a few housekeeping items to go over before we
9 dive into the presentation, the first is which -- of which
10 is to let everyone know that this meeting is being
11 recorded. The recording and the presentation will be
12 available on our website after the fact.

13 If you have any Zoom issues or technical questions
14 throughout the presentation, please put them in the
15 question-and-answer feature or in the chat. This allows
16 us to make sure we're responding to any issues as they
17 come up.

18 If you have any questions regarding the content of the
19 presentation, please hold your thoughts for the public
20 comment period at the end of the presentation. During
21 that time, if you have a comment, please raise your hand
22 so we can unmute you. And if you happen to be joining by
23 phone, you can raise your hand by pressing star 9 and then
24 star 6 to unmute yourself. We'll cover that again later.

25 When providing comments, please make sure you spell

1 your name, state the organization that you represent, and
2 specify which document you're commenting on. We will
3 respond in writing afterwards, as all public comments are
4 submitted to HUD as part of the final documents for both
5 of these topics. And with that, we will jump in.

6 The State of Montana, through the Department of
7 Commerce, develops a five-year plan to guide policy and
8 investment for housing, economic, and other community
9 development. The five-year plan, also known as the
10 Consolidated Plan for Housing and Community Development,
11 is required by the U.S. Department of Housing and Urban
12 Development, or HUD, to assess Montana's needs and current
13 conditions, as well as to determine priorities and
14 allocate HUD funding.

15 The perspectives and opinions shared by participants
16 of this public hearing will help Commerce to edit and
17 finalize both the HOME-ARP Allocation Plan, which falls
18 under the 2021 Annual Action Plan, or AAP. Your feedback
19 will also help finalize amendments to the 2020 and
20 2021 Annual Action Plans, which fall under the 2020-to-
21 2024 Consolidated Plan. We hope that with your input, we
22 can ensure housing and community development needs across
23 Montana are identified and addressed.

24 So for HOME-ARP, HOME-ARP stands for the
25 HOME Investments Partnership Program-American Rescue Plan.

1 Through this program, Commerce is eligible to receive
2 1 million -- or sorry, \$11,459,768 from the
3 U.S. Department of Housing and Urban Development, HUD, to
4 address the housing needs of qualifying populations. This
5 is done through the production of permanent homes,
6 non-congregate shelter, and/or supportive services.

7 For those of you familiar with the regular
8 HOME Program, it is also administered by the Department of
9 Commerce. There is a distinct difference between regular
10 HOME and the HOME-ARP Program. HOME-ARP funds must be
11 used to assist households that meet one or more of the
12 following definitions, rather than determining eligibility
13 by household income.

14 So qualifying populations eligible for HOME-ARP
15 assisted projects include individuals and households that
16 are homeless; at risk of homelessness; fleeing or
17 attempting to flee domestic violence, dating violence,
18 sexual assault, or human trafficking; and other
19 populations where providing supportive services or
20 assistance under section 212 would prevent homelessness or
21 would serve those with the greatest risk of housing
22 instability.

23 Veterans and families that include a veteran family
24 member are eligible under the HOME-ARP Program if they
25 also meet one of the preceding qualifying populations.

1 Veteran status alone doesn't qualify.

2 Eligible activities under the HOME-ARP Program include
3 the acquisition, rehabilitation, or new construction of
4 affordable housing; tenant-based rental assistance;
5 supportive services; acquisition and development of
6 non-congregate shelter; and nonprofit operating and
7 capacity building assistance.

8 To develop the HOME-ARP Allocation Plan, Commerce was
9 required to undergo an extensive consultation process,
10 which helped identify the housing needs and gaps in
11 resources available around the state. This information
12 was used to prioritize the use of the State's allocation
13 of funds from HUD.

14 The HOME-ARP Allocation Plan describes the actions,
15 activities, and resources available for the State's
16 HOME-ARP Program. It summarizes the consultation process
17 discussed on the previous slide and provides an analysis
18 of housing needs and service gaps across the state. It
19 also identifies the highest priority uses of the State's
20 allocation and discusses the competitive process that
21 Commerce will be using to fund eligible projects.

22 Commerce's consultation process included a program
23 overview that was presented in October of 2021 to EWAC,
24 virtual meetings held with diverse organizations and
25 agencies from summer of 2021 through winter of 2022, a

1 public survey that was conducted in August of 2022, and
2 then another presentation of the survey results presented
3 to EWAC in September of 2022.

4 The results of the consultation process identified the
5 need for more affordable housing units that meet property
6 standards and accept rental assistance as the largest need
7 across the state. The lack of existing inventory makes it
8 difficult to utilize existing voucher and rental
9 assistance programs. Other high needs that were
10 identified included supportive services, additional
11 non-congregate shelter space, and additional tenant-based
12 rental assistance, or TBRA or "TBRA."

13 Commerce also underwent an analysis of gaps in housing
14 and services across the state. As noted during
15 consultation, Commerce identified significant gaps in the
16 inventory of available rental housing and supportive
17 services that's available to qualifying populations. We
18 also identified a need for non-congregate shelter space,
19 particularly in rural communities. Low inventory of
20 housing units makes transitioning out of existing shelters
21 and into permanent housing particularly difficult and
22 requires extensive supportive services in order for
23 qualifying populations to remain housed.

24 And this slide includes links to all of the data
25 sources that were used during our gap analysis.

1 And as a result of consultation and analysis, Commerce
2 is proposing this breakdown in the use of our HOME-ARP
3 allocation. Of our \$11,459,768, we propose \$1,300,000 for
4 supportive services, \$9,013,792 for development of
5 affordable rental housing, and \$1,145,976 in
6 administration. It's important to note that the amount
7 for supportive services is a maximum that we're proposing.
8 Any unused funds will be put towards the development of
9 affordable rental housing. And the amount allocated for
10 administration is also 10 percent of the total allocation,
11 which is less than the statutory limit.

12 Commerce intends to issue our HOME-ARP funds for
13 eligible projects through a competitive application
14 process similar to that of the regular HOME and
15 Housing Trust Fund, or HTF, application process. The
16 initial round for applications will be open to all
17 eligible entities in non-entitlement communities. Any
18 remaining funds will be made available in a second
19 competitive round open to all eligible entities around the
20 state, regardless of entitlement status.

21 Just please note that the HOME-ARP application
22 guidelines are not available at this time. They will be
23 similar to the HOME and HTF guidelines, but with
24 additional questions regarding supportive services.

25 The HOME-ARP Allocation Plan is available for review

1 on Commerce's website linked here. And all public
2 comments on this plan will be included in our submission
3 to HUD. If you would like to provide comment, please hold
4 your thoughts until the public comment period at the end
5 of the presentation or submit your comments in writing
6 before the end of the comment period on February 17th. We
7 will have instructions for providing written comment on a
8 separate slide at the end of the presentation.

9 And now we transition over to the 2021 and
10 2020 AAP Amendments.

11 MS. GOLDICH: Okay. So in this section of the
12 public hearing, we will be discussing the two amendments
13 made for the 2020-to-2021 Annual Action Plan, which is a
14 part of the 2020-to-2024 Consolidated Plan, which is
15 Year 1, and then the 2021-2022 Annual Action Plan, which
16 is the part -- which is also part of the 2020-to-2024
17 Consolidated Plan, Year 2.

18 First, let's review the Consolidated Plan goals and
19 objectives. The objectives of Montana's Consolidated Plan
20 include to provide decent housing, provide a suitable
21 living environment, and expand economic opportunities.
22 The goals of Montana's Consolidated Plan are: Goal 1,
23 preserve and construct affordable housing; Goal 2, plan
24 for communities; Goal 3, improve and sustain public
25 infrastructure; Goal 4, to revitalize local economies; and

1 Goal 5, to reduce homelessness.

2 The programs that are included under the 2020-to-
3 2024 Consolidated Plan are the Community Development Block
4 Grant Program, which includes housing, public and
5 community facilities, planning, and economic development;
6 the Emergency Solutions Grant; HOME Investment
7 Partnerships Program; Housing Trust Fund; and
8 Housing Opportunities for Persons with AIDS.

9 Included in the 2020-to-2024 Consolidated Plan
10 documents, it is the Five-Year Consolidated Plan for
11 Housing and Community Development, the Annual Action Plan,
12 or the AAP, and the Consolidated Annual Performance and
13 Evaluation Report.

14 As a part of the 2021-to-2022 AAP and 2020-to-2021 AAP
15 components, first there is the setup: the administrative
16 details; the process, or PR: which is the public
17 participation elements, including today, the public
18 hearing and the public comment process; and the Annual
19 Action Plan, or the AAP: expected resources, goals,
20 priorities, and how funds will be distributed by each
21 program.

22 So to start, we will be going over the 2020 Annual
23 Action Plan Resources by Program, Plan Year 1. The
24 Community Development Block Grant Program was \$6,861,061;
25 and HOME, \$3,635,479; Emergency Solutions Grant was

1 \$732,063; and Housing Trust Fund was \$3,000,000.

2 This table is the Resources by Goal in Plan Year 1,
3 which is a part of the 2020-to-2021 Annual Action Plan.
4 This was the original Resources by Goal table. And the
5 proposed amendment would alter the table like such.
6 Therefore, we would be reducing Revitalize Local
7 Economies, increasing the program of Improving and
8 Sustaining Vital Public Infrastructure and Preserve and
9 Construct Affordable Housing.

10 In the second amendment, the 2021-to-2022 Annual
11 Action Plan Resources by Program, Plan Year 2, this
12 included the Community Development Block Grant Program,
13 which was \$6,982,827, HOME had \$3,590,456, Emergency
14 Solutions Grant was \$743,529, and Housing Trust Fund was
15 \$3,401,884.

16 This was the original table in the 2020 to -- 2021,
17 excuse me, to 2022 Annual Action Plan Resources by Goal,
18 Plan Year 2. As you can see, in Revitalize Local
19 Economies for CDBG, there were 2 million -- there was
20 \$2,000,000 included in Revitalize Local Economies, and we
21 will be amending it to zero and increasing Improve and
22 Sustain Vital Public Infrastructure, plan for -- excuse
23 me, Reduce Homelessness, and Preserve and Construct
24 Affordable Housing.

25 We are making this amendment due to changes in

1 available public federal funding for communities to apply
2 to and also seeing a decrease in applications for the
3 CDBG Economic Development Program, as well as an increase
4 in need for applications for public infrastructure grants.

5 All of the documents that we have, that we have
6 discussed today are available online for further
7 inspection and for your -- for you to be able to read as
8 PDFs or word documents. They are available on our ConPlan
9 website as listed here and also the HOME-ARP website as
10 seen here, and then you can also request them.

11 And here is contact information for myself,
12 Rosie Goldich, and also Jen Stepleton.

13 And that concludes the end of our presentation. So
14 now we will be accepting public comments regarding the
15 Draft HOME-ARP Allocation Plan, and the 2020 and
16 2021 AAP Amendments are now being accepted. If you have a
17 comment and are joining via webinar, please raise your
18 hand so we can unmute you. If you are joining via phone,
19 please press star 9 to indicate you have a comment, and
20 then press star 6 to unmute or remute yourself.

21 when providing comment, please state and spell your
22 name, your full name, please state the organization you
23 represent if you are representing an organization, please
24 specify which document you are providing comment for.
25 Written comments should be addressed to the address below

1 or e-mail below and will be accepted until 5:00 p.m. on
2 February 17th, 2023.

3 Do we currently have any public comments?

4 MS. STEPLETON: It looks like there's a couple
5 people.

6 MS. GOLDICH: Okay. I will be asking Jim Morton
7 to unmute himself.

8 And please, once again, state your full name, the
9 organization you are with, and the document you will be
10 providing comment for.

11 MR. MORTON: Yes. Good morning -- I mean, good
12 afternoon. My name is Jim Morton, spelled J-I-M,
13 M-O-R-T-O-N. I am commenting on the HOME-ARP Allocation
14 Plan Draft.

15 Overall, I want to compliment the staff on the
16 document and especially comment on the recognition in the
17 document of non-entitlement communities. And I'll have
18 questions I'll submit in writing.

19 My further comment would be that once the plan is
20 approved, that I would stress the need for the staff to
21 hold a working session with potential applicants so that
22 we can have a time to answer -- to ask questions and have
23 them answered.

24 Thank you.

25 MS. STEPLETON: Thanks, Jim.

1 MS. GOLDICH: Thank you.

2 Do we currently have any other public comments?

3 Okay, Heather. Go ahead.

4 MS. GRENIER: Can you hear me? Sorry.

5 MS. GOLDICH: Yes.

6 MS. GRENIER: Okay. Heather Grenier. It's

7 H-E-A-T-H-E-R, G-R-E-N-I-E-R. And I'm with HRDC

8 District 9, and I'm speaking to the HOME-ARP Plan.

9 And I would just encourage consideration for
10 allocating dollars to development of non-congregate
11 shelter. That was one of the initial HOME-ARP priorities
12 identified as a high-priority-need area, but not allocated
13 any funding. I think there are solutions on the ground
14 that people deployed as COVID response in anticipation of
15 those dollars across the state, and it feels like that's a
16 slight diversion from the initial plan.

17 But I also want to thank the staff for all their work
18 on this and appreciate the opportunity today.

19 Thank you.

20 MS. GOLDICH: Thank you for your comment,
21 Heather.

22 Any other comments?

23 MS. STEPLETON: And we'll leave it open for a few
24 minutes, if anyone thinks of other things that they would
25 like to comment on.

1 MS. GOLDICH: Jim, go ahead.

2 MS. BURKE: I think you might be referring to me,
3 Ruth Burke.

4 MS. GOLDICH: Oh. I'm sorry. Please go ahead.

5 MS. BURKE: So I'm Ruth Burke, and my name is
6 spelled R-U-T-H, B-U-R-K-E. I'm the executive director at
7 District 11, Human Resource Council, where our services
8 are in Mineral, Missoula, and Ravalli Counties. And I'm
9 commenting on the Draft HOME-ARP Allocation Plan.

10 I just want to express my appreciation for the work
11 that went into the HOME-ARP Allocation Plan. The plan
12 looks really well-written, and it seems to have
13 incorporated feedback that we provided as stakeholders.

14 And at HRC, we are pleased to see that there's a focus
15 on that rural development. The rural development -- rural
16 areas face shortages of affordable housing, although it's
17 not as visible. And we're pleased to see that you're
18 focusing on the most vulnerable and those at risk of
19 homelessness.

20 I offer suggestions that the scoring criteria might
21 incorporate points for shovel-ready projects and the
22 creation of new units.

23 And I'm interested to learn whether match is required
24 in the program.

25 what is included in the estimated \$200,000 per

1 development cost that's well below that subsidy limit?
2 Does that include land? Does that include infrastructure
3 costs or professional fees, or is it just hard costs? Are
4 furnishings an eligible expense? And can supportive
5 services be requested on the same application as the
6 request for new construction?

7 And that's all I have.

8 MS. GOLDICH: Thank you so much for your comment,
9 Ruth.

10 MS. FLYNN: May I just pop in? This is
11 Julie Flynn with Department of Commerce.

12 And Ruth, just to answer one of your more
13 straightforward questions about the requirement for match,
14 there is no requirement for, for match with this program.
15 And then we'll get answers to your remaining questions.

16 Thanks.

17 MS. GOLDICH: Are there any other comments?

18 MS. STEPLETON: I see there's one person calling
19 in from a phone. If you happen to have a comment, you can
20 press star 9 to raise your hand, and then it's star 6 to
21 unmute yourself, if you want to provide a comment. We'll
22 leave it open for a few more minutes just in case.

23 MS. GOLDICH: Hearing no more comments and seeing
24 no more hands raised, once again, I would like to remind
25 you that written comments should be addressed to the

1 address or e-mail below and will be accepted until
2 5:00 p.m. on February 17th, 2023.

3 You can e-mail DOCConPlan@mt.gov. You can also e-mail
4 DOCCCD@mt.gov. If you have any questions, you can stay on
5 the line. Other than that, I believe we are done.

6 MS. STEPLETON: We will conclude the public
7 comment period and thank everyone for participating today.

8 MS. GOLDICH: Thank you.

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COURT REPORTER'S CERTIFICATE

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

I, CHERYL ROMSA, Court Reporter residing in the County of Lewis and Clark, State of Montana, do hereby certify:

That the foregoing proceedings were transcribed into typewriting by me from a recording; and that the -17- pages contain a true record of the proceedings to the best of my ability, taking into consideration the quality of the recording.

DATED this the 6th day of February, 2023.

/s/Cheryl A. Romsa
 CHERYL A. ROMSA