



State of Montana
2025-2029 Consolidated Plan

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Executive Summary

ES-05 Executive Summary - 91.300(c), 91.320(b)

Introduction

The Consolidated Plan for Housing and Community Development helps the U.S. Department of Housing and Urban Development (HUD) comprehensively fulfill three basic goals: provide decent housing, provide a suitable living environment, and expand economic opportunities. The State of Montana works to identify eligible housing and community development priorities consistent with the demonstrated and projected needs of local communities and encourages community and economic development that catalyzes local revitalization to build an economy that provides good jobs and creates enduring prosperity and resilience. The consolidated planning process is the framework Montana uses to assess Montana's affordable housing and community development needs and market conditions, make data-driven, place-based investment decisions, and to measure the impact of HUD funds.

The Consolidated Plan is a collaborative process that assists in shaping effective, coordinated neighborhood and community development strategies. The Montana Departments of Commerce (Commerce) and Public Health and Human Services (DPHHS) work collaboratively to allow for strategic planning and citizen participation.

As the lead agency for the Consolidated Plan, Commerce follows HUD's guidelines for citizen and community involvement and is responsible for overseeing citizen participation requirements that accompany the Consolidated Plan and the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnerships Program (HOME), and Housing Trust Fund (HTF) programs, as well as those programs that complement Commerce planning processes already at work in the state.

Purpose of the Consolidated Plan

The 2025-2029 Montana Consolidated Plan for Housing and Community Development is a comprehensive 5-year planning document that outlines how the state will address its housing, planning, infrastructure, economic, and homeless needs, with special emphasis on serving special needs populations. As part of this process, Commerce develops the 2025-2026 Montana Annual Action Plan (AAP), which anticipates how HUD resources received by the state during the first year (Plan Year 1) of the 2025-2029 Consolidated Plan period will be used.

Historically, in tandem with the development of the Consolidated Plan, the state has participated in efforts to develop an Analysis of Impediments (AI) to Fair Housing Choice in Montana. The AI allowed the state to examine barriers to fair housing that exist within the state, including discriminatory actions, omissions, or decisions related to housing; or actions, omission, or decisions that have a discriminatory effect of restricting housing choices for protected classes. With the introduction of the Fair Housing Equity Plan, Commerce engaged in the equity planning process and submitted the Montana's Fair Housing Equity Plan to HUD in September 2024. This document took a detailed look at barriers to accessing housing and community assets, and set a series of goals to address these barriers over the next five years. Specific barriers to fair housing in the state are detailed in sections SP-55 and AP-75 of this document.

Goals of the Consolidated Plan

The federally established goals of the HUD programs administered by the State of Montana are to provide decent housing, a suitable living environment, and expanded economic opportunities for the state's Low- and Moderate-Income residents. The State of Montana strives to accomplish these goals by maximizing and effectively utilizing all available funding resources to conduct housing and community development activities that serve the economically disadvantaged residents of the state. By addressing need and creating opportunity at the individual and neighborhood levels, the State of Montana

aims to improve the quality of life for all Montana residents. HUD's Community Planning and Development (CPD) Programs, which include CDBG, ESG, HOME, and HTF help to develop viable communities by funding activities within the umbrella of the following three goals:

- *Provide decent housing* by supporting appropriate housing for homeless persons and assisting those at risk of homelessness; preserving existing affordable housing stock; increasing the supply of permanent affordable housing for veterans; and victims of domestic violence); supporting homeownership through homebuyer assistance; and providing affordable housing near job opportunities.
- *Provide suitable living environments* by improving the safety and livability of neighborhoods; improving access to quality facilities, infrastructure, and services; reducing the isolation of income groups within communities through de-concentration of low-income housing; revitalizing deteriorating neighborhoods; restoring and preserving properties of special historic architectural value; and conserving energy resources.
- *Expand economic opportunities* by creating and retaining jobs; establishing, stabilizing, and expanding small businesses; providing public employment services; encouraging the employment of low-income persons in projects funded under this plan; providing reasonable mortgage financing rates; providing access to loans and credit for development activities that promote long-term economic and social viability of the community; and reducing generational poverty of those living in publicly assisted housing by providing empowerment and self-sufficiency opportunities.

The State of Montana will work to integrate efforts in these three areas into broader community development of public and community facilities, economic development, and housing strategies that recognize the limitations in traditional affordable housing initiatives.

Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The following list presents the objectives and desired outcomes of the 2025-2029 Montana Consolidated Plan for Housing and Community Development. There may be a need to prioritize resources via use of competitive project selection criteria, which may be updated annually, based on year-to-year need and local circumstances.

1. Support existing Montana communities:
 - a. Enhance the unique and resilient characteristics of all communities by investing in healthy, safe, and walkable neighborhoods and/or served by public transportation systems —rural, urban, or suburban;
 - b. Encourage the rehabilitation of existing rental and owner-occupied homes, particularly for those with special needs and the elderly; and
 - c. Encourage the development and rehabilitation of community facilities and services located within walkable neighborhoods and/or served by public transportation systems, particularly for those with special needs and the elderly.

2. Invest in vital public infrastructure:
 - a. Encourage appropriate and comprehensive pre-development planning activities for public infrastructure, including asset management, needs analysis, preliminary engineering and/or architectural reports, and other studies or plans;
 - b. Provide funding opportunities to improve the safety and efficiency of public infrastructure, promote healthy, safe, and walkable neighborhoods; and
 - c. Provide funding opportunities to serve eligible Montanans, particularly special needs and elderly populations, with safe, efficient public infrastructure.

3. Enhance Montana's economic competitiveness:
 - a. Provide reliable and timely access to employment centers, educational opportunities, and other basic services by job-seekers, as well as expand business access to markets;
 - b. Support comprehensive planning for downtown revitalization, business development, and other studies or plans to attract and retain skilled labor in needed occupational sectors in Montana communities;
 - c. Provide job opportunities to eligible Montanans to strengthen communities within the state;
 - d. Encourage activities that support and strengthen new and existing businesses, particularly those located within traditional downtown business centers comprising a mix of businesses, housing, and services;
 - e. Encourage mixed-use development that contributes to broader revitalization efforts in Montana communities; and
 - f. Seek opportunities to achieve multiple economic development goals, such as removing barriers to collaboration, leveraging multiple funding sources, and increasing energy efficiency, through a single investment.

4. Promote safe and affordable housing in Montana:
 - a. Expand location and quality housing choices for people of all ages, limited incomes, races and ethnicities to increase mobility and lower the combined cost of housing and transportation;
 - b. Encourage housing activities that incorporate energy-efficient design to help advance solar deployment and other onsite renewable energy installations in affordable housing;
 - c. Encourage activities to acquire and/or construct new affordable housing for homeownership or rental in areas where existing investment in sustainable infrastructure, facilities, and services leverages multiple economic, environmental, and community objectives;
 - d. Encourage appropriate and comprehensive planning, market studies, preliminary architectural reports, and other studies or plans in support of

the efficient construction of affordable housing; and

- e. Encourage financial mechanisms that increase homeownership opportunities and provide rental assistance to eligible Montanans, particularly those with special needs and the elderly.

5. Reduce homelessness in Montana:

- a. Encourage activities that address the housing needs of homeless Montanans who are homeless or are at risk of becoming homeless;
- b. Encourage activities that increase the level of assistance programs to homeless Montanans who are homeless or at risk of becoming homeless, with the goal of achieving stable and sustainable housing; and
- c. Encourage the development and rehabilitation of non-rental facilities for the shelter of temporarily homeless Montanans.

Evaluation of past performance

Commerce and DPHHS have received annual funding for the CDBG, HOME, HTF, and ESG programs since their inception. Activities have been completed with reduced administrative budgets while adhering to increased regulatory requirements. The decrease in program funding relative to inflation makes it increasingly difficult to address the needs across the state as CPD programs are highly oversubscribed. Resources available through these programs are vital to organizations struggling to obtain scarce resources to serve households at or below 80% of area median income. As demonstrated in past performance reports, these programs have been a critical funding source for constructing senior and health facilities in rural areas, developing homeless facilities that provide services and support throughout the state, expanding the supply of safe and affordable homes and providing clean water and sanitary sewer to support the growth of resilient communities across Montana.

Commerce evaluated its past performance in its Consolidated Annual Performance and Evaluation Reports (CAPER) for each year during the 2020-2024 period. These reports state the objectives and outcomes identified in each AAP and include an evaluation of past performance, comparing measurable goals and objectives with actual

performance. The CAPER Reports can be found on Commerce's website at <https://commerce.mt.gov/conplan/documents>.

Summary of citizen participation process and consultation process

The Consolidated Plan process gives citizens an opportunity to provide input the development of the plan and to evaluate and comment on the proposed plan to improve the effectiveness of its covered programs. Montana follows the standards set forth in its Citizen Participation Plan (**Appendix A**) during development and proposal of its Consolidated Plan documents, including the 2025-2029 Montana Consolidated Plan for Housing and Community Development and the 2025-2026 AAP.

Commerce and DPHHS provided multiple opportunities for the public and stakeholders to comment on the creation and development of the draft 2025-2029 Montana Consolidated Plan for Housing and Community Development and the 2025-2026 AAP. First, in April and May 2024 the Departments conducted a Fair Housing Survey and a Housing and Community Development Survey (**Appendix B**). To promote the survey, Commerce and DPHHS developed a flyer with a QR scan code, provided information on Commerce's Consolidated Plan webpage, and sent invitations to participate to approximately 5,000 contacts. When the Housing and Community Development Survey closed at the end of May 2024, over 400 respondents had completed it. The Departments also held several focus groups to garner information from beneficiaries and stakeholders about affordable housing, economic development, community and public facilities, planning, and homelessness with the aim of determining local and statewide needs and informing plan goals.

Commerce and DPHHS's first public meeting on April 3, 2024 sought input on the development of the draft 2025-2029 Montana Consolidated Plan for Housing and Community Development and 2025- 2026 AAP. Commerce and DPHHS's second public meeting on March 4, 2025, sought feedback on the published draft 2025-2029 Montana Consolidated Plan for Housing and Community Development, including the 2025-2026 AAP. Commerce announced the public meetings by emailing notices to

approximately 5,000 contacts and publishing advertisements in newspapers across Montana.

Consistent with Montana's CPP, the state provided advanced notice for the public to review the draft Consolidated Plan and provide comment.

Recordings of and/or minutes for each public meeting and focus group are available on Commerce's website: <https://commerce.mt.gov/conplan>. Documentation of meetings (presentations, minutes, and official transcripts) are provided as **Appendix C**.

Summary of public comments

Verbal comments regarding the development of the draft 2025-2029 Montana Consolidated Plan for Housing and Community Development and draft 2025-2026 AAP were received during the public meetings and focus groups. All comments received were considered and incorporated into the draft documents.

Verbal comments regarding the published draft 2025-2029 Montana Consolidated Plan for Housing and Community Development and draft 2025-2026 AAP were received during the public meeting on March 4, 2025. Commerce accepted comments through March 20, 2025. All comments received were considered and incorporated into the final documents.

A summary of all public comments received during the development of and public comment periods for the draft 2025-2029 Montana Consolidated Plan for Housing and Community Development and draft 2025-2026 AAP are provided as **Appendix D**. Additionally, minutes and/or official transcripts of meetings are published on Commerce's website at <https://commerce.mt.gov/conplan> and provided as **Appendix C**.

Summary of comments or views not accepted and the reasons for not accepting them

All comments were considered during the development of the draft 2025-2029 Montana Consolidated Plan for Housing and Community Development and draft 2025-2026 AAP.

A summary of public comments or views received on the draft 2025-2029 Montana Consolidated Plan for Housing and Community Development and draft 2025-2026 AAP that were not accepted, and the reasons for not accepting them are provided as **Appendix D**.

Summary

The 2025-2029 Montana Consolidated Plan for Housing and Community Development functions as:

- A comprehensive 5-year planning document outlining the use of HUD CPD funds, primarily in the non-entitlement areas of Montana, that identifies the state's housing, planning, infrastructure, economic, and homeless needs, with special emphasis on special needs populations, and the respective, planned resource investments to satisfy those needs;
- A participatory public process among citizens, organizations, businesses, and other stakeholders;
- An application by the State of Montana for federal funds under HUD's CPD formula grant programs;
- A strategy document to be followed in carrying out HUD's programs in Montana; and
- A management tool for assessing state performance in carrying out HUD's programs in Montana.

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies responsible for preparing and administering the 2025-2029 Consolidated Plan for Housing and Community Development and 2025-2029 Annual Action Plan and those responsible for the administration of each grant program and funding source.

Table 1 – Responsible Agencies

Agency Role	Name	Department/Agency
Lead Agency	State of Montana	Montana Department of Commerce
CDBG Administrator	State of Montana	
HOME Administrator		
HTF Administrator		
ESG Administrator	State of Montana	Montana Department of Public Health and Human Services
HOPWA Administrator		

Narrative

Commerce is the lead agency overseeing the development of the 2025-2029 Montana Consolidated Plan for Housing and Community Development and 2025-2026 Annual Action Plan. Commerce administers the CDBG, HOME, and HTF programs covered by this plan. DPHHS administers the ESG Program as well as Montana’s cooperative partnership with North and South Dakota: the Housing Opportunities for Persons with AIDS (HOPWA) Program (“Tri-State Housing Environments for Living Positively,” or “Tri- State HELP”), which is funded via competitive award and not through a CPD formula grant.

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PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.200(I) and 91.315(I)

Introduction

The 2025-2029 Montana Consolidated Plan for Housing and Community Development was developed in accordance with the 2024 Citizen Participation Plan. This process provides a unifying opportunity for units of local government, the State of Montana, the public, interested organizations, and the private sector to take part in shaping Montana’s unique communities, vital public infrastructure, economic competitiveness, housing opportunities, and homelessness programs.

Provide a concise summary of the state’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The State of Montana strives to improve the delivery of housing and community development assistance to all Montanans. Commerce and DPHHS specifically support policies and programs that promote decent, safe, affordable housing and community services for the homeless and low-income households such as food banks, mental health centers, senior centers, and other facilities. Commerce and DPHHS maintain an email list of parties interested in the HUD-funded programs addressed in the 2025-2029 Montana Consolidated Plan for Housing and Community Development, as well as the planning process. Regular updates and information about the programs and the development, preparation, and review of the 2025-2029 Montana Consolidated Plan for Housing and

Community Development are sent to this list, especially when soliciting public comment or providing notice of public meetings.

The Commerce Housing Division, including the Montana Board of Housing administratively attached to the Montana Department of Commerce, has used a broad-based “team” approach to address affordable housing issues through its Housing Coordinating Team. HCT hosts quarterly convenings with stakeholders and covers a range of topics, including Tax Increment Financing and the Minneapolis Federal Reserve’s Center for Indian Country Development.

Commerce is collaborating with DPHHS on the recently approved Healing and Ending Addiction Through Recovery and Treatment (HEART) waiver, offering Medicaid funded Tenancy Support Services. The HEART workgroup is currently creating policy language and proceeding through the Administrative Rule Making (ARMs) process to implement this new program, in partnership with current providers of tenancy support services. The Intergovernmental Housing Integration Project (IHIP), with support from the Montana Healthcare Foundation and DPHHS, are establishing a Medicaid Peer Cohort Initiative to support housing agencies in becoming Medicaid Providers to bill for the HEART waiver. The Medicaid Peer Cohort will include training sessions on Medicaid requirements. Agencies will be supported by a Medicaid Professional to assist in building program policies and procedures. The goal is to have at least 10 housing agencies complete the training cohort and become Medicaid providers by December 2025.

Commerce collaborated with DPHHS on the Fair Market Rent Reevaluation Study. This initiative, funded by House Bill 872 and the Behavioral Health for Future Generations Commission, provided \$1,000,000 to conduct a statewide study to determine the appropriate level of funding needed to help supplement housing costs for low-income Montanans served in the state’s behavioral health system. The survey was conducted November 1 through December 20, 2024. The survey results illustrate a significant discrepancy between the HUD FY2025 Fair Market Rents and actual Montana market

rents. Commerce submitted the findings to HUD on January 8, 2025, along with a request for reevaluation of the HUD FY2025 FMR for the four HUD Metro FMR Areas, other larger population Montana counties, as well as all the nonmetropolitan counties throughout the entire state of Montana.

The Behavioral Health Advisory Council is a statutory state advisory agency that provides guidance and oversight to DPHHS in the development and management of an effective public health system. The Council's membership includes consumers of behavioral health services, their immediate family members, advocates for consumers or family members of consumers, the public at large, behavioral health service providers, legislators, and department representatives. The Council's objective is to create a behavioral health system that effectively serves families and individuals throughout Montana, including programs for housing, employment, education, and socialization.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The Montana Continuum of Care Coalition is a diverse statewide collaboration of homeless service providers including nonprofits, faith-based organizations, and local and state governments dedicated to planning and coordinating programs to make homelessness rare, brief, and one-time only. The Coalition was established for the purpose of carrying out the duties of the national Continuum of Care program, as provided for in federal statute 24 CFR Part 578. The Montana Continuum of Care Coalition system is predicated upon community and regionally based continuum of care systems, which form the statewide coalition and continuum of care process. Commerce and DPHHS are involved in Montana Continuum of Care Coalition meetings and committees.

The Montana Continuum of Care Coalition coordinator participated in the development, preparation, and review of the 2025-2029 Montana Consolidated Plan for Housing and Community Development.

Funds for permanent supportive housing, rapid rehousing, and supportive services across Montana are available on a competitive basis through the state's Montana Continuum of Care Coalition process. The 10 regional Montana Continuum of Care Coalition districts align with the state's 10 Human Resource Development Councils (HRDCs). CoC projects serve veterans, unaccompanied youth, families with children, and chronically homeless individuals and families across the state of Montana with homeless assistance funds. All of Montana's regional Montana Continuum of Care Coalition districts were invited to participate in the development, preparation, and review of this document, and serve as repositories for public review of the draft plan.

Describe consultation with the Continuum(s) of Care that serves the state in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

DPHHS has an invested and integral role with the Montana Continuum of Care Coalition (MTCOC). They coordinate strategy with ESG and participate in regular monthly meetings. The MTCOC and DPHHS have a joint agreement and policy statement affirming their mutual guidance for Montana's use of ESG funds.

Subrecipients of ESG must use the Homeless Management Information System (HMIS) and work with their local Coordinated Entry System (CES) to operate the program. DPHHS is involved in HMIS developments, training, and regular data cleaning.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2 – Agencies, Groups, Organizations who Participated

#	Agency/Group/ Organization	Type(s)	What Section of the Plan Was Addressed by Consultation?	Action
1	Montana Department of Commerce (Commerce)	State	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Attended planning meetings to develop plan sections; included on email listserv; participated as public repository; attended public meetings
2	Montana Department of Public Health and Human Services (DPHHS)	State	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Lead-Based Paint Strategy; Anti-Poverty Strategy	Attended planning meetings to develop plan sections; included on email listserv; participated as public repository; attended public meetings
3	Ability Montana	Regional organization		Participated as public repository
4	A.W.A.R.E., Inc.,	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth;	Included on email listserv


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			Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy	
4	Action for Eastern Montana	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Participated as public repository
5	Action Inc.	Nonprofit	Included on email listserv	Included on email listserv
6	Affiliated Developers, Inc.	Nonprofit	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Non-Homeless Special Needs	Included on email listserv
7	Anaconda Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
8	Bear Paw Development Corporation	Regional organization	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv


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9	Beartooth Resource Conservation and Development Area, Inc.	Regional organization; nonprofit	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
10	Besaw Integrity Consulting	Business Leaders	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy	Included on email listserv
11	Big Sky Economic Development Authority	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv;
12	Billings Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA	Included on email listserv


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			Strategy; Lead-Based Paint Strategy	
13	Blackfeet Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
14	Butte Public Housing Authority (PHA)	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
15	Butte-Silver Bow Consolidated City-County	County	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
16	Butte-Silver Bow Urban Revitalization Agency (URA)	Regional organization	Market Analysis; Economic Development	Included on email listserv
17	Cascade County	County	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint	Included on email listserv


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			Strategy; Anti-Poverty Strategy; Other – Infrastructure	
18	Chippewa-Cree Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
19	City of Billings	Local	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
20	City of Colstrip	Local	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic	Included on email listserv


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			Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	
21	City of Great Falls	Local	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
22	City of Helena	Local	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv

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23	City of Kalispell	Local	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
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24	City of Livingston	Local	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
25	City of Missoula	Local	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
26	City of Shelby	Local	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint	Included on email listserv


COMMERCE

			Strategy; Anti-Poverty Strategy; Other –Infrastructure	
27	Communities for Veterans	Regional Organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
28	Community Action Partnership of Northwest Montana (HRDC) District X	Regional organization; Services – Elderly Persons; Services – Children	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
29	Connect MT	State	Other- Broadband	Review of broadband policies
30	CTA Architects & Engineers	Business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv
31	Cushing Terrell	Business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv


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32	Dawson County Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
33	District IV Human Resource Development Council (HRDC) in Havre	Regional organization; Services – Elderly Persons; Services – Children	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
34	District VI Human Resource Development Council (HRDC) in Lewistown	Regional organization; Services – Elderly Persons; Services – Children	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
35	District VII Human Resource Development Council (HRDC) in Billings	Regional organization; Services – Elderly Persons; Services – Children	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv


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36	District XI Human Resource Development Council (HRDC) in Superior	Regional organization; Services – Elderly Persons; Services – Children	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non- Homeless Special Needs; HOPWA Strategy; Market Analysis; Lead- Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
37	District XII Human Resource Development Council (HRDC) in Butte	Regional organization; Services – Elderly Persons; Services – Children	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non- Homeless Special Needs; HOPWA Strategy; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
38	Eastern Plains Economic Development Corporation	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non- Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv


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39	Ecolibrium	Business leaders	Housing Needs Assessment; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Other – Infrastructure	Included on email listserv
40	Fort Belknap Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
41	Fort Peck Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
42	Garfield County	County	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
43	GL Development	Private Industry	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-	Included on email listserv


COMMERCE

			Poverty Strategy; Other – Infrastructure	
44	Glasgow Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
45	Good Samaritan Ministries	Nonprofit	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Economic Development; Anti-Poverty Strategy	Included on email listserv; Attended Focus Group
46	Great Falls Public Housing Authority (PHA)	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
47	Great Falls Rescue Mission	Homeless Services	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs	Attended Focus Group
48	Great Northern Development Corporation	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-	Included on email listserv


COMMERCE

			Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	
49	Great West Engineering	Business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv
50	Habitat for Humanity of Gallatin Valley	Services – Housing	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
51	Hardin, City of	Government – Local	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv; Attended regional meeting (Hardin)
52	HAVEN	Services – Victims of Domestic Violence	Housing Needs Assessment; Homeless Needs – Families with Children; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-	Included on email listserv


COMMERCE

			Homeless Special Needs; Market Analysis; Anti-Poverty Strategy	
53	Headwaters RC&D	Regional organization	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
54	Helena Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
55	Homeword	Regional Organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
56	Hot Springs Community Association	Civic leader	Housing Needs Assessment; Homelessness Strategy; Non-Homeless Special Needs; Anti-Poverty Strategy; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv


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57	Housing Solutions, LLC	Business leaders	Housing Needs Assessment; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy	Included on email listserv
58	Human Resource Development Council (HRDC) District IX in Bozeman	Regional Organization; Services – Elderly Persons; Services – Children	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
59	Intermountain Planners, Inc.	Business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv
60	Interstate Engineering	Business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv
61	KLJ Engineering	Business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv
62	Lake County Community Development Corporation	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA	Included on email listserv; attended public meeting


COMMERCE

			Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other –Infrastructure	
63	Land Solutions, LLC	Business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv
64	Lewis & Clark County	County	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
65	Living Independently for Today and Tomorrow (LIFTT)	Regional organization Services – Persons with Disabilities	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv; participated as public repository


COMMERCE

66	Livingston Food Pantry	Other – Food Bank	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Anti-Poverty Strategy	Included on email listserv
67	Local Initiatives Support Corporation (LISC)	Regional Organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
68	Madison County	County	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
69	Malta Opportunities	Nonprofit	Market Analysis; Economic Development	Included on email listserv


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70	Midwest Assistance Program	Regional organization	Market Analysis; Economic Development; Anti- Poverty Strategy; Other – Infrastructure	Included on email listserv
71	Miles City Area Economic Development Council	Regional organization	Market Analysis; Economic Development	Included on email listserv
72	Miles City Public Housing Authority (PHA)	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
73	Missoula County	County	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
74	Missoula Public Housing Authority (PHA)	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv


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75	Montana Association of Counties	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
76	Montana Board of Housing (MH)	State	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
77	Montana Business Assistance Connection	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other –	Included on email listserv


COMMERCE

			Infrastructure	
78	Montana Coalition to Solve Homelessness	Regional Organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs	Attended Focus Group
79	Montana Community Development Corporation	Regional organization	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Participated as public repository; Included on email listserv
80	Montana Continuum of Care Coalition (Montana Continuum of Care Coalition)	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
81	Montana Department of Environmental	State	Lead-Based Paint Strategy; Other – Infrastructure	Included on email listserv


COMMERCE

	Quality (DEQ)			
82	Montana Department of Labor & Industry (DLI)	State	Market Analysis; Economic Development; Anti- Poverty Strategy	Included on email listserv
83	Montana Department of Natural Resources and Conservation	State	Economic Development; Other – Infrastructure	Included on email listserv
84	Montana Department of Revenue (DOR)	State	Housing Needs Assessment; Economic Development; Market Analysis	Included on email listserv
85	Montana Department of Transportation	State	Non-Homeless Special Needs; Economic Development; Other – Infrastructure	Included on email listserv
86	Montana Disaster & Emergency Services	State	Other – Disaster and emergency preparedness	Review of disaster preparedness
87	Montana Economic Developers Association (MEDA)	Regional organization	Market Analysis; Economic Development	Provided input during focus group
88	Montana Fair Housing	Regional organization	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Lead-Based Paint Strategy; Anti-Poverty Strategy	Participated as public repository; attended public meeting; provided comment on draft documents


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89	Montana Human Rights Bureau	State	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Lead-Based Paint Strategy; Anti-Poverty Strategy	Participated as public repository
90	Montana Independent Living Project (MILP)	Regional organization Services – Persons with Disabilities	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv; participated as public repository
91	Montana League of Cities and Towns	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv


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92	Montana Reentry Initiative Task Force	Statewide multi-agency task force	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; Non-Homeless Special Needs; Market Analysis; Anti-Poverty Strategy	Included on email listserv
93	Montana Rescue Mission	Regional Organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs	Attended Focus Group
94	Montana State Library	State	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
95	Montana State University – Local Government Center	State	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
96	Montana West Economic Development	Nonprofit	Market Analysis; Economic Development	Included on email listserv
97	Morrison-Maierle	Business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv


COMMERCE

98	Mountain Plains Equity	Business leaders	Housing Needs Assessment; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy	Included on email listserv; participated as public repository
99	Murtagh Municipal Engineering	Business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv
100	NeighborWorks Great Falls	Nonprofit	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
101	NeighborWorks Montana	Regional Organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv; participated as public repository


COMMERCE

102	Nittany GrantWorks	Business leaders	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Non-Homeless Special Needs; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv
103	North Central Independent Living Services	Regional organization Services – Persons with Disabilities	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv; participated as public repository
104	North Fork Development, LLC	Private Industry	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Non-Homeless Special Needs	Included on email listserv
105	Northern Cheyenne Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv; Attended regional meeting (Hardin)


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106	Open Aid Alliance & Yellowstone AIDS Project	Regional organization	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Anti-Poverty Strategy	Included on email listserv
107	Opportunities, Inc.	Regional organization	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Lead-Based Paint Strategy; Anti-Poverty Strategy	Participated as public repository
108	Plenty Doors	Regional organization	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development	Attended regional meeting (Hardin)
109	Poplar (City of) Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
110	Prospera Business Network	Regional organization	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv


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111	Ravalli County Economic Development Authority	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
112	Reach Inc.	Nonprofit	Non-Homeless Special Needs	Included on email listserv
113	Richland Economic Development Corporation	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
114	Richland Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
115	Robert Peccia & Associates	Business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv


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116	Rocky Mountain Development Council	Regional organization	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
117	Ronan Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
118	Rural Community Assistance Corporation	Regional organization	Market Analysis; Economic Development; Anti- Poverty Strategy; Other – Infrastructure	Included on email listserv
119	Salish & Kootenai Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
120	Snowy Mountain Development Corporation	Regional organization	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
121	Southeastern Montana Development Corporation	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-	Included on email listserv


COMMERCE

			Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	
122	St. Peter’s Health	Regional Organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs	Attended Focus Group
123	Stahly Engineering & Associates	Business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv
124	State Bank of Townsend	Business leaders	Housing Needs Assessment; Market Analysis; Economic Development	Included on email listserv
125	Summit Housing Group	Business leaders	Housing Needs Assessment; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy	Included on email listserv
126	Summit Independent Living Center	Regional organization Services – Persons with Disabilities	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA	Included on email listserv


COMMERCE

			Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy	
127	Sweetgrass Development	Regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
128	Tamarack Properties Management Company	Business leaders	Housing Needs Assessment; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy	Included on email listserv
129	The Center for Children and Families	Services – Children, Persons with Disabilities, Victims of Domestic Violence, Education, Victims;	Housing Needs Assessment; Homeless Needs – Families with Children; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; Market Analysis; Anti-Poverty Strategy	Included on email listserv

		Child Welfare Agency		
130	Town of Ekalaka	Local	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
131	Triple Divide Consulting	Business leaders	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv


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132	Triple Tree Engineering	Business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other – Infrastructure	Included on email listserv
133	Trust Montana	Regional organization	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth	Included on email listserv
134	U.S. Department of Agriculture-Rural Development (USDA-RD), Montana Field Office	Federal	Housing Needs Assessment; Homelessness Strategy; Non-Homeless Special Needs; Market Analysis; Economic Development; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
135	U.S. Department of the Interior – Bureau of Indian Affairs, Indian Health Services	Federal	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv


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136	United Way of the Lewis & Clark Area	Nonprofit	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other – Infrastructure	Included on email listserv
137	Western Montana Mental Health Center	Regional organization	Housing Needs Assessment; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Anti-Poverty Strategy	Included on email listserv
138	Whitefish Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
139	Windemere Real Estate	Business leaders	Housing Needs Assessment; Homelessness Strategy; Non-Homeless Special Needs; Market Analysis; Economic Development; Lead-Based Paint Strategy	Included on email listserv
140	Yaak Valley Forest Council	Regional organization	Market Analysis; Economic Development	Included on email listserv

141	YMCA Great Falls	Regional Organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs – Chronically Homeless; Homeless Needs – Families with Children; Homelessness Needs – Veterans; Homelessness Needs – Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs	Attended Focus Group
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Identify any Agency Types not consulted and provide rationale for not consulting

Table 2 lists those agencies, groups, and organizations that the State consulted with and who took a proactive step in participating in the development of the draft 2025-2029 Montana Consolidated Plan for Housing and Community Development. For a complete list of agencies, groups, and organizations that Commerce contacted regarding the development of the draft plan, see **Appendix E**.

Commerce made every effort to be inclusive of all state and local agencies, groups, and organizations in this planning process.

Describe other local/regional/state/federal planning efforts considered when preparing the Plan

Table 3 – Other Local / Regional / Federal Planning Efforts

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan
State Montana Continuum of Care	DPHHS	The Montana Continuum of Care Coalition provides funding for many of the same activities provided through the HUD-funded programs addressed in the 2025-2029 Consolidated Plan and 2025- 2026 Annual Action Plan for homeless individuals and families.
2020-2024 Consolidated Plan	City of Billings	The State and the City of Billings share the same primary goals to provide decent housing, a suitable living environment, and expand economic opportunities by preserving the existing affordable housing stock, creating new affordable housing opportunities, and expanding housing choice options for existing and potential residents to foster stable, socio-economically diverse neighborhoods.
2024-2028 Consolidated Plan	City of Missoula	The State and the City of Missoula share the same primary goals to provide decent housing, a suitable living environment, and expand economic opportunities by ending homelessness, increasing affordable rental housing and homeownership opportunities, providing public facilities and infrastructure, achieving economic development, encouraging sustainability and decreasing or mitigating environmental hazards in housing and neighborhoods, eliminating barriers to affordable housing, planning to meet future community development needs, and expanding capacity to support community service needs.
2020-2024 Consolidated Plan	City of Great Falls	The State and the City of Great Falls share the same primary goals to provide decent housing, a suitable living

		environment, and expand economic opportunities by rehabilitating public facilities to meet ADA accessibility standards and increase energy efficiency; building or rehabilitating transitional housing and providing assistance to homeless or special needs persons; providing support to community service agencies; assisting first-time homebuyers with down payment and closing costs; constructing, purchasing, and rehabilitating new and existing affordable homes for ownership and rental; and funding economic development projects that create jobs for persons of low to moderate income.
2024-2028 Consolidated Plan	City of Bozeman	The State and the City of Bozeman share the same primary goals of supporting infrastructure, economic development, public facilities, community facilities, housing, and public services.

Describe cooperation and coordination among the State and any units of general local government, in the implementation of the Consolidated Plan (91.315(I))

Commerce worked cooperatively with DPHHS, the Montana Department of Labor & Industry (DLI), and DOR to develop the 2025-2029 Montana Consolidated Plan for Housing and Community Development. Commerce reached out to local governments through a variety of outlets, including surveys and focus groups. **Table 2** provides a comprehensive list of local governments that participated in the Consolidated Plan process.

The State of Montana works continuously to ensure that its state agencies and local governments across the state are informed about and involved in the implementation of the HUD-funded programs covered by the Consolidated Plan. Commerce and DPHHS oversee trainings, presentations, and workshops to provide information about the HUD-funded programs, including eligibility, available funding, and application guidelines.

Commerce regularly presents to or participates in events of the Montana Association of Counties, the Montana League of Cities and Towns, the Montana Downtown Association, the Montana Housing Partnership Conference, the Montana Rural Water Conference, and the Montana Board of Housing's Qualified Allocation Plan. Commerce and DPHHS provide on-going technical assistance to local governments to help communities prioritize local needs, plan for meeting those needs, and successfully obtaining HUD funds and other funding sources for implementing projects. The State of Montana engages in additional public processes to draft and adopt administrative rules governing the application guidelines and administration manuals for the HUD-funded programs covered in this Consolidated Plan.

Efforts to enhance coordination with private industry, businesses, developers, and social service agencies

The State of Montana interacts with other agencies, businesses, developers, social service agencies and other organizations to enhance the coordination of efforts to develop housing, support communities, and generate economic development.

Commerce supports a broad-based approach to address affordable housing and community development issues through the Consolidated Plan Steering Committee; Water, Wastewater and Solid Waste Action Coordinating Team (W2ASACT); and the Montana Economic Developers Association (MEDA).

Additionally, the Community Technical Assistance Program (CTAP) housed within Commerce's Community MT Division (CMT) 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 community development throughout the state. CTAP helps educate constituents on planning best practices, policy and regulations that promote affordable housing and support resilient community and economic development. Through hands-on training, workshops, webinars, online resources, direct technical assistance by phone or email, and collaboration with local, state, and federal agencies, communities learn how to more effectively utilize policy, code and regulations such as zoning, subdivision, building code

and tax increment financing tools to help—not hinder—the development of affordable housing alternatives in their jurisdiction. Additionally, the link between affordable housing and transportation alternatives, proximity to jobs, public services and education is also an important focus of the CTAP program.

The Montana Main Street Program (another CMT program) further supports these actions by offering additional technical assistance aimed at downtown revitalization through proactive planning and development incentives that support diversity in housing alternatives in Montana’s rural communities.

Through these coordinated efforts, private industry, businesses, developers, and social service agencies have resources available to them and an opportunity to provide input into the Consolidated Plan.

Commerce also worked closely with these and other agencies in the development of the 2024 Fair Housing Equity Plan. This plan outlined the barriers to accessing housing and community opportunities in Montana. The goals of this plan are outlined in coordination with outside agencies and increases collaboration across the state.

Narrative (optional):

Not applicable.

PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal setting

Four key steps were taken to follow Montana’s citizen participation process. First, two surveys regarding housing and community development needs and fair housing needs

were circulated. Second, focus group meetings on the topics of economic development, homelessness, housing, infrastructure, and planning were held. Third, a series of regional meetings were held to gather information from various geographic regions in the state. Finally, Montana held public hearings to provide the public with the opportunity to offer input in the development of the 2025-2029 Montana Consolidated Plan for Housing and Community Development and 2025-2026 Annual Action Plan (Consolidated Plan) documents.

Commerce utilized email, website, and newspaper advertisements to notify the public of all plan activities (**Appendix C**). Commerce also utilized its listserv with over 5,000 contacts of members of the public; city, town, and county officials; independent and professional consultants; for-profit entities; nonprofit entities; state and federal agencies; and various other organizations that play a role in the development of a comprehensive housing, community, and economic development strategy for Montana. The stakeholders were notified of all aspects of the development of the Consolidated Plan documents, including links to the surveys, invitations to attend public meetings, and notice of availability of draft documents for review and comment. Meetings were held in person, virtually, and with hybrid options; all meeting materials, minutes, and transcripts were made available via the Commerce website; and all Consolidated Plan documents were available in hardcopy at designated repositories throughout the state or upon request.

Commerce developed a QR scan code and posted links on its website for online survey participation. All surveys were publicized on flyers and visual boards displayed at repositories and other strategic locations. When the Housing and Community Development Survey closed in May 2024, over 400 respondents had completed it (**Appendix B**).

In 2024, Commerce also held focus groups to gather input from industry leaders and stakeholders. These focus groups gathered input on homelessness, economic development, infrastructure, housing, and service needs. Notes and sign-in sheets from these meetings are found in **Appendix C**.

Four regional meetings were held across the state to gather input from residents in various regions. Attendance varied at each regional meeting. Comments from the regional meetings are included in **Appendix C**.

The public comment period for the Consolidated Plan will begin on February 18, 2025, and will end on March 20, 2025. A public hearing will be held on March 4, 2025, to collect public comments. Any comments received during this meeting or during the comment period will be available in **Appendix C**.

Public comments and views submitted during the surveys, public hearings, and comment periods were used in determining the goals and priorities of the Consolidated Plan.

Citizen Participation Outreach

Table 4 – Citizen Participation Outreach

#	Mode of Outreach	Target of Outreach	Summary of Outreach Outcomes	URL (If applicable)
1	Other – Email Listserv	Non-targeted/ broad community	<p>Summary of response/attendance: Commerce announced the development and availability of the Draft 2025-2029 Montana Consolidated Plan for Housing and Community Development and 2025-2026 Annual Action Plan by emailing notice to the Consolidated Plan contact list.</p> <p>Summary of comments received: See Appendix C for a summary of comments received and responses provided.</p>	See Appendix C for a list of citizens and organizations consulted.



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			<p>Summary of comments not accepted and reasons: See Appendix C for a summary of comments not accepted and reasons.</p>	
2	Public Meeting	Residents of Public and Assisted Housing; Other – Developers of Housing, Economic Development Specialists, Planners, Service Providers, and Individuals Experiencing or At Risk of Experiencing Homelessness	<p>Summary of response/attendance: Commerce and DPHHS invited various stakeholders to participate in five focus groups, which included affordable housing, economic development, community and public facilities or “infrastructure,” planning, and homelessness.</p> <p>Summary of comments received: See Appendix D for a summary of comments received and responses provided.</p> <p>Summary of comments not accepted and reasons: See Appendix D for a summary of comments not accepted and reasons.</p>	See Appendix C for documentation showing citizens and organizations invited to participate in each of the focus groups.


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3	Public Hearing	Non-targeted/ broad community	<p>Summary of response/attendance: Commerce and DPHHS held two public hearings: one before publishing the draft plan and one after publishing the draft plan.</p> <p>Summary of comments received: See Appendix C for a summary of comments received and responses provided.</p> <p>Summary of comments not accepted and reasons: See Appendix C for a summary of comments not accepted and reasons.</p>	N/A
4	Newspaper Ad	Non-targeted/ broad community	<p>Summary of response/attendance: Commerce announced the development and availability of the Draft 2025-2029 Montana Consolidated Plan for Housing and Community Development and 2025-2026 ANNUAL ACTION PLAN by publishing advertisements in newspapers across Montana. Summary of comments received: See Appendix C for a summary of comments received and responses provided. Summary</p>	N/A


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			<p>of comments not accepted and reasons: See Appendix C for a summary of comments not accepted and reasons.</p>	
5	Internet Outreach	Non-targeted/ broad community	<p>Summary of response/attendance: Commerce announced the development and availability of the Draft 2025-2029 Montana Consolidated Plan for Housing and Community Development and 2025-2026 Annual Action Plan on its website, as well as posted all plan documents for public review.</p> <p>Summary of comments received: See Appendix C for a summary of comments received and responses provided.</p> <p>Summary of comments not accepted and reasons: See Appendix C for a summary of comments not accepted and reasons.</p>	N/A


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6	Other – Public Repositories	Non-targeted/ broad community	<p>Summary of response/attendance: Commerce provided the public with access to hard copies of the Draft 2025-2029 Montana Consolidated Plan for Housing and Community Development and 2025-2026 ANNUAL ACTION PLAN at over 20 publicly accessible locations across Montana. Summary of comments received: See Appendix C for a summary of comments received and responses provided.</p> <p>Summary of comments not accepted and reasons: See Appendix C for a summary of comments not accepted and reasons.</p>	https://commerce.mt.gov/Infrastructure-Planning/Resources/Consolidated-Plan/List-of-Repositories
7	Other – Focus Groups	Stakeholders	<p>Summary of response/attendance: Focus groups attendees included stakeholders and industry professionals. Comments in focus groups are included in the Appendix. Summary of comments received: See Appendix C for a summary of</p>	N/A



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			<p>comments received and responses provided.</p> <p>Summary of comments not accepted and reasons: See Appendix C for a summary of comments not accepted and reasons.</p>	
8	Other – Regional Meetings	Non-targeted/ broad community	<p>Summary of response/attendance: Four regional meetings were held across the state to garner additional regional feedback. Comments are included in the Appendix.</p> <p>Summary of comments not accepted and reasons: See Appendix C for a summary of comments not accepted and reasons.</p>	N/A

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The following narrative describes Montana’s socioeconomic characteristics, including population, race and ethnicity, disability, poverty, and unemployment rates with respect to housing needs. Data in this section was gathered from the U.S Census Bureau, the U.S. Bureau of Economic Analysis, the U.S. Bureau of Labor Statistics, and HUD. This information was used to analyze Montana’s current social and economic status and determine prospective trends and patterns in growth over the next 5 years. Tables in this Section were pre-populated with HUD data from the 2016-2020 American Community Survey (ACS), and where indicated, Commerce provides additional or more current data.

NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

Summary of Housing Needs

Montana has a population of 1,122,867 with 464,072 households (2022 1-year ACS estimates). This represents a 6.9% (+72,374) population increase and a 9.7% (+40,981) household increase since 2017 (2017 1-year ACS). During this same period, Montana’s housing supply (total housing units) has increased by just 3.7% (+18,759). Combined with household change these figures suggest that Montana has had a general housing deficit of just over 22,000 housing units from 2017 to 2022. In turn, housing vacancy rates as measured by the single-year ACS have plummeted from 1.4% homeowner vacancy rate and 6.1% rental vacancy rate in 2017, to 0.7% and 4.8% respectively.

Montana’s median household income for 2022 according to ACS 1-year estimates is \$67,631, a 5.8% increase over 2017 after adjusting for inflation. Montana’s median home value as measured by the ACS was \$366,400 and median monthly gross rent

was \$1,005 in 2022. After controlling for inflation, these two estimates of housing costs have grown by 32.3% and 10.6% respectively since 2017. The ratio between median home values and median household income is often used as a measure of homeownership affordability. For Montana, this ratio has grown from 4.3 in 2017 to 5.4 in 2022 representing a 25.0% decrease in affordability. Furthermore, both housing value and monthly gross rent – while useful in measuring Montana’s housing affordability crisis – may understate true housing costs as these estimates don’t reflect current market conditions. Housing value is a survey answer provided by the homeowner who may not have an understanding of current home sales in their area; and gross rent is not reflective of asking rent (the rent being asked by landlords for available rental units). These data illustrate Montana’s decreasing housing affordability since 2017.

The 2020 Census indicates that Montana has 514,803 housing units, with 447,812 occupied and 66,991 vacant. According to the ACS (most recent 1-year estimates), Montana’s 2022 housing stock includes 529,167 total units, of which 464,072 units are occupied with 319,421 owner-occupied units and 144,651 renter-occupied units. This housing stock comprises 90,339 multifamily units, 391,765 single-family units and 47,063 manufactured home units. 2022 estimates show a homeowner rate of 68.8% and a renter rate of 31.2%, as well as a homeowner vacancy rate of 0.7% and a rental vacancy rate of 4.8%.

The 2023 Point-in-Time (PIT) Count and Housing Inventory Count for Montana counted 2,178 homeless persons, including 494 homeless individuals belonging to a family with children, 1 unaccompanied homeless youth aged under 18, and 1,683 homeless adults without children. Of the 2,178 homeless persons counted, 558 are considered chronically homeless. Montana’s 2023 count of 2,178 homeless persons represents a 37.4% increase in homeless persons since 2022, and a 60.5% increase since 2019.

HUD categorizes housing problems based on four conditions:

- Overcrowding (more than 1.0 person per room or, in cases of severe overcrowding, more than 1.5 persons per room);

- Lack of complete plumbing facilities;
- Lack of complete kitchen facilities, and:
- Cost burden (more than 30% of income goes to housing or, in cases of severe cost burden, more than 50% of income goes to housing).

HUD provides custom tabulations of ACS data from the U.S. Census Bureau, known as the “CHAS” data (Comprehensive Housing Affordability Strategy). These data demonstrate the extent of housing problems and housing needs, particularly for low-income households. These data, specific to Montana, are provided in **Tables 6** through **12**.

Table 5 - Housing Needs Assessment Demographics

Demographics	Base Year: 2017	Most Recent Year: 2022	% Change
Population	1,050,493	1,122,867	6.9%
Households	423,091	464,072	9.7%
Median Income	\$53,386	\$67,631	26.7%

Data Source: 2017 1-year ACS (Base Year), 2022 1-year ACS (Most Recent Year)

Number of Households Table

Table 6 - Total Households Table

Household Type	0-30% HAMFI*	>30- 50% HAMFI*	>50- 80% HAMFI*	>80- 100% HAMFI*	>100% HAMFI*
Total Households	57,615	58,015	81,580	48,600	190,240
Small Family Households	11,725	14,360	24,035	16,990	92,365
Large Family Households	2,470	14,360	5,540	3,215	12,860
Household contains at least one person 62-74 years of age	14,000	14,680	21,790	13,115	50,280
Household contains at least one person age 75 or older	10,015	11,030	11,450	5,735	15,075

Households with one or more children 6 years old or younger	6,815	7,795	11,605	6,280	24,865
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Data Source: 2016-2020 CHAS; Table 5, 7, and 13

* HUD Area Median Family Income (HAMFI)

Housing Needs Summary Tables

Housing Problems (Households with one of the listed needs)

Table 7 - Housing Problems 1

Housing Problems	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total*	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total*
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	1,605	810	455	285	3,155	435	315	615	165	1,530
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	485	345	305	80	1,215	85	95	205	85	470


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Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	415	595	370	455	1,835	145	515	785	410	1,855
Housing cost burden greater than 50% of income (and none of the above problems)	17,830	5,030	725	120	23,705	12,205	6,115	3,665	955	22,940
Housing cost burden greater than 30% of income (and none of the above problems)	4,955	11,670	7,670	890	25,185	4,815	6,885	11,320	5,555	28,575
Zero/negative income (and none of the above problems)	1,750	0	0	0	1,750	2,215	0	0	0	2,215

Data Source: 2016-2020 CHAS; Table 3

* Total less than 100% AMI

Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

Table 8 - Housing Problems 2

Housing Problems	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total*	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total*
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	25,325	18,265	9,755	1,745	55,090	17,680	13,930	16,590	7,170	55,370
Having none of four housing problems	5,605	8,710	21,425	12,875	48,615	5,040	17,110	33,810	26,805	82,765
Household has negative income ¹ , but none of the other housing problems	1,750	0	0	0	1,750	2,215	0	0	0	2,215

Data Source: 2016-2020 CHAS; Table 5

* Total less than 100% AMI

¹ “Negative income” is defined by a household’s income streams operating at a loss for the past twelve months. This situation can occur in the form of self-employment losses (including proprietorships and partnerships), and/or investment losses.

Cost Burden > 30%

Table 9 - Cost Burden > 30%

Cost Burden > 30%	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related²	5,545	4,670	2,300	12,515	3,370	3,495	5,330	12,195
Large Related³	900	1,000	245	2,145	670	855	1,175	2,700
Elderly	6,050	4,020	1,700	11,770	9,505	6,440	5,595	21,540
Other	12,055	7,870	4,400	24,325	3,880	2,525	3,205	9,610
Total need by income	24,550	17,560	8,645	50,755	17,425	13,315	15,305	46,045

Data Source: 2016-2020 CHAS; Table 7

Cost Burden > 50%

Table 10 - Cost Burden > 50%

Cost Burden > 50%	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	4,255	1,425	90	5,770	2,745	1,685	1,035	5,465
Large Related	615	205	20	840	505	365	125	995
Elderly	4,305	1,245	540	6,090	6,295	2,845	1,790	10,930

² 2 persons, neither person 62 years or over, or 3 or 4 persons

³ 5 or more persons


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Other	9,910	2,495	230	12,635	2,910	1,305	780	4,995
Total need by income	19,085	5,370	880	25,335	12,455	6,200	3,730	22,385

Data Source: 2016-2020 CHAS; Table 7

Crowding (More than one person per room)

Table 11 - Crowding Information

Crowding (More than one person per room)	Renter					Owner				
	0- 30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100 % AMI	Total	0- 30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100 % AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	740	670	710	405	2,525	175	525	795	375	1,870
Multiple, unrelated family households	115	8	130	35	288	55	110	230	105	500
Other, non-family households	160	95	75	10	340	8	0	20	14	42
Total need by income	1,015	773	915	450	3,153	238	635	1,045	494	2,412

Data Source: 2016-2020 CHAS; Table 10

Table 12 - Households with Children Present

Criteria	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	8,688	9,188	9,503	27,397	5,845	9,468	17,620	32,933

Data Source: Montana Department of Commerce analysis of 2016-2020 ACS Microdata via IPUMS*;

Using FY23 HUD Income Limits for Montana

**Steven Ruggles, Sarah Flood, Matthew Sobek, Daniel Backman, Annie Chen, Grace Cooper, Stephanie Richards, Renae Rogers, and Megan Schouweiler. IPUMS USA: Version 14.0 [dataset]. Minneapolis, MN: IPUMS, 2023.*

<https://doi.org/10.18128/D010.V14.0>

Describe the number and type of single person households in need of housing assistance.

The 2022 1-year ACS recorded 30.5% or approximately 141,472 single-person households in Montana in 2022. According to analysis of 2022 1-year ACS microdata, 43.7% of single-person households are cost burdened. Since both the elderly and young adults may represent a proportionally greater number of single person households than other adults, the percentage of single person households requiring assistance is likely greater than multiple-person households in the state.

According to the Point-in-Time (PIT) Count and Housing Inventory Count, there were 2,178 homeless persons in Montana in 2023. Of those 494 were homeless individuals belonging to a family with children, 1 unaccompanied homeless youth aged under 18, and 1,683 homeless adults without children. Of the 2,178 homeless persons counted, 558 are considered chronically homeless with 540 of the 558 individuals representing adult-only households.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

Respondents to the 2024 Montana Housing and Community Needs Survey indicated that survivors of domestic violence had a moderate level of need throughout the state in relation to other at-need groups, and were moderately in need of services. In addition, survey respondents indicated a low to moderate level of need for ADA renovations. Housing needs for households with disabilities are presumably higher than the population as a whole as the poverty rate for households with disabilities is 19.1% versus 11.4% for those without a disability.

According to the 2023 PIT count, victims of domestic violence accounted for 12.7% of Montana's homeless population while persons with disabilities (physical, mental, or developmental) accounted for 25.6%.

What are the most common housing problems?

The most common housing problem Montanans face is being housing cost burdened, meaning households pay 30% or more of their income on housing. According to the 2016-2020 ACS, in 2020 28.3% of households in Montana experienced a housing cost burden. Of note, cost burden fell most heavily on households with an annual income of less than \$35,000, with 64.9% of this bracket paying 30% or more of their income on housing. Additionally, renters were more cost burdened than homeowners, with 44.6% of renters paying 30% or more of their income on housing versus 21.5% of homeowners paying 30% or more of their income on housing.

Respondents to the 2024 Montana Housing and Community Needs Survey indicated that affordable housing, both rental and homeowner housing, is in short supply. Survey respondents indicated that low-income households are the most in-need households in the state and that housing is a top priority for households. Respondents also indicated that many households are being priced out of the market by rising home prices that are exacerbated by short-term rentals, lack of inventory, and local policies limiting development of denser and lower cost housing.

Are any populations/household types more affected than others by these problems?

From the above data it appears that households with extremely low incomes (0-30% AMI), and very low incomes (30-50% AMI), and renters are more affected than others by housing problems. It also appears that the elderly and the disabled are significantly affected by housing problems and that a lack of housing options for the general workforce (especially teachers and service industry workers) impacts communities across the state.

For the elderly, housing problems are expected to persist given that the population over age 60 represents 27.0% of the total population in Montana and is projected to increase by nearly 30,000 individuals by 2030. Due to “fixed” incomes and higher medical and/or supportive services expenses, housing affordability is of particular concern for the aging population.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered {91.205(c)/91.305(c)}. Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

Low-income households commonly utilize a higher portion of their income on basic needs, including housing. The percentage of Montana households that are housing cost burdened, i.e., that pay 30% or more of their income just on housing, increases as income decreases. According to the 2016-2020 ACS, lower-income households (under \$50,000 per year) experience housing cost burden at a rate of 54.0% compared with 8.7% of higher-income households (\$50,000 or more per year). The correlation between lower incomes and housing insecurity is even more apparent when data for lower-income households is disaggregated. Households with extremely low-incomes (under \$20,000 per year) experience housing cost burden at a staggering rate of 80.6% (2016-2020 ACS). Households in financial struggle are at greater risk of homelessness, and households who have been homeless face a real risk of becoming homeless again. Of

the 2,178 homeless persons counted in Montana during the 2023 PIT Homeless Survey, 558 were considered chronically homeless.

While some formerly homeless families and individuals receive rapid re-housing assistance, this is not an entitlement, and many do not receive assistance. Furthermore, even if assistance is secured, the formerly homeless family or individual must obtain a unit that is both available and amenable to such assistance. Low- and extremely low-income households unable to secure affordable housing face difficult choices. If they pursue housing that costs more than what they can afford, they are forced to severely limit the expenditure of income on other necessities such as food, childcare, and healthcare. If they obtain affordable housing, it may not be decent, safe, or sanitary. Poor or no credit, unemployment or underemployment, and lack of cash savings further jeopardize the ability of low- and extremely low-income households to maintain stable housing.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

The State of Montana considers persons with a severe housing cost burden, persons living in overcrowded or severely overcrowded housing, persons with severe mental illness, persons living with disabilities, persons with substance use disorders, victims of domestic violence, and persons living with HIV and their families as at-risk, per HUD and U.S. Census definitions.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

The cost of housing is linked with instability and an increased risk of homelessness, especially for low- and extremely low-income households. According to the U.S.

Government Accountability Office, for every \$100 increase in median monthly rent, there is an approximate 9% increase in homelessness.⁴

According to single-year ACS estimates, median gross rents in Montana increased from \$994 per month in 2019 to \$1,083 per month in 2023 (both adjusted for inflation to 2023 dollars). That increase of 9.0% exceeds the 6.7% increase of renter's median household income for the same period. This relationship between renter incomes and rents means more cost burdened renter households, and more families forced into homelessness. The increase in Montana's median monthly rents is due to the lack of rental supply with Montana's rental vacancy rate hitting a record low of 4.3% in 2023 (the United States had a rental vacancy rate of 5.5% for 2023). Furthermore, a renter household that is forced to move would almost certainly face higher monthly rents than what they had previously paid as the median monthly rent of recently moved renters (moved in 2021 or later) is \$1,252 (compared to the median renter at \$1,083).

Certain housing characteristics, such as overcrowding, incomplete kitchen facilities, and incomplete plumbing facilities (discussed further in section NA-15) are also destabilizing for households on the brink of homelessness as they limit the supply of housing available to those at greatest risk of homelessness and result in unsuitable and unsanitary living conditions.

Lack of supportive services available for vulnerable households is also linked with instability and an increased risk of homelessness. Resources have not kept pace with increasing and complex needs statewide.

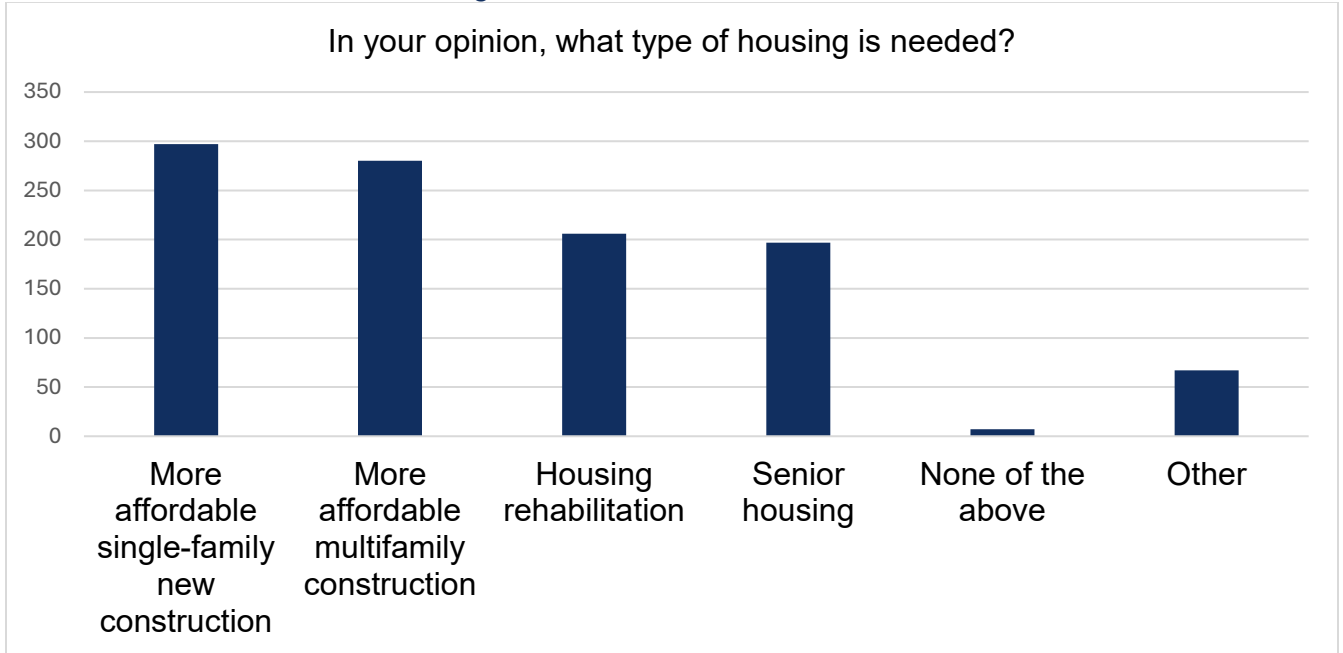
Discussion

The 2024 Montana Housing and Community Needs Survey asked participants which housing activities are their highest priority. Four hundred and ten (410) participants responded, identifying the need for more affordable single-family new construction and

⁴ [Homelessness: Better HUD Oversight of Data Collection Could Improve Estimates of Homeless Population | U.S. GAO](#)

more affordable multifamily construction as the highest needs. Respondents also saw a moderate level of need for housing rehabilitation and senior housing. (Table NA-10).

Table NA-10 – Need for Housing Activities



Data Source: 2024 Montana Housing and Community Needs Survey

NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

Housing problems include four conditions: (1) Lacks complete kitchen facilities, (2) Lacks complete plumbing facilities, (3) Has more than 1.0 person per room, and (4) Has cost burden over 30%.

Overcrowding, seen in both renter and homeowner households, is one characteristic linked with housing instability. According to the 2016-2020 ACS, approximately 5,494 (1.3%) households in 2020 lived in overcrowded conditions, defined as 1.01-1.50 persons per room. The number of households in Montana that were severely

overcrowded, defined as more than 1.50 persons per room, was 2,702 (0.6%) in 2020. That brings the total number of overcrowded and severely overcrowded households in Montana to 8,196 (1.9%) for 2020.

A second characteristic linked with housing instability is housing that lacks complete kitchen facilities. A lack of these facilities indicates that the housing is likely unsuitable. In 2020 approximately 4,323 occupied housing units or 1.0% of Montana's housing stock lacked complete kitchen facilities.

A third characteristic linked with housing instability is housing that lacks complete plumbing facilities. Similar to housing that lacks complete kitchen facilities, a lack of complete plumbing facilities indicates that the housing is likely unsuitable. In 2020 approximately 2,543 occupied housing units or 0.6% of Montana's housing stock had inadequate plumbing facilities.

One of the housing problems reported in the Census Bureau's ACS is cost burden, which occurs when a household has gross housing costs that equal or exceed 30% of gross household income. For homeowners, gross housing costs include property taxes, insurance, energy payments, water and sewer service, and refuse collection. If the homeowner has a mortgage, the determination also includes principal and interest payments on the mortgage loan. For renters, gross housing costs include monthly rent plus utility charges. According to 2016-2020 ACS data, in 2020 28.3% of households in Montana experienced a housing cost burden, meaning they paid 30% or more of their income on housing.

While the Census and ACS do not delve deeply into the physical condition of housing units, selected questions from these surveys do explore various housing difficulties households face. The following tables and narrative consider the housing needs of specific racial or ethnic groups compared with household needs as a whole.

As the tables describe below and in the following sections, a disproportionately greater need exists if any one racial or ethnic group experiences these housing problems at a rate at least ten percentage points higher than the jurisdictional average. For example, if

residents in the State of Montana experience housing problems at 10%, and American Indian households experience housing problems at 21%, then American Indian households would experience a disproportionate rate of housing problems.

0%-30% of Area Median Income

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Housing Problems*	Has one or more of four housing problems		Has none of the four housing problems		Household has no/negative income, but none of the other housing problems ^a	
	Number	Percent	Number	Percent	Number	Percent
Jurisdiction as a whole	43,005	75%	14,610	25%	4,235	7%
American Indian or Alaska Native	3,350	64%	1,860	36%	630	12%
Asian	200	87%	30	13%	30	13%
Black or African American	125	71%	50	29%	25	14%
Pacific Islander	10	33%	20	67%	20	67%
White	36,240	76%	11,335	24%	3,125	7%
Other (including multiple races)	1,715	77%	525	23%	195	9%
Hispanic	1,365	63%	790	37%	210	10%

Data Source: 2016-2020 CHAS; Table 1 & 9

^a From Table 9 in 2016-2020 CHAS. Cannot be disentangled from Table 1 data.

**The four housing problems are:*

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

30%-50% of Area Median Income

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Housing Problems*	Has one or more of four housing problems		Has none of the four housing problems		Household has no/negative income, but none of the other housing problems ^a	
	Number	Percent	Number	Percent	Number	Percent
Jurisdiction as a whole	32,195	55%	25,820	45%	0	0%
American Indian or Alaska Native	1,320	43%	1,755	57%	0	0%
Asian	110	56%	85	44%	0	0%
Black or African American	175	71%	70	29%	0	0%
Pacific Islander	10	100%	0	0%	0	0%
White	28,395	56%	22,665	44%	0	0%
Other (including multiple races)	855	54%	715	46%	0	0%
Hispanic	1,330	72%	530	28%	0	0%

Data Source: 2016-2020 CHAS; Table 1

^a From Table 9 in 2016-2020 CHAS. Cannot be disentangled from Table 1 data.

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

50%-80% of Area Median Income

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Housing Problems*	Has one or more of four housing problems		Has none of the four housing problems		Household has no/negative income, but none of the other housing problems ^a	
	Number	Percent	Number	Percent	Number	Percent
Jurisdiction as a whole	26,345	32%	55,235	68%	0	0%
American Indian or Alaska Native	845	24%	2,645	76%	0	0%
Asian	285	34%	550	66%	0	0%
Black or African American	245	67%	119	33%	0	0%
Pacific Islander	20	25%	60	75%	0	0%
White	23,305	32%	49,140	68%	0	0%
Other (including multiple races)	580	32%	1,221	68%	0	0%
Hispanic	1,065	42%	1,500	58%	0	0%

Data Source: 2016-2020 CHAS; Table 1

^a From Table 9 in 2016-2020 CHAS. Cannot be disentangled from Table 1 data.

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

80%-100% of Area Median Income

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Housing Problems	Has one or more of four housing problems		Has none of the four housing problems		Household has no/negative income, but none of the other housing problems ^a	
	Number	Percent	Number	Percent	Number	Percent
Jurisdiction as a whole	8,915	18%	39,680	82%	0	0%
American Indian or Alaska Native	250	16%	1,290	84%	0	0%
Asian	25	8%	270	92%	0	0%
Black or African American	15	8%	175	92%	0	0%
Pacific Islander	15	100%	0	0%	0	0%
White	8,045	18%	35,935	82%	0	0%
Other (including multiple races)	265	23%	900	77%	0	0%
Hispanic	300	21%	1,110	79%	0	0%

Data Source: 2016-2020 CHAS; Table 1

^a From Table 9 in 2016-2020 CHAS. Cannot be disentangled from Table 1 data.

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

Discussion

Housing problems disproportionately affected households with lower incomes, as demonstrated in **Tables 13-16**.

Transportation costs are the second largest budget item for most households. Thus, while Montana is vast and largely rural, higher-density infill housing projects that take advantage of existing buildings, infrastructure, and transportation options, recognizing the opportunity for mixed-use, flexible-use, and mixed-income properties, is an appropriate focus for reducing cost burden. When possible, prioritizing housing options in existing neighborhoods has the benefit of decreasing commuting costs and time while increasing walking and cycling options and the health and well-being of residents.

According to 2016-2020 ACS, Montana's racial composition is as follows (*race alone or in combination with one or more other races*):

Total population (all races): 1,061,705

- White: 970,545 (91.4%)
- Black or African American: 12,031 (1.1%)
- American Indian and Alaska Native: 87,563 (8.2%)
- Asian: 15,622 (1.5%)
- Native Hawaiian and Other Pacific Islander: 2,759 (0.3%)
- Some other race: 16,220 (1.5%)

For household incomes between 0 and 30% AMI (**Table 13**), Asian households in this group experience housing problems at a disproportionate rate (87% vs 75% for Montana). Pacific Islander households in this group experience no or negative income at a disproportionate rate (67% vs 7% for Montana). However, due to small sample sizes both of these estimates from the 2016-2020 CHAS data have high margins of error relative to the estimate itself. Therefore, the classification of these groups as disproportionately greater need is not statistically reliable.

For household incomes between 30.1 and 50% AMI (**Table 14**), Black or African American households (71%), Pacific Islander households (100%), and Hispanic households (72%) in this group experience housing problems at a disproportionate rate (higher than that for Montana: 55%). Of these, only the Hispanic household data (1,330 households in this group) is statistically reliable based on the estimate's relative margin of error.

For household incomes between 50.1 and 80% AMI (**Table 15**), Black or African American households (67%) and Hispanic households (42%) in this group experience housing problems at a disproportionate rate (higher than that for Montana: 32%). Of these, only the Hispanic household data (1,065 households in this group) is statistically reliable based on the estimate's relative margin of error.

For household incomes between 80.1 and 100% AMI (**Table 16**), Pacific Islander households in this group experience housing problems at a disproportionate rate (100% vs 18% for Montana). However, due to a small sample size this estimate from the 2016-2020 CHAS data has a high margin of error relative to the estimate itself. Therefore, the classification of this group as disproportionately greater need is not statistically reliable.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

Severe housing problems include four conditions: (1) Lacks complete kitchen facilities, (2) Lacks complete plumbing facilities, (3) Has more than 1.5 persons per room, and (4) Has severe cost burden over 50%. These conditions are addressed throughout this section.

While the Census and ACS do not delve deeply into the physical condition of housing units, selected questions from these surveys do explore various housing difficulties

households face. The following tables and narrative consider the housing needs of specific racial or ethnic groups compared with household needs as a whole.

As with housing problems, households experience disproportionate shares of severe housing problems if they exist at a rate ten percentage points higher than the average.

0%-30% of Area Median Income

Table 17 - Severe Housing Problems 0 - 30% AMI

Severe Housing Problems*	Has one or more of four housing problems		Has none of the four housing problems		Household has no/negative income, but none of the other housing problems ^a	
	Number	Percent	Number	Percent	Number	Percent
Jurisdiction as a whole	33,235	58%	24,380	42%	4,235	7%
American Indian or Alaska Native	2,255	43%	2,950	57%	630	12%
Asian	170	76%	55	24%	30	13%
Black or African American	85	49%	90	51%	25	14%
Pacific Islander	0	0%	25	100%	20	80%
White	28,165	59%	19,415	41%	3,125	7%
Other (including multiple races)	1,460	65%	790	35%	195	9%
Hispanic	1,100	51%	1,055	49%	210	10%

Data Source: 2016-2020 CHAS; Table 2 & 9

^a From Table 9 in 2016-2020 CHAS. Cannot be disentangled from Table 2 data.

**The four severe housing problems are:*

- 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%*

30%-50% of Area Median Income

Table 18 - Severe Housing Problems 30 - 50% AMI

Severe Housing Problems*	Has one or more of four housing problems		Has none of the four housing problems		Household has no/negative income, but none of the other housing problems ^a	
	Number	Percent	Number	Percent	Number	Percent
Jurisdiction as a whole	13,640	24%	44,375	76%	0	0%
American Indian or Alaska Native	715	23%	2,360	77%	0	0%
Asian	70	36%	125	64%	0	0%
Black or African American	50	21%	189	79%	0	0%
Pacific Islander	0	0%	10	100%	0	0%
White	11,755	23%	39,305	77%	0	0%
Other (including multiple races)	455	29%	1,126	71%	0	0%
Hispanic	595	32%	1,260	68%	0	0%

Data Source: 2016-2020 CHAS; Table 2

^a From Table 9 in 2016-2020 CHAS. Cannot be disentangled from Table 2 data.

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

50%-80% of Area Median Income

Table 19 - Severe Housing Problems 50 - 80% AMI

Severe Housing Problems*	Has one or more of four housing problems		Has none of the four housing problems		Household has no/negative income, but none of the other housing problems ^a	
	Number	Percent	Number	Percent	Number	Percent
Jurisdiction as a whole	7,350	9%	74,230	91%	0	0%
American Indian or Alaska Native	465	13%	3,025	87%	0	0%
Asian	70	8%	760	92%	0	0%
Black or African American	150	42%	210	58%	0	0%
Pacific Islander	0	0%	85	100%	0	0%
White	6,300	9%	66,140	91%	0	0%
Other (including multiple races)	180	10%	1,630	90%	0	0%
Hispanic	185	7%	2,380	93%	0	0%

Data Source: 2016-2020 CHAS; Table 2

^a From Table 9 in 2016-2020 CHAS. Cannot be disentangled from Table 2 data.

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

Table 20 - Severe Housing Problems 80 - 100% AMI

Severe Housing Problems*	Has one or more of four housing problems		Has none of the four housing problems		Household has no/negative income, but none of the other housing problems ^a	
	Number	Percent	Number	Percent	Number	Percent
Jurisdiction as a whole	2,470	5%	46,130	95%	0	0%
American Indian or Alaska Native	175	11%	1,370	89%	0	0%
Asian	10	3%	285	97%	0	0%
Black or African American	0	0%	190	100%	0	0%
Pacific Islander	15	100%	0	0%	0	0%
White	2,165	5%	41,810	95%	0	0%
Other (including multiple races)	60	5%	1,120	95%	0	0%
Hispanic	45	3%	1,355	97%	0	0%

Data Source: 2016-2020 CHAS; Table 2

^a From Table 9 in 2016-2020 CHAS. Cannot be disentangled from Table 2 data.

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

Discussion

Severe housing problems disproportionately affected households with lower incomes, as demonstrated in **Tables 17-20**.

A severe housing problem reported in the Census Bureau's ACS is severe cost burden, which occurs when a household has gross housing costs that represent 50.0% or more of gross household income. For homeowners, gross housing costs include property taxes, insurance, energy payments, water and sewer service, and refuse collection. If the homeowner has a mortgage, the determination also includes principal and interest payments on the mortgage loan. For renters, gross housing costs include monthly rent

plus utility charges. According to 2016-2020 ACS data, in 2020 12.3% of households in Montana experienced a severe housing cost burden, meaning they paid 50% or more of their income on housing.

Transportation costs are the second largest budget item for most households. Thus, while Montana is vast and largely rural, higher-density infill housing projects that take advantage of existing buildings, infrastructure, and transportation options, recognizing the opportunity for mixed-use, flexible-use, and mixed-income properties, is an appropriate focus for reducing cost burden. When possible, prioritizing housing options in existing neighborhoods has the benefit of decreasing commuting costs and time while increasing walking and cycling options and the health and well-being of residents.

Another type of severe housing problem reported in the Census Bureau's ACS is severe overcrowding, which occurs when there is more than 1.5 persons per room in a household. According to the 2016-2020 ACS, approximately 2,702 (0.6%) Montana households in 2020 were severely overcrowded.

According to 2016-2020 ACS, Montana's racial composition is as follows (*race alone or in combination with one or more other races*):

Total population (all races): 1,061,705

- White: 970,545 (91.4%)
- Black or African American: 12,031 (1.1%)
- American Indian and Alaska Native: 87,563 (8.2%)
- Asian: 15,622 (1.5%)
- Native Hawaiian and Other Pacific Islander: 2,759 (0.3%)
- Some other race: 16,220 (1.5%)

For household incomes between 0 and 30% AMI (**Table 17**), Asian households in this group experience severe housing problems at a disproportionate rate (76% vs 58% for Montana). Pacific Islander households in this group experience no or negative income at a disproportionate rate (80% vs 7% for Montana). However, both of these estimates

from the 2016-2020 CHAS data have high margins of error relative to the estimate itself. Therefore, the classification of these groups as disproportionately greater need is not statistically reliable.

For household incomes between 30.1 and 50% AMI (**Table 18**), Asian households in this group experience severe housing problems at a disproportionate rate (36% vs 24% for Montana). However, this estimate from the 2016-2020 CHAS data has a high margin of error relative to the estimate itself. Therefore, the classification of this group as disproportionately greater need is not statistically reliable.

For household incomes between 50.1 and 80% AMI (**Table 19**), Black or African American households in this group experience severe housing problems at a disproportionate rate (42% vs 9% for Montana). However, this estimate from the 2016-2020 CHAS data has a high margin of error relative to the estimate itself. Therefore, the classification of this group as disproportionately greater need is not statistically reliable.

For household incomes between 80.1 and 100% AMI (**Table 20**), Pacific Islander households in this group experience housing problems at a disproportionate rate (100% vs 5% for Montana). However, this estimate from the 2016-2020 CHAS data has a high margin of error relative to the estimate itself. Therefore, the classification of this group as disproportionately greater need is not statistically reliable.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

A household is considered cost burdened when their housing expenses represent more than 30% of their gross income. When housing expenses exceed 50% of their gross income, a household is considered severely cost burdened.

Table 21 and the narrative below consider the cost burdens of specific racial or ethnic groups compared with household needs as a whole.

Housing Cost Burden

Table 21 - Greater Need: Housing Cost Burdens

Housing Cost Burden	Less than or equal to 30%		Between 30% and 50%		Greater than 50%		Household has no/negative income (not computed)	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Jurisdiction as a whole	319,065	73%	62,695	14%	50,055	11%	4,235	1%
American Indian or Alaska Native	12,460	70%	2,500	14%	2,105	12%	630	4%
Asian	2,090	76%	345	12%	300	11%	30	1%
Black or African American	830	64%	295	23%	155	12%	25	2%
Pacific Islander	105	62%	45	26%	0	0%	20	12%
White	288,460	74%	55,750	14%	44,010	11%	3,125	1%
Other (including multiple races)	7,060	67%	1,470	14%	1,855	18%	195	2%
Hispanic	8,060	66%	2,290	19%	1,630	13%	210	2%

Data Source: 2016-2020 CHAS; Table 9

Discussion

According to 2016-2020 ACS, Montana’s racial composition is as follows (*race alone or in combination with one or more other races*):

Total population (all race): 1,061,705

- White: 970,545 (91.4%)
- Black or African American: 12,031 (1.1%)
- American Indian and Alaska Native: 87,563 (8.2%)
- Asian: 15,622 (1.5%)
- Native Hawaiian and Other Pacific Islander: 2,759 (0.3%)
- Some other race: 16,220 (1.5%)

Table 21 shows that of cost burdened households (spending between 30-50% of income on housing), 45 or 26% of Pacific Islander households have disproportionately greater need. However, this estimate from the 2016-2020 CHAS data has a high margin of error relative to the estimate itself. Therefore, the classification of this group as disproportionately greater need is not statistically reliable. No other racial or ethnic group meets the criteria for disproportionately greater need (a rate 10% greater than the rate of the jurisdiction as a whole).

According to 2016-2020 ACS in 2020, 16.0% of households in Montana experienced a housing cost burden paying between 30% and 50% of household income on housing, and 12.3% of households experienced a severe housing cost burden paying 50% or more of household income on housing). These figures differ slightly from CHAS 2016-2020 figures listed in **Table 21** (14.4% and 11.5% respectively) because the CHAS percentage includes households with no or negative income in the denominator, while the ACS percentage does not.

From 2016 to 2020, housing cost burden disproportionately affected households with lower incomes, as demonstrated in **Tables 9** and **10**.

NA-30 Disproportionately Greater Need: Discussion – 91.305

(b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that Income category as a whole?

There is some variability in the number of housing problems and level of cost burden experienced by each racial or ethnic group across income categories. However, it is clear that housing problems, and specifically cost burden, disproportionately affect households in the lower income brackets. The group with the greatest need based on the number of households with housing problems within the jurisdiction as a whole was consistently households at or below 30% AMI.

Another group that is noted in the tables above are Hispanic households between 30% and 80% AMI. This group has a higher share of housing problems than expected and therefore meets the criteria for disproportionately greater need. While other racial groups met this criterion, none are statistically valid due to small sample sizes and relatively high margins of error.

Beyond housing problems and housing cost burdens, certain racial and ethnic groups have greater needs relative to others based on their geographic location. Racially or ethnically concentrated areas of poverty or “R/ECAPs” are areas that have relatively high levels of poverty and proportionally greater numbers of racial and ethnic minorities. These areas, which are often rural or even designated “frontier,” and which are primarily found on or near American Indian reservations, are not well resourced in comparison to non-R/ECAPs. To be considered a R/ECAP, a community must meet the following criteria: (1) at least 40% of the population lives in poverty and (2) at least 50% of the population is a racial or ethnic minority (i.e., non-White).

Montana’s Equity Plan shows that 90.53% of American Indians in Montana are living in R/ECAPs. This is disproportionate when compared with other racial and ethnic

minorities (e.g., 4.82% of the White population, 3.13% of the Hispanic population, and 0.10% of both the Black and Asian populations).

If they have needs not identified above, what are those needs?

Households with low incomes need greater economic and employment opportunities; better access to resources; and safer, more stable, affordable housing options.

Households living in R/ECAPs have similar needs to households with low incomes, and, indeed, these classifications are not mutually exclusive.

Of note, the majority (53.13%) of households living in R/ECAPs are families with children. This means that many of Montana’s high-need households require basic family supports spanning childcare and food assistance to mental health care and medical care. Expenses associated with raising and caring for children are significant and are one of the reasons that vulnerable families fall into poverty to begin with. Furthermore, needs may span multiple generations as exiting poverty is very difficult since insufficient social, economic, and educational investments early in life often has a lasting effect on individuals later in life.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

The largest non-White group in Montana is American Indian/Alaskan Native. This ethnic group is largely located on seven Indian reservations, but the population is disbursed throughout all areas of the state and has a significant presence in select urban centers (e.g., Billings, Great Falls). While needs vary across income categories and geographic locations for this group, data show that American Indians/Alaska Natives in the 30% AMI and below income group and those with zero or negative income (instances when a household’s income streams operate at a loss for the past twelve months) are the most in need.

As discussed previously, American Indians disproportionately occupy racially or ethnically concentrated areas of poverty or R/ECAPs. More information about specific R/ECAP designations and delineations is available in Montana’s Equity Plan.

NA-35 Public Housing – (Optional)

Introduction

The Rental Assistance Bureau within Commerce serves as Montana’s statewide Public Housing Authority (PHA). In Montana, PHAs are established under state law at the local level to support housing needs of the local community. The Montana statewide PHA does not own or operate any public housing units but does administer the following programs: Housing Choice Vouchers , Veterans Affairs Supportive Housing, Project-Based Veterans Affairs Supportive Housing, Section 811 Supportive Housing for Persons with Disabilities, Moderate Rehabilitation; Mainstream Vouchers, and Emergency Housing Vouchers. Commerce also administers the Project-Based Section 8 Program as the Project Based Contract Administrator for the state of Montana.

Securing a rental unit at or below the PHA voucher payment standard, based on HUD-published Fair Market Rents (FMRs), is a significant challenge for tenant-based voucher holders (HCV, HUD-VASH, Mainstream, EHV), particularly in high-cost areas such as Bozeman, Kalispell, Whitefish, and Missoula. Payment standards are typically set at 110% of the HUD-published Fair Market Rent, which is based on HUD-prescribed methodology for rents paid by recent movers in standard quality units at the 40th percentile. The accuracy and availability of statistically sound data for FMR calculations is a significant issue in Montana, particularly in rural and frontier areas with limited rental housing stock.

Since 2021, HUD has provided opportunities for PHAs administering the Housing Choice Voucher program to request and adopt statutory waivers increasing the multiplier to set payment standards from 110% to 120% of FMR. Commerce has been approved for these waivers and increased its payment standards to 120% of FMR. Even with the increased payment standards for voucher holders, Commerce has seen a decline in voucher utilization while simultaneously experiencing an increase in the per unit housing assistance payment cost per voucher. Additionally, market rents for non-subsidized rental housing have greatly outpaced the increased to payment standards.

For example, Rent Reasonable Valuation reports accessible to Commerce's Rental Assistance Bureau extracted from its AffordableHousing.com system for Lewis and Clark County in July 2024 found adjusted reasonable rents ranging from \$1,832 to \$2,147 per month, with the estimated monthly market rent in the county to be \$2,147. By comparison, the FY2024 Fair Market Rent in the county was \$1,057 for a two-bedroom, and voucher payment standard at 120% of FMR for a two-bedroom at \$1,347.

The Montana Department of Commerce, in collaboration with the Department of Public Health and Human Services and its Behavioral Health System for Future Generations Commission established under state House Bill 872 in the 2023 Legislative Session, was approved for a \$1,000,000 allocation to secure a qualified vendor to conduct a Fair Market Rent Survey. . The survey results will be used to request an update to Fair Market Rents for the state of Montana from the U.S. Department of Housing and Urban Development, based on a more accurate reflection of current local market conditions. Commerce will use survey results to seek more appropriate rental subsidies for lower-income households, particularly persons experiencing a disability and elderly households on fixed incomes. The survey results could potentially adjust the maximum rent amount (payment standard) that can be paid to landlords on behalf of households served in federal rental assistance programs, based on the latest housing market data in Montana. These surveys will be mailed to renters in nonsubsidized rental units throughout the state in November 2024. Data will be compiled and submitted to HUD in January 2025.

Additionally, many of Montana's Project-Based Section 8 and Moderate Rehabilitation units are reaching the end of their periods of affordability and are at-risk of market-rate conversion. With vacancy rates extremely low in many Montana communities, losing any subsidized housing units would be detrimental.

Tables 22-25 present data on public housing units and public housing residents. Data in these tables have been pulled from Commerce's Housing Choice Voucher program software, HousingPro. All data was pulled via a point-in-time report conducted May 10,

2024. The data from the eCon Planning Suite was not utilized in reporting for the 2025-2029 Consolidated Plan as it has not been updated in several years.

Commerce does not track the number of families requesting accessibility features because its statewide Public Housing Authority does not own or operate rental units and, therefore, cannot accommodate these requests. Commerce reviews requests for reasonable accommodations from rental assistance program participants on a case-by-case basis, which may result in providing additional bedrooms or an increased payment standard for households experiencing a disability to satisfy their accessibility needs.

Current Housing Choice Voucher programs do not track the number of HIV/AIDS program participants as it is not a requirement for any of the special population programs Commerce's Rental Assistance Bureau administers. The EHV program participants must be referred to Commerce through the Montana Continuum of Care and meet one of the four EHV priorities as established by HUD under the parameters of the American Rescue Plan Act which authorized the EHV program. One the four priorities is to be fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking. To protect the privacy of program participants and applicants that utilize Violence Against Women Act protections, Commerce does not track the number of victims of domestic violence served in its rental assistance programs. Internal controls have been established to review and verify documentation for those applicants and assisted families who claim VAWA protections, but it is not noted in Commerce's HousingPro system. All associated documentation is saved outside of the applicant or assisted family's file, in a secure, locked location.

Totals in Use

Table 22 – Public Housing by Program Type

Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers				
			Total	Project-based	Tenant-based	Special Purpose Voucher		
						Veterans Affairs Supportive Housing*	Family Unification Program	Disabled**
# of units vouchers in use		161			3,220	274		113

Data Source: Commerce (HousingPro 5/10/2024).

*Includes PB-VASH.

**Includes Non-Elderly Disabled, Mainstream, and EHV.

Characteristics of Residents

Table 23 – Characteristics of Public Housing Residents by Program Type

Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing*	Family Unification Program	Disabled**
# Homeless at admission		78				302	180		53
# of Elderly Program Participants (>62)		36				1,286	134		24
# of Disabled Families		60				1,825	178		70


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Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing*	Family Unification Program	Disabled**
# of Families requesting accessibility features									
# of HIV/AIDS program participants									
# of DV victims									

Data Source: Commerce (HousingPro 5/10/2024).

*Includes PB-VASH.

**Includes Non-Elderly Disabled, Mainstream, and EHV.

Race of Residents
Table 24 – Race of Public Housing Residents by Program Type

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing*	Family Unification Program	Disabled**
White		131				2,765	249		102
Black/ African American		10				109	9		10
Asian		1				25	1		3
American Indian/ Alaska Native		37				583	23		17
Pacific Islander		0				27	2		1
Other		0				0	0		0

Data Source: Commerce (HousingPro 5/10/2024).

*Includes PB-VASH.

**Includes Non-Elderly Disabled, Mainstream, and EHV.

Ethnicity of Residents
Table 25 – Ethnicity of Public Housing Residents by Program Type

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing*	Family Unification Program	Disabled**
Hispanic		17				203	10		15
Not Hispanic		149				3,092	265		104

Data Source: Commerce (HousingPro 5/10/2024).

*Includes PB-VASH. **Includes Non-Elderly Disabled, Mainstream, and EHV.

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

According to the *Desk Guide for Using IDIS to Prepare the Consolidated Plan, Annual Action Plan, and CAPER/PER*, version March 2015, state grantees are not required to complete this section.

What are the number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance? Based on the information above, and any other information available to the jurisdiction, what are the most immediate needs of residents of public housing and Housing Choice voucher holders?

According to the Desk Guide for Using IDIS to Prepare the Consolidated Plan, Annual Action Plan, and CAPER/PER, version March 2015, state grantees are not required to complete this section.

Nevertheless, **Table NA-35** provides the number and percentage of families on the waiting list for Montana’s HCV program. At the time of Commerce’s snapshot, 872 families with children, 609 elderly families, and 1,077 families with disabilities were on the waiting list. The remaining applications for families and individuals on the waiting list did not fit within one of these defined categories.

Table NA-35 – HCV Waiting List

Applicants on Waiting List	Families with Children		Elderly Families		Families with Disabilities	
	Number	Percent	Number	Percent	Number	Percent
2,789	872	31.27%	609	21.84%	1,077	38.62%

Data Source: Commerce (HousingPro 05/10/2024).

*Includes PB-VASH.

**Includes Non-Elderly Disabled, Mainstream, and EHV.

How do these needs compare to the housing needs of the population at large

According to the *Desk Guide for Using IDIS to Prepare the Consolidated Plan, Annual Action Plan, and CAPER/PER*, version March 2015, state grantees are not required to complete this section.

Discussion:

According to the *Desk Guide for Using IDIS to Prepare the Consolidated Plan, Annual Action Plan, and CAPER/PER*, version March 2015, state grantees are not required to complete this section.

NA-40 Homeless Needs Assessment – 91.305(c)

Introduction:

HUD defines homelessness as an individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- Has a primary nighttime residence that is a public or private place not meant for human habitation; or
- Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); or
- Is exiting an institution where (s)he has resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.⁵

The face of homelessness in Montana varies across the state. With over 2,100 people counted in the 2023 Point-in-Time or “PIT” survey, the number of people experiencing homelessness that were counted in the annual snapshot has increased by 23% since the last planning period. While Point-in-Time counts cannot capture the complete

⁵ <https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-esg-homeless-eligibility/four-categories/category-1/>

homeless population, it does give insight into the trends of the number of people experiencing homelessness in the state. Overall, Montana has seen an increase in the number of people experiencing homelessness since 2018, with an additional 700 people counted in 2023 versus 2018. In fact, 2023 showed the highest number of people experiencing homelessness in the state during the Point-in-Time count since the survey began in 2005. While some of this increase may be due to changes in count strategies and methodologies, it points to a growing level of need for supportive and housing services for people experiencing and at risk of homelessness in Montana. This is especially true when comparing statewide trends with national trends that demonstrate Montana’s increases have far outpaced⁶ increases nationwide over the most recent five years.

Table NA-30.1 examines the number of Montanans experiencing homelessness beginning in 2018 and through 2023.

Table NA-30.1: Number of People Experiencing Homelessness

	2018	2019	2020	2021	2022	2023
Sheltered	1,032	1,012	1,085	1,168	1,292	1,683
Unsheltered	373	345	460	633	293	495
Total	1,405	1,357	1,545	1,801	1,585	2,178

Data Source: 2018, 2019, 2020, 2021, 2022, 2023 HUD COC PIT

The Montana Continuum of Care Coalition leads the Statewide Continuum of Care (CoC), which coordinates housing and other services for Montanans experiencing or at risk of homelessness. The Montana Department of Public Health & Human Services administers the ESG Program for the State of Montana. ESG is at the forefront of Montana’s street outreach, emergency shelter, homelessness prevention, and rapid re-housing efforts.

⁶ https://montanabudget.org/report/rental_affordability_2024

The data presented in **Table 26** assesses the level of need for subsegments of Montana’s homeless population based on the 2023 Point-in-Time count for the Statewide CoC. Because the Point-in-Time survey counts the number of persons experiencing homelessness on a given night, Table 26 does not deal with annual homelessness statistics. Furthermore, because the survey does not distinguish between homelessness and rural homelessness, data are not provided for Table 27.

Additional data available show that in 2023 Montana homeless service providers served 9,279 individuals, representing 8,196 adults and 848 children. This is an increase from 2022, during which 8,179 clients were served, and 2021 when 7,816 clients were served.

Table 26 –Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	456	38	-	-	-	-
Persons in Households with Only Children	1	0	-	-	-	-
Persons in Households with Only Adults	1,225	458	-	-	-	-
Chronically Homeless Individuals	362	178	-	-	-	-
Chronically Homeless Families	18	0	-	-	-	-
Veterans	144	63	-	-	-	-
Unaccompanied Child	1	0	-	-	-	-

Table 26 –Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons with HIV	0	0	-	-	-	-

Indicate if the homeless population is: Partially Rural Homeless

Data Source: 2023 HUD COC PIT

Table 27 – Rural Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	-	-	-	-	-	-
Persons in Households with Only Children	-	-	-	-	-	-
Persons in Households with Only Adults	-	-	-	-	-	-
Chronically Homeless Individuals	-	-	-	-	-	-
Chronically Homeless Families	-	-	-	-	-	-
Veterans	-	-	-	-	-	-
Unaccompanied Youth	-	-	-	-	-	-
Persons with HIV	-	-	-	-	-	-

Data Source: N/A

For persons in rural areas who are homeless or at risk of homelessness, describe the nature and extent of unsheltered and sheltered homelessness within the jurisdiction:

Homelessness in Montana has many faces: mothers fleeing domestic violence with their children, veterans sleeping in tents or on sidewalks in need of shelter and supportive services, young students couch surfing or sleeping in vehicles, and transient families without work and with few resources. In rural areas, homelessness is not noticeable in the ways it is in urban areas. Many households experiencing homelessness in rural Montana are doubled up with family or friends, are able to obtain assistance from faith-based community organizations for days at a time, or camp outdoors. Yet, they lack a “fixed, regular and adequate nighttime residence.” With limited economic opportunities and few resources for navigating factors that contribute to or put households at risk of homelessness (e.g., job loss, substance use, mental illness), many of Montana’s poor, rural households have to make the difficult decision to stay and face uncertainty or leave and abandon their communities and social networks.

If data is not available for the categories “number of persons becoming and exiting homelessness each year,” and “number of days that persons experience homelessness,” describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

Data necessary to assess the number of Montanans becoming and exiting homelessness each year and the number of days that Montanans experience homelessness are not currently available, and it is not feasible to infer an assessment based on existing data. However, in 2023 Montana saw 558 people who experienced chronic homelessness, including 18 who were in families with children. This is an increase from 381 people experiencing chronic homelessness during the 2022 count and 223 people experiencing chronic homelessness in 2020. There were 207 veterans experiencing homelessness in 2023 versus 172 in 2022. While 22.7% of people counted in 2023 were a part of a household with children, this was a decrease from

26.7% in 2022. The number of unaccompanied children has remained between zero and one in the last couple of years. Of all the people served by homeless providers in 2023, an estimated 20% were considered to be chronically homeless. The average length of time homeless “bed nights” increased from 93 in 2022 to 160 in 2023.

Out of the 4,761 clients of homeless service providers exiting housing in 2023, 1,225 were exiting into permanent supportive housing situations, 268 were exiting into temporary housing situations, 141 were exiting into institutional situations, and 314 were exiting into homelessness.

As mentioned above and shown in **Table NA-30.2**, in 2023, there were 207 homeless veterans. Of these, 144 were sheltered at the time of the count and 63 were unsheltered. Per the Point-in-Time survey, veteran homelessness essentially did not change from 2019 to 2023 but increased by an estimated 20% from 2022 to 2023, with the unsheltered category accounting for the majority of the increase. **Figure NA-30.1** further shows that veteran homelessness in Montana actually declined briefly in 2020 and 2021, and that the state had a rate of veteran homelessness lower than the nation’s prior to 2021 but since has been trending towards mirroring national counts.

Table NA-30.2 - Veteran Homelessness

Year	Sheltered	Unsheltered	Total
2023	144	63	207
2022	142	30	172
2021	110	—*	110
2020	104	61	165
2019	136	69	205

* Data not collected due to the potential risk of COVID-19 transmission.

Data Source: 2019, 2022, and 2023 HUD COC PIT

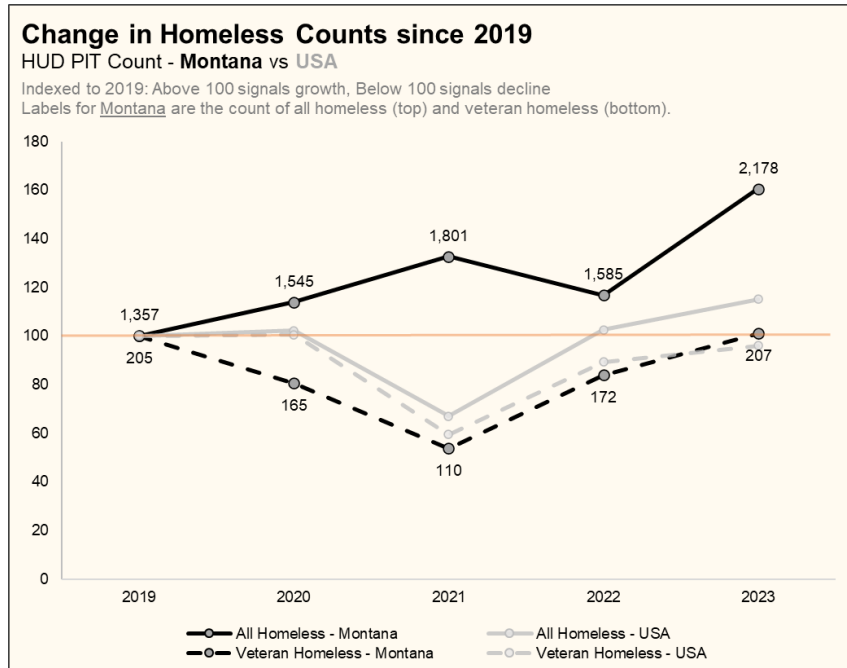


Figure NA-30.1 - Change in Homeless Counts Overall and for Veterans

Nature and Extent of Homelessness: (Optional)

Table 28 - Nature and Extent of Homelessness

Race	Sheltered	Unsheltered	Total
White	1,142	338	1480
Black or African American	51	12	63
Asian	9	1	10
American Indian or Alaska Native	356	105	461
Pacific Islander	12	6	18
Ethnicity:	Sheltered	Unsheltered	Total
Hispanic	169	34	203
Not Hispanic	1,513	452	1965

Data Source: 2023 HUD COC PIT

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

As mentioned above, 22.7% of the total number of people counted in 2023 were in households with children, which was a decline from the previous year. Of these, 38 people were unsheltered and 456 were sheltered. In addition to the households with children currently experiencing homelessness, there are many households at risk of homelessness due to lack of access to affordable housing, unstable economic situations, and other social and economic needs that are not being met.

In 2023, there were 144 veterans that were sheltered at the time of the count and 63 that were unsheltered for a total of 207 homeless veterans. In the total population of 4,761 Montanans served by homeless providers in 2023, 884 were veterans.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

The largest racial or ethnic group represented in the Point in Time count is White persons, representing 68.3% of the counted homeless population. American Indian or Alaskan Native persons represent the next largest group, at 21.3%, followed by Black or African American persons at 2.9%. In terms of ethnicity, 9.4% of persons counted were considered to be Hispanic or Latino. While the White population represents a proportionately smaller rate of the homeless population than of the population in Montana overall, the American Indian or Alaskan Native homeless population is significantly higher than the percentage they represent in the overall Montana population. As discussed in other parts of this study, American Indian or Alaskan Native households also tend to have lower incomes and higher levels of poverty, resulting in higher likelihoods of experiencing homelessness.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

While sheltered homeless persons are traditionally easier to count, the number of unsheltered homeless persons may be undercounted due to the difficulty of identifying unhoused individuals and the reluctance of some households to be counted because of the stigma that many experience as a result of homelessness. However, in the 2023

Point-in-Time count, there were 496 unsheltered individuals counted, representing 22.7% of all persons counted. Of these, 178 were considered to be chronically homeless. Male persons experiencing homelessness accounted for 57.8% of those counted in the 2023 Point-in-Time count, 24.3% of which were unsheltered. Female persons experiencing homelessness were sheltered at a slightly higher rate, with 20.8% counted as unsheltered in 2023.

Discussion:

Addressing homelessness continues to be a high need within Montana, with Point-in-Time numbers on the rise. Additional information regarding the needs of households experiencing homelessness and service providers will be added to this section pending survey results and public input opportunities.

NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d)

Introduction

The U.S. Department of Housing and Urban Development (HUD) defines special needs populations as including the elderly, persons with physical, mental or behavioral disabilities, survivors of domestic violence, persons living with HIV/AIDS, and persons experiencing substance use disorders. These populations have been identified by HUD as in need of additional supports through housing and services. This section describes the demographics of these groups in the State of Montana, their needs, and currently available services. The evaluation of these needs is integrated into the overall priorities as established in this Consolidated Plan.

HOPWA

Because the State of Montana's HOPWA funds are provided via competitive award and not through a formula grant, a discussion of HOPWA is not included herein, and HOPWA data are not provided in Tables 28 and 29. For information about the State's

HOPWA program, funded via competitive award, please see Montana’s HOPWA Annual Progress Report⁷ on Commerce’s website.

Table 28 – HOPWA Data

Current HOPWA formula use:	
Cumulative cases of AIDS reported	N/A
Area incidence of AIDS	N/A
Number of new cases prior year (3 years of data)	N/A
Rate per population	N/A
Rate per population (3 years of data)	N/A
Current HIV surveillance data:	
Number of Persons living with HIC (PLWH)	N/A
Area Prevalence (PLWH per population)	N/A
Number of new HIV cases reported last year	N/A

Data Source: CDC HIV Surveillance

HIV Housing Need (HOPWA Grantees Only)

Table 29 – HIV Housing Need

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant based rental assistance	N/A
Short-term Rent, Mortgage, and Utility	N/A
Facility Based Housing (Permanent, short-term or transitional)	N/A

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

⁷ <https://commerce.mt.gov/Infrastructure-Planning/Resources/Consolidated-Plan/Documents>

Describe the characteristics of special needs populations in your community:

Elderly and Frail Elderly Persons

HUD defines “elderly” as persons aged 62 or older. While HUD’s definition of elderly is 62 and older, some datasets only allow for breakdowns by age for those 60 and older or 65 and older. When those instances occur, they will be noted in this and following sections. According to the 2022 American Community Survey (ACS) Five-Year estimates, there were 258,224 people over the age of 62 living in Montana, as seen in **Table NA-45.1**. This accounted for 23.7% of the population. The largest age group within the elderly population was those aged 65 to 69 years old accounting for 6.6% of the total population in 2022. The elderly population experienced a 40.9% increase over the past decade, accounting for 18.5% of the population in 2012. The 70- to 74-year-old age group saw the largest growth during this time-period, with an increase from 3.5% to 5.2% of the population overall.

Table NA-45.1: Elderly Population

State of Montana	2022		2012	
Age	Number	Percentage	Percentage	% Change 2012-22
62 to 65 years	32,061	2.9%	3.4%	-4.8%
65 to 69 years	72,311	6.6%	4.8%	52.0%
70 to 74 years	57,232	5.2%	3.5%	65.0%
75 to 79 years	38,389	3.5%	2.7%	43.5%
80 to 84 years	22,441	2.1%	2.1%	7.9%
85 years and over	21,128	1.9%	2.0%	6.6%
Total Population over Age 62	258,224	23.7%	18.5%	40.9%
Total Population	1,091,840		990,785	

Data Source: 2022 Five-Year ACS

As discussed further below, the elderly population had higher rates of disabilities than other age groups. In addition, according to the 2020 Census, approximately 7.8% of female seniors over the age of 65 and 5.2% of male seniors over the age of 65 live alone. An estimated 9.8% of households with members over the age of 65 were living in poverty in 2022 compared to 12.4% of adults ages 18 to 64 and 14.7% for children under the age of 18, according to the 2022 Five-Year ACS estimates. Approximately 19.5% of Montana residents over the age of 65 are participating in the labor force. An estimated 23% of senior homeowners (those over age 65) and 47% of senior renters in Montana are paying more than 30% of their household income on their housing costs.

People with Disabilities

Federal nondiscrimination laws define a person with a disability as any (1) individual with a physical or mental impairment that substantially limits one or more major life activities, such as caring for oneself or the ability to work; (2) individual with a record of such impairment; or (3) individual who is regarded as having such an impairment.⁸ The ACS divides disability types into six categories, and includes: hearing difficulties, vision difficulty, cognitive difficulties, ambulatory difficulties, self-care difficulties, and independent living difficulties.

There are an estimated 159,544 people, or 14.1%, living in Montana with at least one form of disability, as seen in **Table NA-45.2**. The most common types of disability are cognitive disabilities and ambulatory disabilities, which each account for 5.8% of the population. This is followed by 5.2% of the population with a hearing disability, and 4.7% of the population with an independent living disability.

Table NA-45.2: Population with a Disability

State of Montana	2022	
Type of Disability	Number	Percentage
With a hearing difficulty	57,559	5.2%
With a vision difficulty	25,711	2.3%

⁸ https://www.hud.gov/program_offices/fair_housing_equal_opp/disability_overview


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With a cognitive difficulty	63,898	5.8%
With an ambulatory difficulty	64,400	5.8%
With a self-care difficulty	22,497	2.0%
With an independent living difficulty	51,516	4.7%
Total Population with a disability	159,544	14.4%
Total Population	1,104,997	

Data Source: 2022 One-Year ACS Supplemental Estimates

As evidenced in **Table NA-45.3**, disability status also varied widely by age, with older Montana residents facing higher levels of disabilities than their younger counterparts. For those aged 65 and older, an estimated 16.9% have one form of disability and 16.0% have two or more types of disabilities, totaling an estimated 32.9% of the elderly population experiencing at least one form of disability. Working-age adults experience disabilities at a rate of 11.5%, and children experience disabilities at a rate of 4.5%.

Table NA-45.3: Population with a Disability by Age

State of Montana	2022	
Type of Disability	Number	Percentage
Under 18 years:	230,525	
With one type of disability	7,898	3.4%
With two or more types of disability	2,490	1.1%
18 to 64 years:	638,644	
With one type of disability	42,079	6.6%
With two or more types of disability	31,216	4.9%
65 years and over:	206,040	
With one type of disability	34,853	16.9%
With two or more types of disability	32,916	16.0%

Total Population with a disability	151,452	14.1%
Total Population	1,075,209	

Data Source: 2022 Five-Year ACS

Aging and Disabled Veterans

The aging Veteran population is increasing rapidly, including Veterans served in the Housing and Urban Development-Veterans Affairs Supportive Housing (HUD-VASH) program.

In Montana, 60.14% of the participants in the HUD-VASH program are aged 60 or older. Adults experiencing homelessness have an increased risk of premature geriatric syndromes. Studies have shown that homeless individuals aged 50 and above experience geriatric conditions at rates that are equivalent to those in the general population who are 20 years older.

The National HUD-VASH program has identified a need for alternative housing accommodations and resource enhancements to meet this need, both currently and in preparation for the future.

According to the Enrollee Health Care Projection Model, almost half of Veterans enrolled with the Veterans Health Administration (VHA) are aged 65 years or older. While VHA enrollment numbers as a total will likely remain stable between fiscal year (FY) 2020 and FY 2035, the subgroup of Veterans aged 85 and older is expected to increase by 66%.

The needs of older Veterans are also changing. Nationally, it is expected that Americans with three or more health challenges will double for populations between 65 and 75 years of age; by the age of 75, most Americans have three or more chronic medical conditions. Furthermore, studies have suggested that prolonged exposure to economically adverse conditions such as extreme poverty and homelessness age individuals faster.

People with Alcohol or Other Substance Use Disorders

HUD defines chronic substance abuse as alcohol abuse, illicit drug abuse, or both that is expected to be of long-continued and indefinite duration and that substantially impairs the person's ability to live independently.⁹

The Montana Department of Public Health and Human Services (DPHHS) found that an estimated 79,000 Montanans have a substance use disorder.¹⁰ This includes an estimated 64,000 residents experiencing an alcohol use disorder. The Montana Substance Use Disorder Task Force found that Opioid use was the largest cause of drug overdose in Montana, although it has fallen in recent years. The Substance Abuse and Mental Health Services Administration (SAMHA) found that during 2017-2019, 3.5% of Montana residents participated in illicit drug use, which is similar to the regional and national averages.¹¹ SAMHA also found that 7.9% of Montana residents over the age of 12 experienced an alcohol use disorder, which is lower than the decade prior, at 10.6%, and higher than the national average of 5.3%. An estimated 10.1% of Montana residents in 2017-2019 experienced a substance use disorder, higher than the national average of 7.4%, and an increase from 9.0% in the two years prior.

Persons with HIV/AIDS

Studies show that housing assistance enables persons living with HIV/AIDS to achieve housing stability, improve health outcomes, and reduce overall public costs. Stable housing allows persons living with HIV/AIDS to access comprehensive healthcare and adhere to HIV treatment, and persons living with HIV/AIDS have been a target

⁹

<https://www.ncbi.nlm.nih.gov/books/NBK174667/table/section5.t22/#:~:text=HUD%20defines%20chronic%20substance%20abuse,person's%20ability%20to%20live%20independently.>

¹⁰ chrome-

extension://efaidnbmnnnibpcajpcglclefindmkaj/https://dphhs.mt.gov/assets/publichealth/EMSTS/opioids/MontanaSubstanceUseDisordersTaskForceStrategicPlan.pdf

¹¹ chrome-

extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.samhsa.gov/data/sites/default/files/reports/rpt32843/Montana-BH-Barometer_Volume6.pdf

population for HUD funding to help ensure this vulnerable population is receiving the supportive care necessary with the help of housing options.

According to DPHHS, at the end of 2022, a total of 1,860 cumulative cases of HIV infection have been reported to DPHHS since 1985. There were 817 people living with HIV/AIDS in the State of Montana in 2022. Most newly diagnosed patients from 2013 through 2022 were in Yellowstone, Missoula, Cascade, Gallatin, and Flathead Counties, with more than 70% of newly diagnosed people residing in those counties.

Survivors of Domestic Violence

HUD defines domestic violence as felony or misdemeanor crimes committed by a current or former spouse or intimate partner of the victim under the family or domestic violence laws of the jurisdiction receiving grant funding and, in the case of victim services, includes the use or attempted use of physical abuse or sexual abuse, or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior.¹²

The true number of people experiencing domestic violence and stalking is challenging to represent in statistical data due to under-reporting; however, the Montana Board of Crime Control reported 3,400 incidents of domestic violence in Montana in 2023. This included 3,152 incidents of assault comprising 112 sex offenses and four murders or non-negligent manslaughters. There were 4,392 incidents reported in 2022. The number of reports annually since 2015 are shown in **Table NA-45.4**, below.

¹² chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.hud.gov/sites/dfiles/Main/documents/VAWA_2022_Letter_PHAs.pdf

Table NA-45.4: Domestic Violence in Montana

State of Montana									
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023
Number of Incidents	3,794	3,864	4,000	3,869	3,931	4,513	4,765	4,392	3,400

Data Source: Montana Board of Crime Control

What are the housing and supportive service needs of these populations and how are these needs determined?

Elderly and Frail Elderly Persons

The State Unit on Aging, within the DPHHS, administers a wide variety of senior-based services for Montana residents who are aged 60 or older, as specified by the state agency programs and services are primarily delivered by a network of 10 Area Agencies on Aging, which reach all geographic areas of the state. Programs and services include¹³:

- Aging and Disability Resource Center
- Aging Population Maps
- Alzheimer’s Disease Resources
- Aging Horizons
- Area Agencies on Aging (AAA)
- Governor’s Advisory Council on Aging
- Governor’s Conference on Aging
- Legal Services Developer Program
- Lifespan Respite
- Long Term Care Ombudsman
- Long Term Care Insurance
- Montana Senior Medicare Patrol (SMP)

¹³ <https://dphhs.mt.gov/sltc/aging/>

- Nutrition
- State Health Insurance Assistance Program (SHIP)

According to the *Montana State Plan on Aging* for 2023-2027, Montana is expected to experience an 8.4% growth in the elderly population by 2030.¹⁴ This report found that the top-rated needs for seniors in Montana include housing, information and assistance, employment, transportation, and caregiving. The report outlined the following goals for seniors in Montana:

- Goal One: Promote innovation and quality in the delivery of core Older Americans Act programs to meet the unique and diverse needs of older Montanans and their family caregivers.
- Goal Two: Work with AAAs and senior centers across the state to ensure quality emergency preparedness plans are established.
- Goal Three: Ensure services are provided to vulnerable older individuals with the greatest economic and social need by improving quality and equity in service delivery.
- Goal Four: Provide person-centered home and community-based services that are meaningful to older individuals and their family caregivers.
- Goal Five: Strengthen services and supports for family caregivers.

The report found that “affordable housing options are scarce throughout the state” for seniors, and only 10% of respondents to the survey conducted to inform the report gave a positive score to the availability of affordable, quality housing in their community. In addition, about 44% of older residents reported experiencing housing needs.¹⁵ A total of 5,940 surveys were completed and returned, resulting in an overall response rate of 16.82%. In addition to the random sample, an open participation survey was conducted online, generating an additional 850 responses, for an overall total of 6,790 completed

¹⁴ <https://dphhs.mt.gov/assets/sltc/AgingReports/MontanaStatePlanonAging.pdf>

¹⁵ <https://dphhs.mt.gov/assets/sltc/AgingReports/MontanaStatePlanonAging.pdf>

surveys. CASOA™ targeted a random sample of residents in 37,386 Montanan households age 55 or older. Survey respondents represented older residents in each of Montana's 10 planning and service areas. Twenty-three percent (23%) of respondents were aged 50-59; 24% of the respondents were aged 60-64; 32% were aged 65-74; and 21% 20 were aged 75 or older. Fifty-two percent (52%) of respondents were female, and 94% were non-Hispanic white. About 62% had lived in the community for more than 20 years. Twenty-one percent (21%) had household incomes less than \$25,000 per year.

As seen in the previous section, the elderly population in Montana is growing, resulting in more need for housing options for elderly households. As a higher proportion of elderly households experience disabilities, the need for accessible housing is also higher for elderly households than for other populations overall.

Persons with Disabilities

The Developmental Disabilities Program (DDP), under the DPHHS, provides services across the lifespan for individuals who have developmental disabilities and their families in conjunction with nonprofit service providers¹⁶. The program includes adult mental health services, applied behavior analysis services, autism information, and children's mental health services. The DDP is free of charge and offered through various providers in communities across the state.

According to the Montana disability protection and advocacy agency, Disability Rights Montana (DRM), the primary goals to promote equity for households with disabilities in Montana are prevention of abuse and neglect, benefits and employment, outreach and training, and policy.¹⁷ DRM also provides information to households with disabilities seeking housing support in Montana.

¹⁶ <https://www.dphhs.mt.gov/BHDD/DisabilityServices/developmentaldisabilities/index>

¹⁷ <https://disabilityrightsmt.org/wp-content/uploads/2022/11/FY-2023-Priorities-and-Objectives-Approved-9.30.2022.pdf>

The needs of people with disabilities vary with disability type and severity. Needs span accessible housing and housing supports to physical therapy, intensive medical care, social-emotional supports, vocational supports, and other independent-living services such as accessible transportation. Findings from the 2024 Montana Housing and Community Needs Survey and public input will provide additional information on the needs of households with disabilities in relation to this Consolidated Plan.

Aging and Disabled Veterans

Lack of inventory of affordable, accessible housing continues to pose challenges for Veterans experiencing homelessness. The VHA recognizes this and supports efforts to increase the inventory of safe, accessible, and affordable housing. The Montana VA Health Care System is also working toward increasing partnerships with Area Aging Networks, Administration for Community Living (ACL), and HUD, to expand aging-in-place opportunities for Veterans.

The Fort Harrison VA Homeless Program Manager and mobile clinical team find that Missoula and Helena have significant challenges for assisting HUD-VASH voucher holders with appropriate housing options.

One Case Manager said “In Helena, we have resorted to housing Veterans in the outlying areas of Lincoln, Basin, and Boulder mostly due to the lack of housing in Helena. The Veterans in these areas are 45 minutes to an hour away from the VA Hospital and resources. Some of these

Veterans do not have transportation and must rely on VA staff, VTS, or DAV for rides to get into town. Also, the outlying towns where VA staff have housed many Veterans are over at least one mountain pass, making it even harder in the winter”. The lack of available housing impacts the ability of Veterans in Montana to live where they choose.

This same case manager also said that at least half of the Veterans on her caseload are over 60 and about 75% of them have serious health conditions and are disabled through Social Security or have a Service-Connected Disability.

Another Case Manager shared that she has 8 Veterans who have not used their vouchers yet “due to lack of housing options, apartments not passing HUD inspections (mostly basement apartments with egress windows), or rent being over the voucher limit. Out of these 8 Veterans, she has requested voucher extensions for 4. This means that no housing has been found within 120 days. There are 5 other Veterans who are in the voucher process that will also need and will likely struggle to find, affordable, appropriate housing”.

While Tenant Based HUD-VASH vouchers are a valuable resource, there is increasing need for the aging Veteran population to have safe, site-based accessible housing options near needed services.

Many rural Veterans enrolled in VA's health care system are at an advanced age, with 54% being age 65 or older. This older Veteran population is medically complex and more likely to be diagnosed with diabetes, obesity, high blood pressure, and heart conditions that require more frequent, ongoing, and costly care.

Persons with Substance Use Disorders

The Montana Substance Use Disorder (SUD) Taskforce was established in 2016 under DPHHS.¹⁸ The task force partners with 250 organizations and agencies across the state. In their most recent strategic plan (2020-2023), the task force’s main goal was to reduce drug-related morbidity and mortality across all populations in Montana. This is set to be accomplished through partnerships, surveillance and monitoring, prevention, treatment and recovery, harm reduction, enforcement, and corrections. The plan includes key areas for action, including expanding access to safe, affordable recovery housing; supporting the local Coordinated Entry Systems for linkage to housing resources; and developing Housing First programs to house individuals with SUD.

¹⁸

<https://dphhs.mt.gov/assets/publichealth/EMSTS/opioids/MontanaSubstanceUseDisordersTaskForceStrategicPlan.pdf>

The Healing and Ending Addiction through Recovery and Treatment (HEART) Initiative is expanding the range of behavioral health services available to Montanans to meet some of those needs. With the federal match, the Initiative invests up to \$25 million a year in programs to provide a full continuum of behavioral health and treatment programs for Montana communities.

A cornerstone of the Initiative is the HEART 1115 waiver, which was fully approved by the Centers for Medicare and Medicaid Services (CMS) in 2024. This waiver allows the state to provide new Medicaid services, including evidence-based stimulant use disorder treatment, tenancy support services, reentry services, and substance use disorder (SUD) treatment in larger facilities. Tenancy support services will help Medicaid recipients with a diagnosed severe mental illness or a substance use disorder who are experiencing housing instability or homelessness to find and keep stable housing. Contingency management is the evidence based treatment for stimulant use disorder that allows individuals in treatment to earn small motivational incentives for meeting treatment goals. Justice-involved reentry services will provide targeted Medicaid services for eligible justice-involved populations 30-days prior to release to support their transition back to the community.

Payment for SUD treatment in larger facilities was approved in 2022 and began later that year. Tenancy support services and contingency management will become available in early 2025. Reentry services will be implemented in late 2025.

The needs of people with substance use disorders vary across the state. Needs include accessible housing, work programs, and accessible treatments and therapies. Findings from the 2024 Montana Housing and Community Needs Survey and public input will provide additional information on the needs of households with substance use disorders in relation to this Consolidated Plan.

In 2021, DPHHS submitted an application to the Centers for Medicare and Medicaid Services to expand available behavioral health treatment for Medicaid members for the Healing and Ending Addiction Through Recovery and Treatment (HEART). This waiver

seeks federal authority through an 1115 demonstration to pay for additional community based treatment services as well as expanded inpatient and residential treatment.

Persons with HIV/AIDS

A combination of private nonprofit providers and DPHHS provide HIV/AIDS services in Montana. As part of the effort to combat HIV in the state, DPHHS orchestrates the HIV Prevention Program. DPHHS coordinates with local service providers to provide an HIV continuum of care, which links newly diagnosed individuals with treatment and services across the state. These programs are in coordination with other programs. HIV service providers are listed in **Table NA-45.5**.

Table NA-45.5: HIV Service Providers

Name	Location
RiverStone Health	Billings
Planned Parenthood Billings Heights	Billings
Planned Parenthood Billings West	Billings
AIDS Outreach	Bozeman
Bridgercare	Bozeman
Butte-Silverbow City County Health Department	Butte
Valley County Public Health	Glasgow
Dawson County Family Planning	Glendive
Cascade County City County Health Department	Great Falls
Planned Parenthood Great Falls	Great Falls
Hill County Health Department	Harve
Lewis and Clark Public Health	Helena
Planned Parenthood Helena	Helena
Flathead City County Health Department	Kalispell

Central Montana Family Planning	Lewistown
Northwest Community Health Center	Libby
Open Aid Alliance	Missoula
FDH and Associates	Missoula
Partnership Health Center	Missoula
Lake County Family Planning	Polson

Data Source: DPHHS

The Montana Integrated HIV Prevention and Care Plan and the Statewide Coordinated Statement of Need found the needs for persons with HIV/AIDS in the state include housing and case management, including temporary and/or emergency housing and utility assistance.¹⁹ According to the report, evidence shows that housing assistance improves HIV health outcomes along each stage of the HIV care continuum. The plan identified the need to increase access to stable housing across the state.

Survivors of Domestic Violence

The Montana Coalition Against Domestic & Sexual Violence is a statewide coalition of individuals and organizations working together to end domestic and sexual violence through advocacy, public education, public policy, and program development. The Coalition is a group of individuals and organizations working together to discourage violence and oppression in order to end domestic and sexual violence in Montana.²⁰ The coalition does not provide services directly. However, a list of services provided by local providers is presented in **Table NA-45.6**, below.

Table NA-45.6: Domestic Violence Service Providers

Name	Location
YWCA Billings	Billings

¹⁹

<https://dphhs.mt.gov/assets/publichealth/HIVSTD/montana2017through2021preventionandcareplan.pdf>

²⁰ <https://www.mcadsv.com/about/>


COMMERCE

Chippewa-Cree Tribe Office of Victim Services	Box Elder
Gallatin County Victim Assistance Program	Bozeman
Haven	Bozeman
MSU Voice Center	Bozeman
Sexual Assault Counseling Center	Bozeman
Women's Resource Center	Dillon
NE MT Victim Services	Glasgow
Cascade County Attorney's Office	Great Falls
Victim-Witness Assistance Services	Great Falls
YWCA Great Falls	Great Falls
SAFE	Hamilton
District 4 HRDC Victim Services	Harve
Helena's City Attorney's Office	Helena
The Friendship Center	Helena
The Abbie Shelter	Kalispell
Libby Community Interagency Inc	Libby
Aspen	Livingston
Custer County's Victim Witness Assistance Program	Miles City
Custer Network Against Domestic Abuse	Miles City
Community Justice Department Crime Victim Advocate Division	Missoula
First Step Resource Center	Missoula
YWCA Missoula	Missoula
Carbon County Attorney's Office	Red Lodge
Domestic and Sexual Violence Services	Red Lodge
Safe Harbor	Ronan
Sanders County Coalition for Families, Inc.	Thompson Falls

Data Source: Montana Coalition Against Domestic Violence

The needs of survivors of domestic violence vary across the state. Needs include accessible, affordable and safe housing, employment services, counseling support, and other necessary services. Findings from the 2024 Montana Housing and Community Needs Survey and public input will provide additional information on the needs of households experiencing or fleeing from domestic violence in relation to this Consolidated Plan.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

According to DPHHS, in 2022, there were 22 newly diagnosed HIV cases reported in Montana, as well as four new HIV cases diagnosed with AIDS²¹. The majority of diagnoses in the past decade were male and accounted for 90% of cases in 2022. The most diagnosed age group for diagnosis between 2018 and 2022 were 25 to 34 years old, accounting for 38%. White, non-Hispanic individuals accounted for the most diagnosed racial group, accounting for 79% of new diagnoses between 2018 and 2022. Hispanic individuals of any race accounted for 9% of new diagnoses during this period, followed by American Indian (non-Hispanic) and Other race (non-Hispanic) at 5% each.

If the PJ will establish a preference for a HOME TBRA activity for persons with a specific category of disabilities (e.g., persons with HIV/AIDS or chronic mental illness), describe their unmet need for housing and services needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2) (ii))

Not applicable.

²¹ chrome-extension://efaidnbnmnnibpcajpcglclefindmkaj/https://dphhs.mt.gov/assets/publichealth/CDEpi/StatisticsandReports/HIVSnapshot2022.pdf

Discussion

The needs of non-homeless special needs groups across the state vary widely from the need for additional housing options to continued need for services. Most prominently as described in numerous sections above, the availability of stable and affordable housing is a top need for many of these groups that have difficulty accessing affordable housing options that meet their needs. This may include accessible housing for elderly and disabled households, as well as short-term housing options and housing stabilization for survivors of domestic violence, and people living with HIV/AIDS. In addition, the established networks of care across the state need continued support to provide the services to support these non-homeless special needs groups.

NA-50 Non-Housing Community Development Needs - 91.315 (f)

Describe the jurisdiction’s need for Public Facilities:

The 2024 Montana Housing and Community Needs Survey asked participants which community and public facility services and improvement are needed. 410 participants responded, rating youth and childcare centers as the highest need with 60% of respondents indicating it as a need. 46% of respondents saw the need for residential treatment centers, and 44% of respondents saw the need for community centers. (Table NA-50.1). Other priorities, based on survey responses, include parks and recreation areas, increased ADA access, and healthcare centers.

Table NA-50.1 – Need for Community and Public Facility Activities

What types of community facilities are needed in your community?	
Youth and childcare centers	248
Residential treatment centers	188
Community centers	182
Parks and recreation areas	114
Increased ADA access to public buildings	109
Healthcare centers	80
Senior centers	75
Other	34

Data Source: 2024 Montana Housing and Community Needs Survey

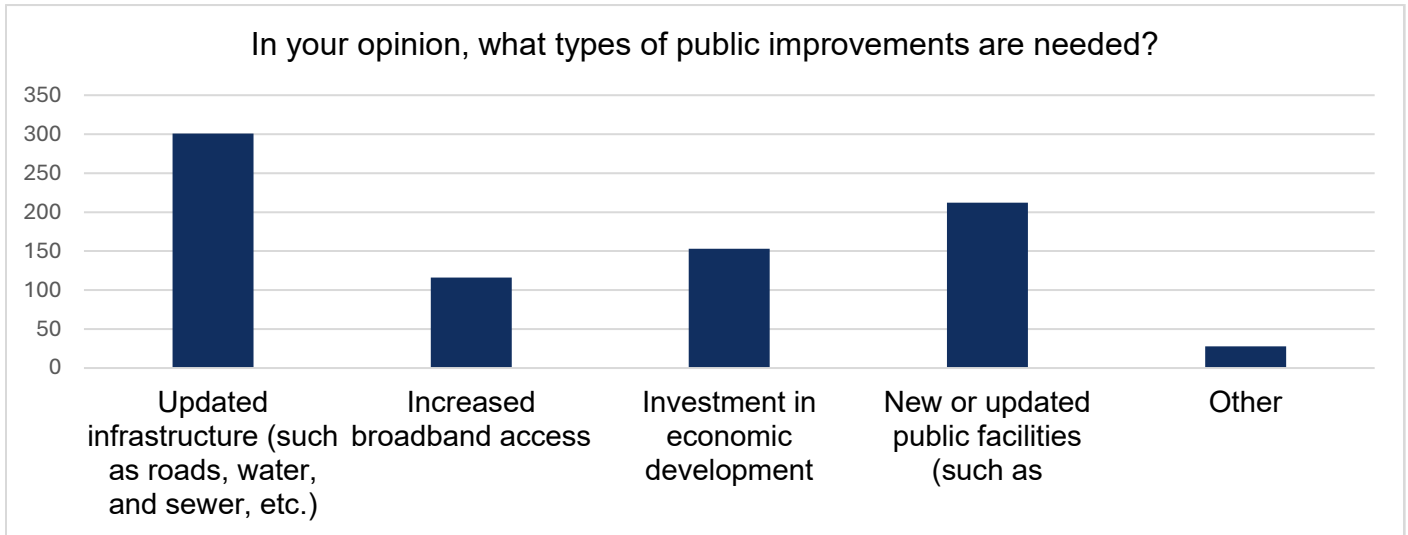
How were these needs determined?

These community development needs for the state were determined based on responses to the 2024 Montana Housing and Community Needs Survey and stakeholder input during focus group discussions.

Describe the jurisdiction’s need for Public Improvements:

The 2024 Housing and Community Development Needs Survey asked participants which public improvements are needed. Four hundred and ten participants responded, and, the majority of respondents found the need for updated infrastructure, with over 73% of respondents indicating it as a need. An estimated 52% of respondents saw the need for new or updated public facilities. Lower rates of respondents saw the need for increased broadband access or investment in economic development, at 28% and 37%, respectively. (Table NA-50.2).

Table NA-50.2 – Need for Infrastructure Activities



Data Source: 2024 Montana Housing and Community Needs Survey

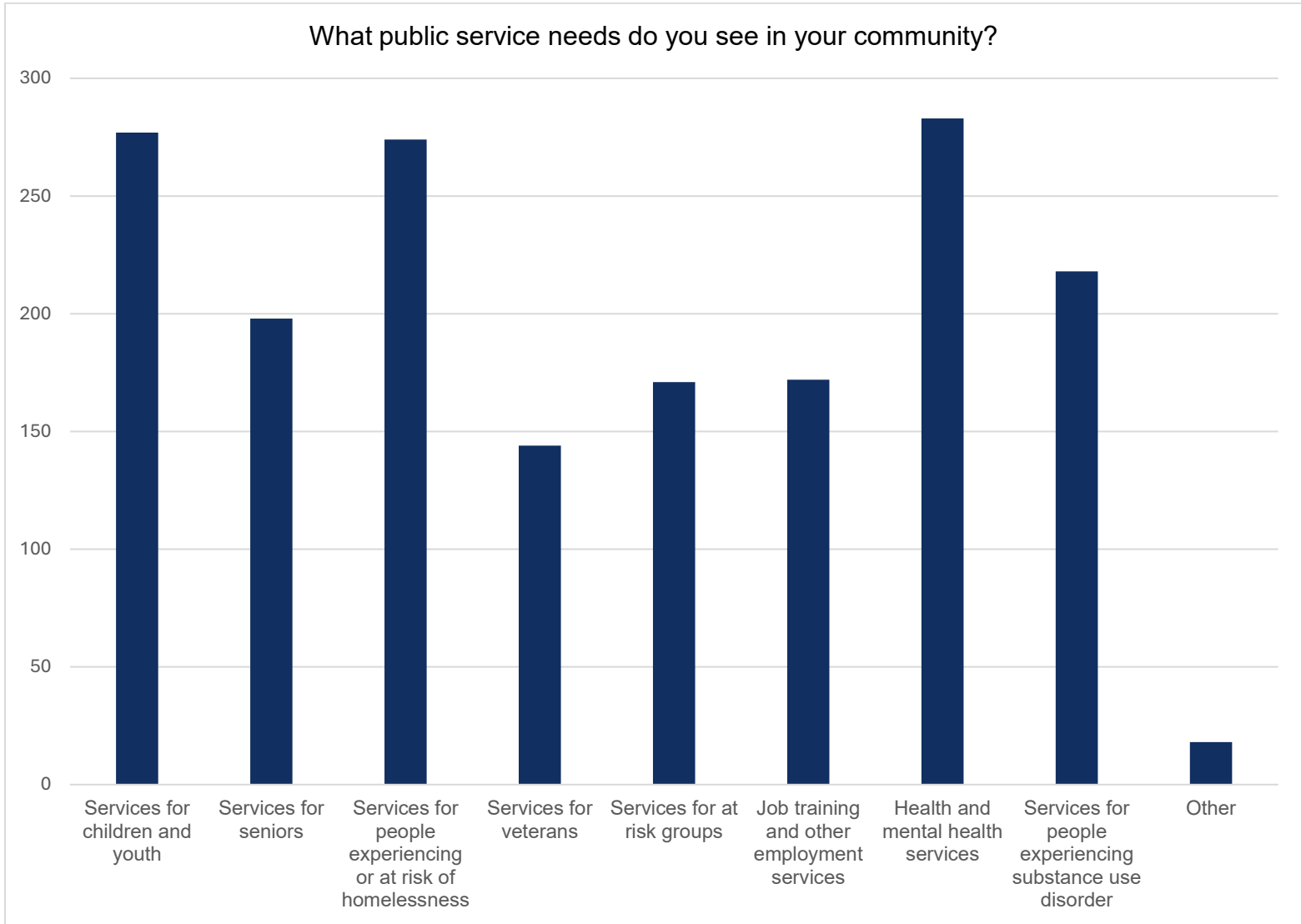
How were these needs determined?

These community development needs for the state were determined based on responses to the 2024 Montana Housing and Community Needs Survey and stakeholder input during focus group discussions.

Describe the jurisdiction's need for Public Services:

Respondents to the 2024 Housing and Community Needs Survey rated the need for various public services. Respondents indicated the top-rated need were for health and mental health services, with 69% of respondents indicating it as a need. This was followed by services for people experiencing or at risk of homelessness and services for children and youth, both at 67% (**Table NA-50.3**).

Table NA-50.3 – Need for Human and Public Services



Data Source: 2024 Montana Housing and Community Needs Survey

How were these needs determined?

These community development needs for the state were determined based on responses to the 2024 Montana Housing and Community Needs Survey and stakeholder input during focus group discussions.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

The following narrative examines Montana’s housing market, providing information about supply and demand, permitting, assistance programs, condition of housing structures, and public policies affecting housing investment.

Montana is America’s fourth largest state, encompassing more than 147,000 square miles; this equates to 607 square miles more than Maine, South Carolina, West Virginia, Maryland, Hawaii, Massachusetts, Vermont, New Hampshire, and Delaware combined. Montana is also home to eight federally recognized Tribal Nations that are located across the state. Due to this immense geography, the housing market differs throughout Montana.

According to the Bureau of Business and Economic Research at the University of Montana, affordable housing is an increasingly difficult problem for communities—both large and small—across the state²². Their 2020 report, *Affordable Housing in Montana*, concluded that Montana has insufficient affordable housing available for low-income households, and much of the existing affordable housing inventory is aging and needing rehabilitation. As a result, many low-income households are being priced out of housing markets where they cannot afford to rent or buy. Since this report’s publication in 2020, the affordable housing issue has worsened primarily due to a wave of migration into Montana. According to 2023 population estimates from the U.S. Census Bureau, Montana ranks 5th among states for population growth since 2020 with a growth rate of 4.2% (+45,601 individuals).

²² *Affordable Housing in Montana*, Bureau of Business and Economic Research, University of Montana, December 2020.
<http://www.bber.umt.edu/pubs/econ/AffordableHousing2020.pdf>

According to the National Low Income Housing Coalition, 28,830, or 20%, of renter households in Montana are extremely low-income²³, yet there is a shortage of housing with 16,629 units available to extremely low-income renters.²⁴ In addition, 84% of extremely low-income renters are “cost burdened,” meaning they spend more than 30% of their income on housing costs and utilities, and 69% of extremely low-income renters are “extremely cost burdened,” meaning they spend more than 50% of their income on housing costs and utilities. These housing cost burdens extend to very low-income and low-income renters as well; 62% of very low-income renters are “cost burdened” and 27% are “extremely cost burdened,” while 34% of low-income renters are “cost burdened” and 8% are “extremely cost burdened.” Cost burdened households are more likely than other renters to sacrifice necessities like healthy food and healthcare to pay the rent, and to experience unstable housing situations like evictions.

The aftermath of the COVID-19 pandemic has continued to exacerbate issues relating to housing availability and affordability in Montana. Many homeowners and renters from more populous states viewed Montana as an advantageous place to be during the pandemic. As a result, the price of homes and apartments for sale dramatically increased, along with the price of homes and apartments for rent. The housing impacts from the COVID-19 pandemic have outstripped the ability of the market to provide rental rates that low-income families, seniors, and individuals with disabilities can afford.

MA-10 Number of Housing Units – 91.310(a)

Introduction

The following is a discussion about the supply and demand of housing in Montana over time. Building permit data and housing-related programs are presented as part of this discussion.

Is the jurisdiction built out? Where will growth occur during the term of the plan?

²³ Extremely low income is considered less than 30% Area Median Income

²⁴ <https://nlihc.org/housing-needs-by-state/montana>

Montana ranks 48th among states in population density (7.7 persons per square mile) and housing unit density (3.6 housing units per square mile). Due to its geography, Montana faces challenges that other, more densely developed states, do not face. For instance, public land and terrain not suited for housing development play a key role in determining Montana's housing landscape.

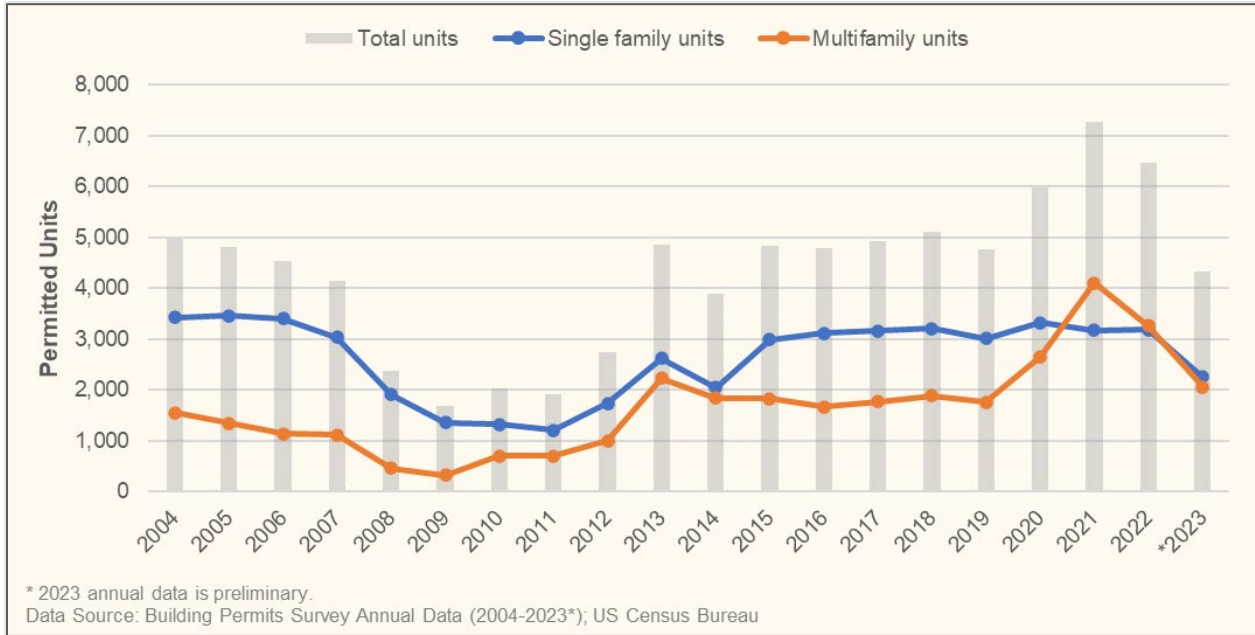
For the past 10 years, parcel development in Montana has most commonly occurred on the fringes of major cities such as Billings, Bozeman, Missoula and Kalispell. This parcel development trend is best viewed as an interactive map developed by the Montana Department of Commerce, which can be viewed [here](#)²⁵. It is expected that this pattern of growth will continue due to historical growth patterns and the higher costs of development in rural areas.

What type of development is occurring (i.e., infill, new development)? Who will it serve (i.e., renter, owner)?

Due to its rural nature, most development in Montana is new development. Infill occurs in major cities but is considerably rarer than new development. The Building Permits Survey from the U.S. Census Bureau estimates monthly and annually permitted residential development for Montana. These figures represent potential residential development in the state. As shown in **Figure MA-10.1**, from 2019 to 2021, Montana's potential development of total units increased, along with its potential development of multifamily units. Presumably, these multifamily units would primarily benefit renters within the state. Permitting peaked in 2021 with 3,169 single-family units and 4,103 multifamily units. Permitting has dropped off since, but multifamily permitting remains relatively high compared with historical data.

²⁵ <https://www.arcgis.com/apps/dashboards/2b958e5575564ea987a0ccc0915e3c8b>

Figure MA-10.1 - Montana Annual Building Permits (2004-2023)



All residential properties by number of units

All residential properties by number of units are provided in **Table 30**.

Table 30 - All Residential Properties by Number of Units

Property Type	Number	%
1-unit detached structure	358,555	69%
1-unit, attached structure	21,528	4%
2-4 units	37,388	7%
5-19 units	27,804	5%
20 or more units	20,930	4%
Mobile Home, boat, RV, van, etc.	51,225	10%
Total	517,430	100%

Data Source: 2018-2022 5-year ACS; DP04

Unit Size by Tenure

The number and percentage of owners and renters are broken out by unit size in **Table 31**.

Table 31 - Unit Size by Tenure

Unit Size	Owners		Renters	
	Number	%	Number	%
No bedroom	1,680	1%	7,215	5%
1 bedroom	10,403	3%	30,779	22%
2 bedrooms	59,389	19%	53,050	39%
3 or more bedrooms	234,960	77%	46,441	34%
Total	306,432	100%	137,485	100%

Data Source: 2018-2022 5-year ACS; B25042

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

A number of programs help address housing needs in Montana, including but not limited to:

- CDBG,
- CDBG-CV,
- HOME,
- HOME-ARP,
- HTF,
- Housing Tax Credit Program,
- HOPWA
- Coal Trust Multifamily Homes Program,
- HCV Program,
- HUD-VASH,
- Section 811 Program,
- Mainstream Voucher Assistance,

- Moderate Rehabilitation Program,
- Project Based Section 8,
- ESG and Rapid Re-Housing,
- Native American Housing Assistance and Self-Determination Act Program,
- Section 184 Indian Home Loan Guarantee Program
- U.S. Department of Agriculture Rural Development,
- Veterans' Home Loan Program,
- Montana Board of Housing's Loan and Down Payment Assistance Programs,
- Montana Board of Housing's Community Land Trust Programs and,
- Habitat for Humanity.

CDBG serves income-qualified households of low- to moderate-income (at or below 80% of AMI) through housing, economic development and community development activities.

CDBG-CV the Community Development Block Grant CARES Act (CDBG-CV) program is a one-time source of funds that supports Montana counties, cities, and towns in their efforts to prevent, prepare for and respond to the spread of COVID-19. With the aim of benefiting low- and moderate-income households, the program funds public facilities, public services, and housing and homelessness assistance projects.

HOME serves income-qualified households of low-income (at or below 80% AMI) with further targeting of households with very low-incomes (at or below 50% AMI) through housing activities. This assistance provides funding for down payment and closing cost assistance for first time homebuyers, acquisition and/or rehabilitation of existing multifamily rental homes, new construction of multifamily or single-family housing. Rent and home purchase prices are limited by HUD and published annually. Similarly, HUD annually publishes subsidy limits that determine the maximum amount of HOME funds that can be invested in each home assisted by the program. Properties or homebuyer programs that receive HOME assistance are subject to 5- to 20-year periods of affordability during which ongoing compliance with HOME regulations is required.

HOME-ARP the HOME Investment Partnerships American Rescue Plan Program (HOME-ARP) is a one-time source of funds that seeks to reduce homelessness and increase housing stability in Montana for qualifying populations including low-income households. Activities undertaken with program funds include developing rental housing and non-congregate shelter, in addition to providing supportive services.

HTF serves income-qualified household of extremely low-income (at or below 30% AMI) through construction or rehabilitation of multifamily properties. Like HOME, HUD determines maximum rents for HTF-assisted units as well as per-unit subsidy that can be provided. Properties that receive HTF assistance are subject to 30-year periods of affordability during which ongoing compliance with HTF regulations is required.

Housing Tax Credit Program allocates Montana's share of federal Low-Income Housing Tax Credits, which provides funding for multifamily housing development. The housing tax credit is available under Section 42 of the Internal Revenue Code of 1986 and is overseen by the Montana Board of Housing, administratively attached to the Montana Department of Commerce. Properties assisted with LIHTC funds must meet the Montana Board of Housing's affordability compliance period, consisting of the initial 15-year compliance period, plus at least an additional 35 years for a total of 50 years. The credit is a federal income tax credit for investors of qualifying rental housing which meets low-income occupancy and rent limitation requirements. Household income limitations are determined based on the area's median gross income as determined by HUD and the IRS. Depending on the IRS election of a minimum set-aside, the buildings constructed with LIHTC assistance must ensure either a) at least 20% of the total units in the property are rent restricted and occupied by eligible tenants at or below 50% of area median gross income, or b) at least 40% of the total units in the property are rent restricted and occupied by eligible tenants at or below 60% of area median gross income. Projects electing the 20-50 or 40-60 minimum set aside will reflect a weighted Average Income target of 53% of area median income or below. Alternatively, an Average Income set aside method can be utilized so long as the weighted average income target is 60% of area median income or below. Refer to the Montana Board of

Housing's Qualified Allocation Plan, available at <https://commerce.mt.gov/housing>, for additional information.

HOPWA meets the housing needs of people living with HIV/AIDS. Under the HOPWA Program, HUD makes grants to local communities, States, and nonprofit organizations for projects that benefit low-income persons living with HIV/AIDS and their families. Montana receives non-competitive HOPWA funds annually to help households with people living with HIV/AIDS within the state.

Coal Trust Multifamily Homes Programs makes available \$65million of Coal Tax Trust Fund dollars to develop affordable rental homes by providing developers with low-interest rate loans; an initial \$15 million was a result of House Bill 16 that was passed during the 2019 legislative session, with an additional \$50 million appropriated during the 2023 legislative session under House Bill 819. Coal Trust Multifamily Home loans can be used for projects such as new construction, acquisition and/or rehabilitation of existing multifamily rental homes, acquisition of land for multifamily rental homes and land trusts, and/or preservation of mobile or manufactured homes. Eligible applicants include nonprofits, for-profits, or government entities.

Housing Choice Voucher Program provides assistance to income-qualified renters at or below 50% AMI. Under the HCV Program, a renter finds a suitable home and receives a voucher that pays a rent subsidy equal to the difference between the rent charged by the property owner (up to a maximum voucher payment standard based on HUD-derived Fair Market Rents and applicable HCV Program regulations) and 30% of the renter's adjusted gross income.

Project Based Section 8 includes a portfolio of properties in Montana. At those properties, all residents pay 30% of their income toward rent, while HUD pays the remaining portion of the rent to the property owner through a contract managed by Montana Housing within Commerce. There are 87 total Project Based Section 8 properties in Montana with 4,795 total units. None of these projects are expected to have contracts expire in this planning period.

Veterans Affairs Supportive Housing Program combines HUD housing choice vouchers with U.S. Department of Veterans Affairs supportive services to help veterans and their families who are homeless find and sustain permanent housing. Veterans must be VA health care eligible and meet the McKinney Act definition of homelessness to participate in the program. The VA makes this determination. Qualifications under HUD-VASH generally follow the HCV Program but can serve income-qualified veteran households with incomes at or below 80% AMI with veterans paying 35% of adjusted gross income for rent.

The HUD-VASH Program aims to provide high-quality care to Veterans who are aging and/or living with complex medical needs. It strives to support aging in place by providing appropriate housing and supportive services. We are also working on innovative ways to utilize existing resources and expanding collaboration with local community partners. The focus is to provide safe and stable housing and ensure access to necessary supportive services.

The HUD-VASH Aging and Disabled Initiative comprises four key strategies:

1. Increasing access to Geriatric and Extended Care (GEC) services for Veterans experiencing homelessness.
2. Developing housing options to assist with using HUD-VASH vouchers in specialized programs. (Such as Assisted Living Facilities, Independent Living Facilities, Shared Housing, and other types of housing options).
3. Expanding the use of HUD-VASH project-based vouchers with intensive services that could be provided on-site.
4. Proactively developing partnerships with community organizations, Area Agencies on Aging, local housing authorities and affordable housing providers, Health Foundations, State Housing Finance Agencies, State Medicaid agencies and others.

Section 811 Program subsidizes rental housing with supportive services for very low-

and extremely low-income adults with disabilities, allowing persons with disabilities to live as independently as possible in the community. Section 811 provides project-based rental assistance to state housing agencies, which can be applied to new or existing multifamily housing complexes funded through different sources, such as federal Low-Income Housing Tax Credits, federal HOME funds, and other state, federal, and local programs. At the time of admission, at least one person in a household considered for a unit receiving 811 project-based rental assistance must be nonelderly (18-61 years of age), disabled, and receiving or be eligible to receive Medicaid and services and supports provided through DPHHS.

Mainstream Voucher Assistance helps nonelderly persons with disabilities, allowing participants to connect with supportive services while paying 30% of their adjusted gross income for rent. The program is open to persons aged 18-61 with disabilities who meet at least one homeless preference as defined by HUD. Aside from serving a special population, Mainstream vouchers are administered using HCV rules.

Moderate Rehabilitation Program provides project-based rental assistance for households with incomes at or below 50% AMI. Participants pay 30% of their adjusted gross income toward rent. Properties in the Moderate Rehabilitation Program maintain a contract with Commerce that is renewed annually.

ESG and Rapid Re-Housing assists homeless households by moving them as quickly as possible into permanent housing to achieve stability. Homelessness prevention services are available to at-risk individuals. Individuals or families at or below 30% AMI who lack a stable and adequate nighttime residence may be eligible, particularly if they do not have sufficient resources or support to prevent them from moving to an emergency shelter.

Native American Housing Assistance and Self-Determination Act Program provides federal funds directly from the Indian Housing Block grant to Montana tribes to use for income-eligible tribal member households. Income eligibility is calculated according to a process set by HUD. Uses of the funds are determined by the Tribe in

coordination with the Indian Housing Block grant program.

Section 184 Indian Home Loan Guarantee Program is a home mortgage product specifically designed for American Indian families, tribes, or tribally designated housing entities. With Section 184 financing, borrowers can get into a home with a low downpayment and flexible underwriting. Section 184 loans can be used, both on and off native lands, for constructing, rehabilitating, purchasing or refinancing a home.

U.S. Department of Agriculture Rural Development offers a variety of programs to build or improve housing in rural areas. USDA-RD provides direct loans or loan guarantees to help low- and moderate-income households in rural communities buy safe, affordable housing. USDA-RD also offers loans and grants to help rural residents make health and safety repairs to their homes. USDA-RD's multifamily housing programs offer loans to provide affordable rental housing for very low-, low-, and – moderate-income residents, the elderly, and persons with disabilities, as well as rental assistance to help eligible rural residents with their monthly rental costs.

Veterans' Home Loan Program provides 30-year fixed first mortgage funds to Montana residents who are serving or have served in the military through the federal armed services and the Montana National Guard, for the purchase of their first home. The mortgage interest rate is 1% lower than the Montana Board of Housing's regular bond program rate or the Federal National Mortgage Association's 60-day delivery rate, whichever is lower. There are no income or asset limits for qualified veteran borrowers.

Montana Board of Housing's Loan and Down Payment Assistance Programs assist qualified individuals with low- interest loans, down payments, and closing costs, reducing the amount of up-front cash needed to purchase a home. The Regular Bond Program is a 30-year, low-interest rate loan for first-time homebuyers; this program is limited to homebuyers with income and purchase price below the posted limits. The Bond Advantage Down Payment Assistance Program provides up to \$15,000 for down payment and closing cost assistance, amortized for 15-years with low monthly payments. The MBOH Plus 0% Deferred Down Payment Assistance Program provides

up to \$15,000 for down payment and closing cost assistance as a 0% second loan with no monthly payments; for this program, the income limit is \$80,000 for a 1-2 person household and \$90,000 for a 3+ person household. The 80% Combined Program provides homebuyers who are eligible for Montana Board of Housing financing with an alternative to an FHA-insured loan, eliminating the need for mortgage insurance. Finally, the Mortgage Credit Certificate is a dollar-for-dollar tax credit that reduces the amount of federal income tax paid by a first-time homebuyer.

Montana Board of Housing’s Community Land Trusts Program provides purchase money loans secured by a leasehold estate on property owned by a Community Land Trust. Community Land Trusts were created to preserve long-term affordable homes by acquiring land and building homes in their communities, selling the homes to qualified borrowers but leasing the land using a long-term ground lease at affordable monthly rent. By removing the cost of land associated with a home purchase, borrowers can purchase homes they can afford in higher cost areas. Eligible Community Land Trusts but be nonprofit organizations or public entities, such as state or local governments, counties, school districts, universities or colleges.

Habitat for Humanity has a number of locally run affiliates of Habitat for Humanity International, a nonprofit, housing organization. Habitat for Humanity works in partnership with qualified families to build and renovate decent, affordable housing. The houses then are sold to the families at no profit and with no interest charged. Volunteers provide most of the labor, and individual and corporate donors provide money and materials to build Habitat houses. Partner families themselves invest hundreds of hours of labor—“sweat equity”—into building their homes and the homes of others. Their mortgage payments go into a revolving Fund for Humanity that is used to build more houses.

In addition, there are a number of **Montana Community Action Agency (also known as Human Resource Development Councils)** programs and local nonprofits that help residents facing a short-term crisis and provide assistance to help households obtain funds for paying rent.

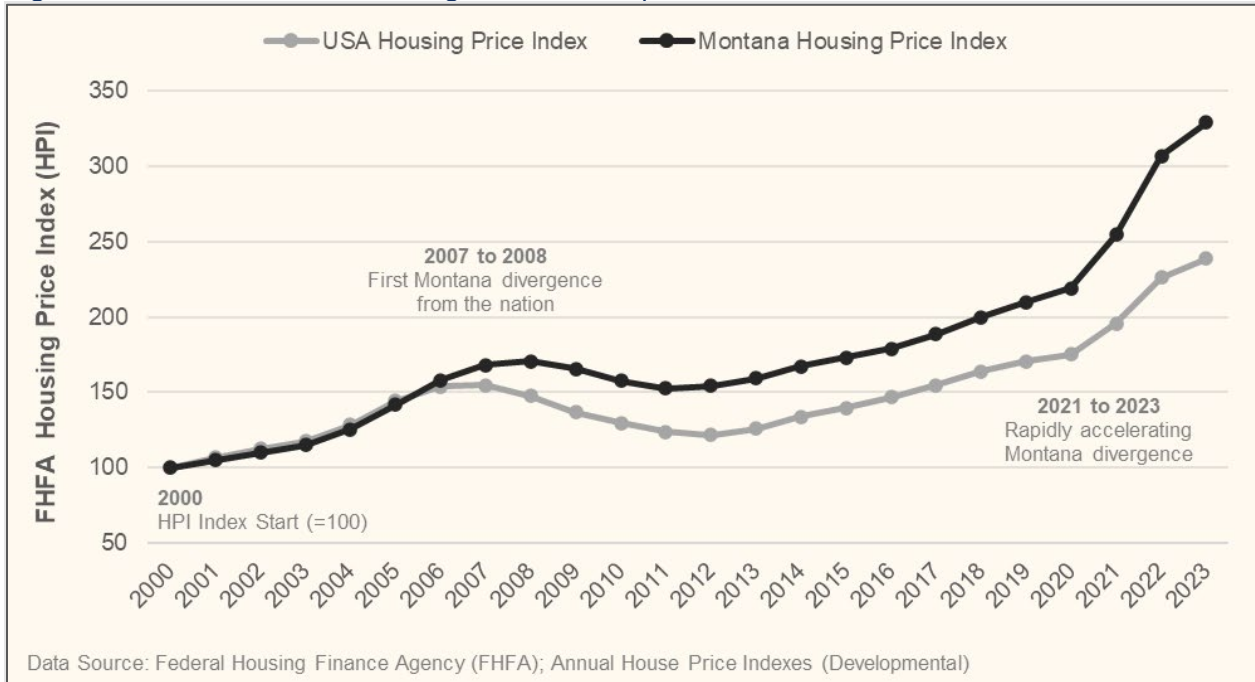
Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 / Federal Rental Assistance contracts.

According to the Montana Department of Commerce statewide Public Housing Authority, there are 3,160 families housed via the Housing Choice Voucher Program and 3,580 families housed via the Project Based Section 8 Program. The total number of families housed by these programs is 6,740. It is undetermined how many of these affordable housing options may expire in the coming years. No Project Based Section 8 units are expected to expire in the next five years (2025-2029). According to Commerce's Affordable Housing Preservation Database, there are 105 developments whose affordability could end between 2025 and 2029, at the earliest. These 105 developments include 4,075 units and are located across the state.

Does the availability of housing units meet the needs of the population?

In short, no. A nationwide housing shortage has existed from 2020 to present. Housing prices, asking rents, and homelessness have all increased substantially during this period, and Montana is certainly no exception to this trend. By some measures, Montana has experienced a harsher housing shortage than much of the country due to an influx of migration to the state during and following the COVID-19 pandemic. **Figure MA-10.2** shows housing price indexes for Montana and the nation since 2000. Post-pandemic effects on Montana's housing market have occurred from 2021 to 2023 with a rapid increase in both housing price and housing price relative to the nation. Housing price increases of this speed and magnitude impact homeowners and renters alike. However, the burden largely falls on households with lower incomes as they face higher rents or property taxes or are squeezed out of the rental market entirely.

Figure MA-10.2 - FHFA Housing Price Index | Montana and USA



Montana’s high demand for renting and owning housing units is also illustrated by its low vacancy rates. According to the U.S. Census Bureau’s Housing Vacancy Survey, Montana’s homeowner vacancy rate was 0.8%, and the rental vacancy rate was 4.5% in 2023. Nationally, the homeowner vacancy rate was also 0.8%, and the rental vacancy rate was 6.5%. It should also be noted that homeowner vacancy rate estimates for Montana are lacking data reliability due to low sample size (i.e., the closer this estimate gets to zero, the less reliable the estimate becomes).

Describe the need for specific types of housing:

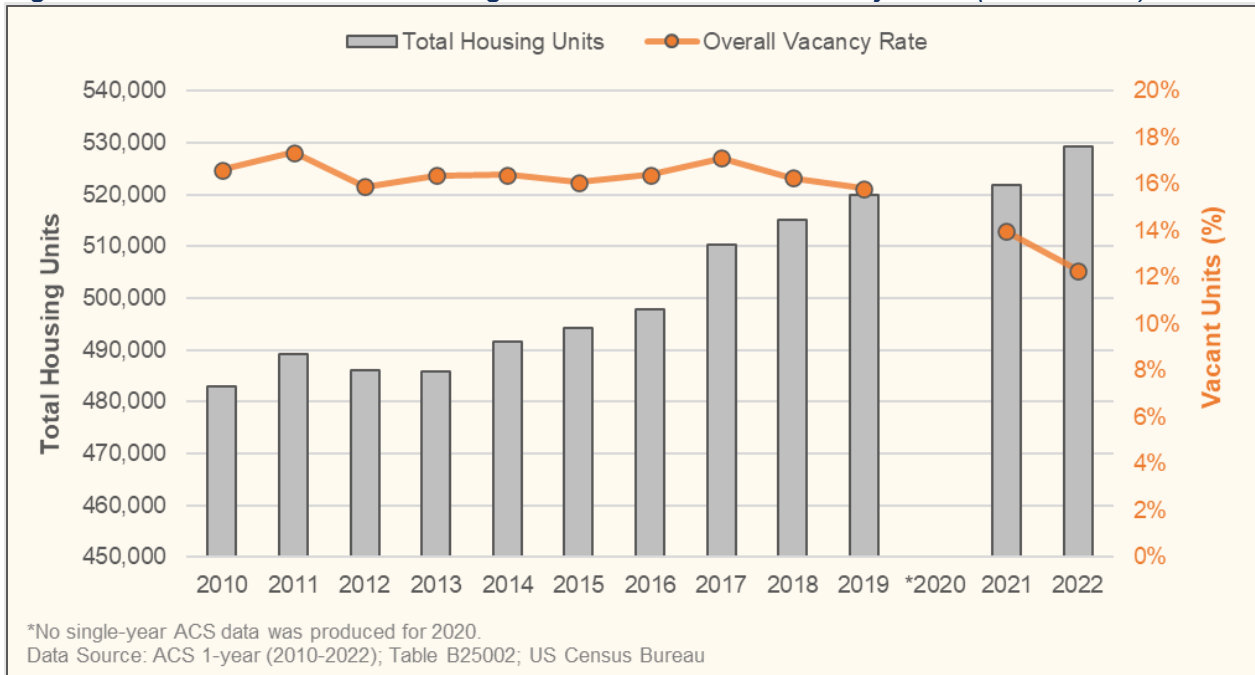
The 2023 Montana PIT Homeless Survey counted 2,178 homeless persons in Montana. Local governments and private organizations continue to request funds to provide housing for Montanans experiencing homelessness or those at risk of becoming homeless as well as the need for housing with supportive services or temporary, transitional housing. Increasing cost burden, low vacancy rates, and competition for available units underscore the need for more affordable rental and homeownership developments across the state.

In 2010, the American Community Survey reported that Montana had 483,006 total

housing units. Since that time, the ACS has continued to release estimates of the total number of housing units in the state. The annual estimates of Montana’s total housing units and overall vacancy rate are presented in **Figure MA-10.3**. By 2022, there were estimated to be 529,167 housing units in Montana – an annual average growth rate of 0.8% (9.6% growth total) since 2010. However, the total number of Montana households grew at an annual rate of 1.3% (15.2% total) during that same period. This housing deficit occurs almost entirely after 2017, and in particular since 2019 (this phenomenon is represented in **Figure MA-10.3** as the *Overall Vacancy Rate*).

The following sections demonstrate the shortage of homes for rent and purchase, particularly those that are affordable to households with low incomes. Lower-income households have higher rates of cost burdens, particularly renter households. These rates of cost burdens indicate the need for additional housing for these households that is affordable. In 2023, 46% of renters were cost-burdened, including 23% with a severe cost burden. These 29,589 severely cost-burdened renter households are in need of additional affordable housing options. In addition, the influx of new residents, smaller households, and the aging population have shown a need for housing across the state. It is estimated that there is a need for an additional 22,000 housing units to keep up with the pace of population growth.

Figure MA-10.3 - Montana Housing Units and Overall Vacancy Rate (2010-2022)



Type and Tenure

Overall, Montana’s housing supply grew by 3.7% between 2017 and 2022 (+18,759 units). The housing types that grew the most between 2017 and 2022 were single-family homes (+7,954 units; +2.2%), “1-unit, attached structures” such as townhomes (+7,829 units; +43.0%), and large apartment complexes (+5,635 units; +33.0%). Mobile homes were the one housing unit type that decreased from 2017 to 2022 with an estimated 7,587 fewer units (-13.7%). These housing type changes suggest that most of the housing unit growth in Montana is occurring in major cities where high-density housing is more economical than in rural areas.

The composition of housing types in Montana is mostly unchanged from 2017 to 2022. Single-family homes make up the majority of Montana’s housing inventory accounting for 70% of units in 2017 and 69% of units in 2022. Higher density housing has grown the most in terms of its share of Montana’s housing inventory with all multi-unit structure types increasing from 2017 to 2022. See **Table MA-10.1** for more details regarding Montana’s housing inventory.

Table MA-10.1 - Housing Units by Type

Unit Type	2017 1-year ACS		2022 1-year ACS		% Change 2017 to 2022
	Units	% of Total	Units	% of Total	
1-unit detached structure	356,854	69.9%	364,808	68.9%	2.2%
1-unit, attached structure	18,208	3.6%	26,037	4.9%	43.0%
2-4 units	35,518	7.0%	39,252	7.4%	10.5%
5-19 units	27,166	5.3%	28,360	5.4%	4.4%
20 or more units	17,092	3.3%	22,727	4.3%	33.0%
Mobile Home, boat, RV, van, etc.	55,570	10.9%	47,983	9.1%	-13.7%
Total	510,408	100%	529,167	100%	3.7%

Data Source: 2017 1-year ACS; 2022 1-year ACS; B25024

Table MA-10.2 shows the distribution of Montana’s housing units with regard to occupancy (owner, renter, or vacant) for both 2017 and 2022. Within occupied housing units, the proportion of renter-occupied units grew slightly (+0.4%). The number of vacant housing units decreased substantially by 25.4% (-22,222). As noted previously, the growth in number of households (occupied housing units) far outpaces the growth of total housing units between 2017 and 2022. The number of households grew by 9.7% (+40,981) during this period while the number of housing units only grew by 3.7% (+18,759), creating a significant housing deficit for this time period.

Table MA-10.2 - Housing Units by Tenure

Unit Type	2017 1-year ACS		2022 1-year ACS		% Change 2017 to 2022
	Units	% of Total	Units	% of Total	
Occupied Housing Units	423,091	82.9%	464,072	87.7%	9.7%
Owner-Occupied	292,585	69.2%	319,421	68.8%	9.2%
Renter-Occupied	130,506	30.8%	144,651	31.2%	10.8%
Vacant Housing Units	87,317	17.1%	65,095	12.3%	-25.4%

Total Housing Units	510,408	100%	529,167	100%	3.7%
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Data Source: 2017 1-year ACS; 2022 1-year ACS; DP04

Table MA-10.3 shows the distribution of Montana’s housing units by type with regard to occupancy (owner, renter, or vacant) for 2022. Note that the housing unit type is aggregated to a higher level than previous tables. Perhaps unsurprisingly, the majority of owner-occupied housing units in Montana are single-family homes. The majority of renter-occupied housing units are made up of apartments of two or more units (50.5%); however, single-family homes also make up a significant portion of renter-occupied housing units (33.8%). Single-family homes make up the majority of vacant homes in Montana for 2022. These vacant, single-family homes are likely unevenly distributed across the state.

The final column in this table shows the proportion of units defined as vacant for each housing unit type. For example, what is the percentage of single-family homes that are defined as vacant? For Montana in 2022, that answer is estimated to be 12.7%. These datapoints show that vacancies are somewhat evenly distributed across housing types in Montana with the furthest deviation from the state average (12.3%) being larger apartment complexes of 10 or more units (8.2%). Relative to other unit types, these larger apartment complexes have lower vacancy rates.

Table MA-10.3 - Housing Units by Type and Tenure

Unit Type	Owner-Occupied		Renter-Occupied		Vacant		Vacant % of Type (across)
	Units	% of Total	Units	% of Total	Units	% of Total	
1-unit detached structure	269,694	84.4%	48,881	33.8%	46,233	71.0%	12.7%
1-unit, attached structure	12,680	4.0%	10,890	7.5%	2,467	3.8%	9.5%
2-9 units	4,245	1.3%	41,673	28.8%	7,685	11.8%	14.3%

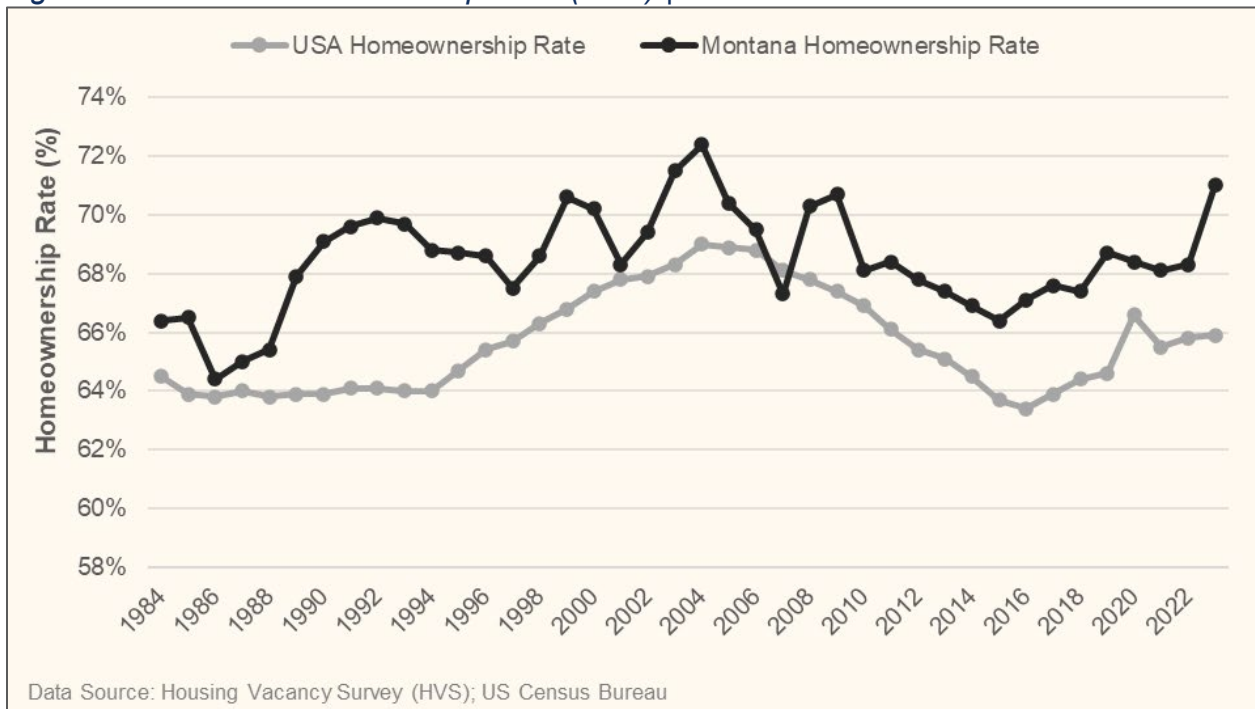
COMMERCE

10 or more units	2,317	0.7%	31,397	21.7%	3,022	4.6%	8.2%
Mobile Home, boat, RV, van, etc.	30,485	9.5%	11,810	8.2%	5,688	8.7%	11.9%
Total	319,421	100%	144,651	100%	65,095	100%	12.3%

Data Source: 2022 1-year ACS; B25032 and B25136

The Census Bureau estimates homeownership rates annually. These data on homeownership rates are presented in **Figure MA-10.4**. This figure compares homeownership rates for Montana and the United States from 1986 through 2023 and shows that Montana had consistently higher homeownership rates, with the exception of 2007, over this time as compared with national figures. For 2023, Montana’s homeownership rate spiked to 71% according to the Housing Vacancy Survey.

Figure MA-10.4 - Homeownership Rate (HVS) | Montana and USA



Discussion

Montana’s current housing shortage is driven largely by accelerated in-migration to the state, shift to a larger number of smaller households, and a lack of new housing

development to meet this new need. As reported in this section, a housing deficit (more new households than housing units) has been reported in Montana every year since 2018. Due to data inconsistencies related to the COVID-19 pandemic and the 2020 Decennial Census, it is difficult to accurately quantify this deficit; however, since this deficit began following 2017 it is estimated that Montana has fallen behind by about 22,000 housing units. These effects are not felt evenly across the state and are more prevalent in urban areas than rural areas.

The housing shortage in Montana has led to vast increases in rent and housing prices relative to national trends. In turn, these price factors have led to increased levels of homelessness in the state.

Despite these challenges, there are small signs of improvement. Permitted housing units increased rapidly from 2020 to 2022 with multifamily units making up a larger share of permitted units than ever before. In theory, these permitted housing units will result in increases in housing unit development over time. Furthermore, the flow of in-migration to the state has slowed, in part due to the unavailability of housing. These two effects combined should lead to Montana slowly increasing housing vacancy rates to more sustainable levels.

MA-15 Cost of Housing – 91.310(a)

Introduction

The cost of housing has risen dramatically since 2019 due to higher demands brought on by a large flow of in-migration. In recent years, the cost of purchasing a home has become unattainable for many Montanans as the rise of home prices far outpaced the rise in median wages. Similarly, the rental market tightened and rents increased substantially. In short, Montana's housing supply hasn't kept up with housing demand and – in turn – the costs for housing in Montana have climbed rapidly.

Cost of Housing

Table 32 - Cost of Housing

	Base Year: 2017	Most Recent Year: 2022	% Change
Median Home Value	\$209,100	\$305,700	46%
Median Contract Rent	\$647	\$848	31%

Data Source: 2013-2017 5-year ACS; 2018-2022 5-year ACS; B25077 & B25058

Table 33 - Rent Paid

Rent Paid	Number	%
Less than \$500	20,026	16%
\$500-999	60,754	48%
\$1,000-1,499	29,788	24%
\$1,500-1,999	10,601	8%
\$2,000 or more	4,858	4%
Total	126,027	100%

Data Source: 2018-2022 5-year ACS; B25056

Housing Affordability

Table 34 - Housing Affordability

% of Units affordable to Households earning:	Renter	Owner
30% HAMFI	12,380	No Data
50% HAMFI	43,985	22,155
80% HAMFI	91,245	62,600
100% HAMFI	No Data	96,170
Total	147,610	180,925

Data Source: 2016-2020 CHAS

Monthly Rent

Because this Consolidated Plan is for a state grantee and analysis herein considers the entire state of Montana, in which monthly rents vary significantly, monthly rent data are

not provided in **Table 35**. The HOME rents for the state are provided in footnotes at the end of this page. HOME Rents and FMRs vary widely throughout the state. In the most expensive areas, such as Gallatin and Flathead County, these rates are also highest. The High HOME Rent for a two-bedroom in Gallatin County is \$1,226 and in Flathead County, it is \$1,081. This compares to the more rural areas of the state where High HOME rents are at \$905. These areas with higher costs, also tend to be in areas with higher rates of cost burdens and housing problems, as discussed in MA-50.

Table 35 Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	N/A	N/A	N/A	N/A	N/A
High HOME Rent	N/A	N/A	N/A	N/A	N/A
Low HOME Rent	N/A	N/A	N/A	N/A	N/A

Data Source: HUD FMR and HOME Rents²⁶

Is there sufficient housing for households at all income levels?

No. According to the 2024 [National Low Income Housing Coalition \(NLIHC\)](https://nlihc.org/housing-needs-by-state/montana)²⁷, Montana has a shortage of affordable and available homes at all income levels up to 100% AMI. Households at 100% of AMI only have 97 available housing units for every 100 households. However, that affordable housing shortage is worse for extremely low income (less than or equal to 30% AMI) renter households who only have 42 available housing units per 100 households. Overall, there is a shortage of over 16,000 rental homes for ELI households in Montana.

Since 2006, the average cost to develop an eligible subsidized housing unit has been increasing while the amount of dollars from HUD has been decreasing. As a result, the number of people that can be assisted by HUD programs in Montana has declined. It is

²⁶ www.huduser.gov/portal/datasets/home-datasets/files/HOME_RentLimits_State_MT_2024.pdf

²⁷ <https://nlihc.org/housing-needs-by-state/montana>

estimated that in 2022 133,233 people or 12.1% of the population were living at or below the poverty level in Montana. At an average household size of 2.42 in 2022, this translates into roughly 55,000 households, well beyond the number of households that can be assisted with the available resources.

Homeownership is also out of reach for many moderate- and some middle-income households. For example, in Lewis & Clark County (where the capital city of Helena is located) median home prices have hovered around \$450,000 since 2022 (Montana Regional MLS). This county's primary industry is government administration and the median household income for 2022 was \$72,250. Given that interest rates exceeded 5% for most of 2022, homeownership for median income households – and even households exceeding this median – is completely out of reach in this relatively higher-income county. Consequently, households and families that would have typically attempted to purchase a home are now unable to bridge the gap between renting and owning. This phenomenon creates an additional squeeze on an already tight rental market, hurting the lowest income renters the most.

How is affordability of housing likely to change considering changes to home values and/or rents?

Ranked 48th in population density with a population of just over 1 million residents living in a state covering more than 147,000 square miles, Montana has a wide range of home values and rents that fluctuate based on a range of local conditions. These conditions include, but are not limited to, rapid in-migration; declining oil, gas, and coal development in the east; a volatile forest products industry in the west; stagnant grain and livestock prices; and strong housing and job markets in some areas. These factors converge to decrease the affordability of housing as home values and rents increase, and incomes – while rising – have not matched the rate of housing cost increases. In particular, affordability of housing for individuals with special needs and senior citizens is likely to decrease due to declining levels of assistance and fixed income as living costs increase.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

According to Census data (ACS 2022), Montana's median gross rent was \$1,005, a comparable amount to Fair Market Rent, except in Montana's most urban cities of Missoula, Billings, and Bozeman. A breakdown of Montana's median gross rent by bedrooms and their change since 2017 is provided in **Table MA-15.1**. As shown in the table, Montana's median rents are rising rapidly across the rental spectrum. Two-bedroom unit rents have increased the most since 2017, climbing 33% or \$259 per month. Montana remains committed to assisting local counties and municipalities in finding ways to address the needs of low- and moderate-income households across Montana, including assisting with affordable, accessible rent where that need has been identified.

On November 4, 2024, the Montana Department of Commerce announced that an online survey of Montana renters has been launched to gather information to better understand the actual amount of assistance low-income Montanans need to afford housing.

This important study is needed to better understand how inflation, the limited supply of rental housing, increased demand, high cost of labor, increases in property insurance rates and other factors have driven up the cost of housing and impacted rental housing throughout Montana.

The survey will be used to request an update to fair market rents for the state of Montana from the U.S. Department of Housing and Urban Development, based on a more accurate reflection of current local market conditions. Commerce will use survey results to seek more appropriate rental subsidies for lower-income households, particularly persons experiencing a disability and elderly households on fixed incomes. The survey results could potentially adjust the maximum rent amount that can be paid to landlords on behalf of households served in federal rental assistance programs, based on the latest housing market data in Montana.

Montana renters will receive a letter in the mail this week that will have survey

instructions and a code to get started. The online survey takes, on average, 10 minutes or less to complete. Responses are voluntary and confidential, and names will not be held on a mailing list and answers will not be linked to a name or mailing address.

Econometrica, Inc. and M. Davis and Company, Inc., will conduct this survey. Funding for the survey and study is provided by Montana HB 872 and the Behavioral Health System for Future Generations Commission.

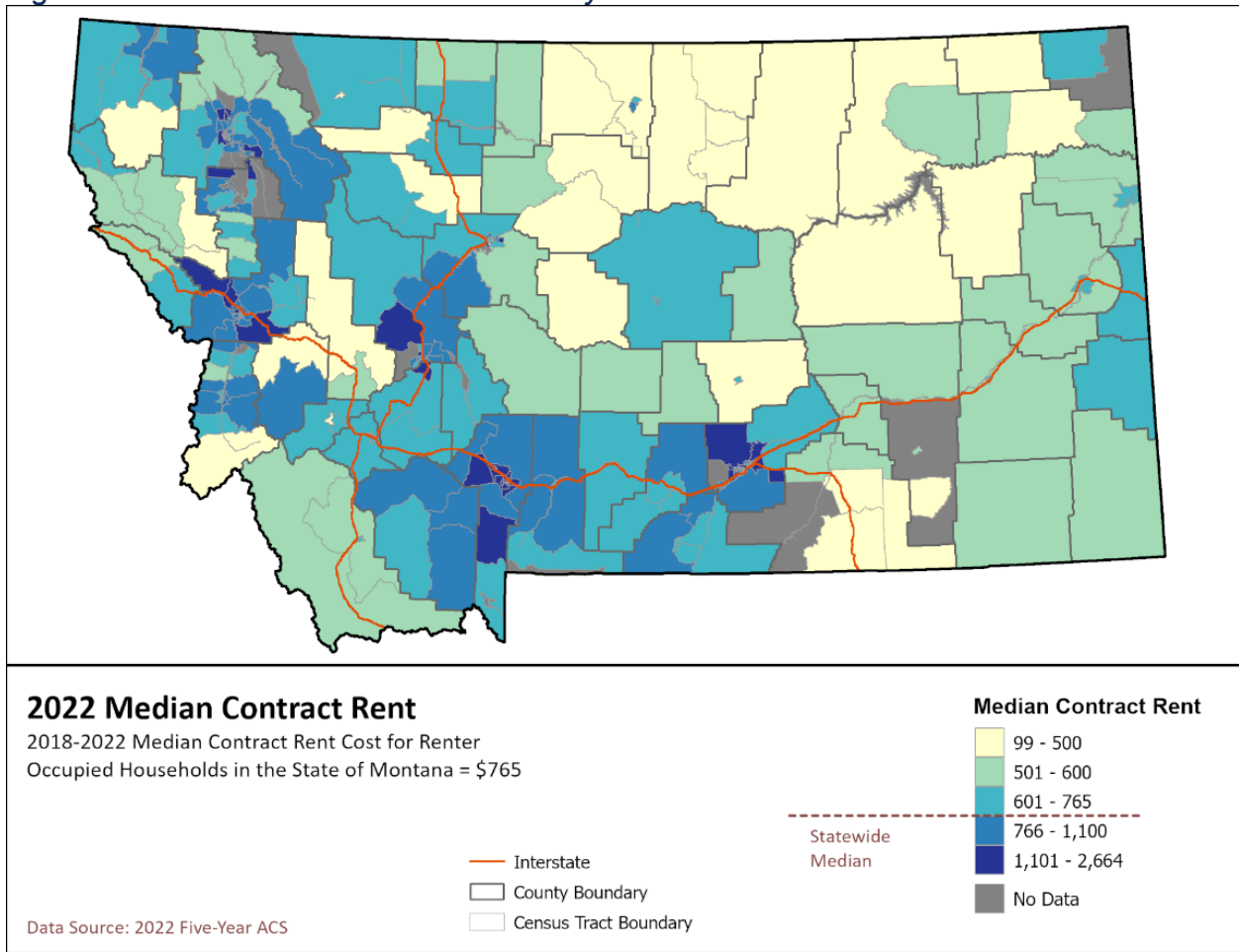
Table MA-15.1 - Median Gross Rent by Bedrooms

Bedrooms	Median Gross Rent 2017	Median Gross Rent 2022	% Change 2017 to 2022
No bedroom	\$577	\$675	17%
1 bedroom	\$623	\$743	19%
2 bedrooms	\$781	\$1,040	33%
3 bedrooms	\$969	\$1,226	27%
4 bedrooms	\$1,110	\$1,388	25%
5 or more bedrooms	\$1,196	\$1,555	30%
Total	\$759	\$1,005	32%

Data Source: 2017 1-year ACS; 2022 1-year ACS; B25031

Figure MA-15.1 illustrates data on median contract rent prices by census tract derived from the 2022 5-year ACS. The difference between gross rent and contract rent is that gross rent refers to monthly contracted rental fees plus average monthly utility costs, which includes electricity, water and sewer services, and garbage removal. The map shows that higher rents are concentrated in more urban areas such as Billings, Bozeman, Helena, Kalispell, and Missoula.

Figure MA-15.1 - Median Contract Rent by Census Tract



The median home value in Montana has increased considerably since 2017. In 2017, the median home value was \$231,300 (in 2017 dollars), but in 2022 that same home value has grown to \$366,400 (in 2022 dollars). Thus, from 2017 to 2022 median home values in Montana have increased by 58% nominally and by about 32% when accounting for inflation. **Table MA-15.2** shows the distribution of nominal home values and the median home value in Montana for 2017 and 2022.

*Table MA-15.2 - Distribution of Home Value**

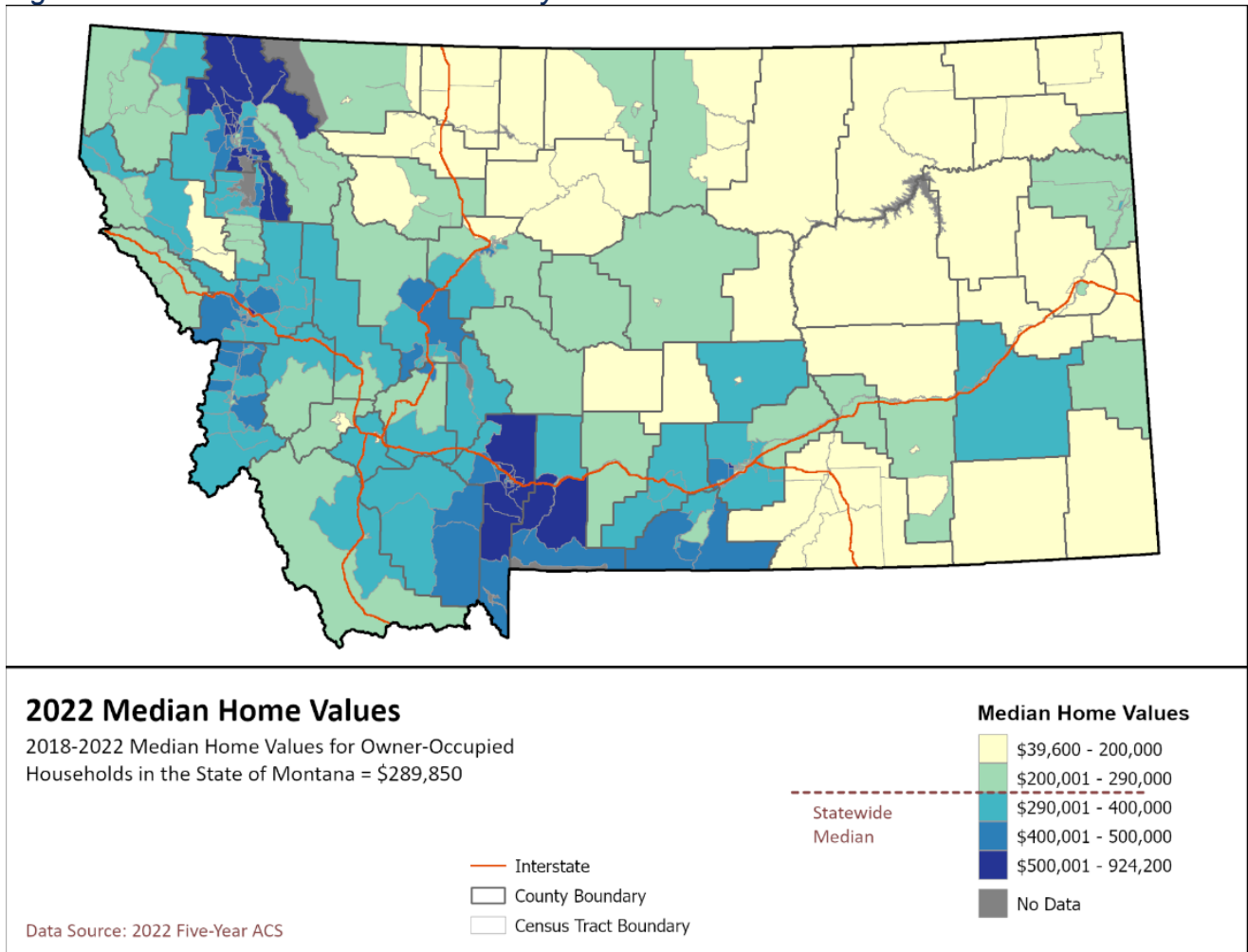
Home Value	Owner Households 2017	Owner Households 2022	# Change 2017 to 2022	% Change 2017 to 2022
Less than \$50,000	22,036	18,131	-3,905	-18%
\$50,000 to \$99,999	23,588	15,795	-7,793	-33%
\$100,000 to \$149,999	29,978	16,067	-13,911	-46%
\$150,000 to \$199,999	44,445	20,600	-23,845	-54%
\$200,000 to \$249,999	41,881	25,912	-15,969	-38%
\$250,000 to \$299,999	40,206	27,099	-13,107	-33%
\$300,000 to \$399,999	42,942	54,400	11,458	27%
\$400,000 to \$499,999	19,326	40,610	21,284	110%
\$500,000 to \$749,999	16,190	53,721	37,531	232%
\$750,000 to \$999,999	5,433	24,327	18,894	348%
\$1,000,000 or more	6,560	22,759	16,199	247%
Median Home Value	\$231,300	\$366,400	\$135,100	58%

* Dollar values are relative to their respective years (ex. 2017 values are in 2017 dollars) thus comparisons are nominal.

Data Source: 2017 1-year ACS; 2022 1-year ACS; B25075 & B25077

The distribution of housing values around the state of Montana as reported in the 2022 ACS is presented below. **Figure MA-15.2** shows that the areas with the highest home values were in and near urban areas surrounding Billings, Missoula, Bozeman, Kalispell, and Helena. In addition, home values were generally higher in the western portion of the state.

Figure MA-15.2 - Median Home Value by Census Tract



Some similarities can be seen when comparing the median rent and median home value maps. For example, the areas with the highest gross rent costs were in or near the major cities in the state and were concentrated in the western half of the state.

Discussion

As demonstrated in this section, the cost of housing in Montana is increasingly becoming a barrier to many Montanans’ financial well-being. The demand for housing in Montana boomed during and following the COVID-19 pandemic where movers sought the relative remoteness and high-level of outdoor recreation that is available in Montana. These features combined with the boon in teleworking made Montana ideal for many prospective movers; however, with this new demand for housing came rapid increases in both rents and home values. Both rents and home values are increasing

faster than incomes within the state, meaning that many Montanans are unable to comfortably afford shelter. In turn, this has led to record increases in homelessness in the state, as measured by the HUD Point-In-Time count.

This section covers many issues related to housing costs but is by no means comprehensive. Please see the [Montana Housing Situation Report](#) ²⁸, created by the Montana Department of Commerce, for a more in-depth look at housing and housing affordability in the state.

MA-20 Condition of Housing – 91.310(a)

Introduction:

The condition of housing in Montana has been examined to demonstrate the work that is needed over the next 5 years. According to ACS data for 2018-2022, there are 306,432 owner-occupied households in Montana; of which, 22%, (67,459) have at least one housing condition. Renter-occupied households have a higher rate of housing unit problems with 41% (56,620) having at least one identified housing condition.

The age of the housing stock is also reported in the ACS data and has been grouped into eight categories, ranging from 1949 or earlier through 2010 or later. **Table MA-20.1** shows that substantial numbers of housing units were added to the stock in the 1970s, with those units accounting for 16.2% of the housing stock in 2022.

Table MA-20.1 - Households by Year Structure Built

Year Built	2017 1-year ACS		2022 1-year ACS	
	Households	% of Total	Households	% of Total
1949 or earlier	77,122	18.2%	73,225	15.8%

28

https://dataportal.mt.gov/t/DOC/views/MontanaHousingSituationReport/Population?%3Adisplay_count=n&%3Aembed=y&%3AisGuestRedirectFromVizportal=y&%3Aorigin=viz_share_link&%3AshowAppBanner=false&%3AshowVizHome=n



COMMERCE

1950 to 1959	40,459	9.6%	37,427	8.1%
1960 to 1969	33,609	7.9%	34,432	7.4%
1970 to 1979	75,692	17.9%	75,362	16.2%
1980 to 1989	48,477	11.5%	53,171	11.5%
1990 to 1999	59,299	14.0%	55,576	12.0%
2000 to 2009	60,298	14.3%	66,335	14.3%
2010 or later	28,135	6.6%	68,544	14.8%
Total	423,091	100.0%	464,072	100.0%

Data Source: 2017 1-year ACS; 2022 1-year ACS; B25036

Definitions

Under Section 104(d) of the Housing and Community Development Act of 1974, as amended, housing activities may be completed to replace “occupied” and “vacant but occupiable” low/moderate income dwelling units that are demolished or converted to a use other than as low/moderate income housing as a direct result of funded activities. Section 104(d) provides that dwelling units that meet the definition of “substandard housing unsuitable for rehabilitation,” and that have been vacant for at least 6 months prior their conversion or demolition, are exempt from coverage under the plan. For purposes of this plan, Commerce will use the following definitions when considering funding.

“Standard housing” is defined as a housing unit which, at the minimum, meets the following standards:

- NSPIRE set forth in the Section 8 Program for National Standards for the Physical Inspection of Real Estate
- All zoning ordinances and uniform codes adopted by the state, which are national or international codes

“Substandard suitable for rehabilitation” means a housing unit, or in the case of multifamily dwellings, the building(s) containing the housing units, where the estimated

cost of making the needed replacements and repairs is less than 75% of the estimated cost of new construction of a comparable unit or units.

“Substandard not suitable for rehabilitation” means any such housing unit or units for which the estimated cost of making the needed replacements and repairs is greater than or equal to 75% of the estimated cost of new construction of a comparable unit or units.

These definitions are not intended to prevent the preservation of substandard housing not suitable for rehabilitation if the project sponsor and/or Commerce determine that the unit or units should be rehabilitated and preserved to achieve other goals established for the project, including, but not limited to, the preservation of buildings with historical or architectural significance.

Condition of Units

Table 36 - Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	65,834	21%	53,988	39%
With two selected Conditions	1,625	1%	2,632	2%
With three selected Conditions	163	0%	334	0%
With four selected Conditions	28	0%	0	0%
No selected Conditions	238,782	78%	80,531	59%
Total	306,432	100%	137,485	100%

Data Source: 2018-2022 5-year ACS; B25123

Year Unit Built

Table 37 - Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	82,295	27%	30,629	22%
1980-1999	76,368	25%	31,252	23%
1950-1979	97,726	32%	50,877	37%
Before 1950	50,043	16%	24,727	18%
Total	306,432	100%	137,485	100%

Data Source: 2018-2022 5-year ACS; B25036

Risk of Lead-Based Paint Hazard

Table 38 - Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980.	150,151	50%	78,638	57%
Housing units built before 1980 with children present	17,505	6%	11,410	8%

Data Source: 2016-2020 5-year ACS; B25036 (Total Units) | 2016-2020 CHAS (Units with Children present); Table 13

Lead-Based Paint Hazards

Older homes, particularly those built prior to 1978, have a greater likelihood of lead-based paint (LBP) hazards than homes built after 1978, when lead as an ingredient in paint was banned. Environmental issues play an important role in the quality of housing. Exposure to LBP, which is more likely to occur in these older homes, is one of the most significant environmental threats posed to homeowners and renters.

An understanding of the harmful effects of lead poisoning on children and adults in both the short- and long-term is increasing. Evidence shows that lead dust is a more serious hazard than ingestion of LBP chips. Dust from surfaces with intact LBP is pervasive and poisonous when inhaled or ingested. Making the situation more difficult is the fact that

lead dust is so fine that it cannot be collected by conventional vacuum cleaners.

LBP was banned from residential use because of the health risk it posed, particularly to children. Homes built prior to 1980 have some chance of containing LBP on interior or exterior surfaces. The chances increase with the age of the housing units. Information below shows the risk of LBP exposure in owner- and renter-occupied houses. HUD has established estimates for determining the likelihood of housing units containing LBP.

These estimates are as follows:

- 90% of units built before 1940;
- 80% of units built from 1940 through 1959; and
- 62% of units built from 1960 through 1979.

Other factors used to determine the risk for LBP problems include the condition of the housing unit, tenure and household income. Households with young children are also at greater risk because young children have more hand-to-mouth activity and absorb lead more readily than adults. The two factors most correlated with higher risks of LBP hazards are residing in rental or lower-income households. Low-income residents are less likely to be able to afford proper maintenance of their homes, leading to issues such as chipped and peeling paint, and renters are not as likely or are not allowed to renovate their rental units.

Vacant Units

Information about vacant units suitable or not suitable for rehabilitation throughout the state of Montana is not available; thus, data are not provided in **Table 39**.

Table 39 - Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	N/A	N/A	N/A
Abandoned Vacant Units	N/A	N/A	N/A
REO Properties	N/A	N/A	N/A

Abandoned REO Properties	N/A	N/A	N/A
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Need for Owner and Rental Rehabilitation

In Montana, there are 433,935 residentially classed parcels, which are parcels that contain one or more housing units. The ACS 1-year estimates report that Montana has 529,167 housing units. When assessing property, the Montana Department of Revenue assigns dwellings a physical condition rating, which is a fairly good proxy for housing condition. Of Montana’s residentially classed parcels, 2.9% are in excellent condition; 8.8% are in very good condition; 28.7% are in good condition; 41.7% in average condition; 12.7% are in fair condition; and 5.1% are in poor, very poor, or unsound condition. These last two categories (fair and poor) are candidates for potential rehabilitation and represent more than 77,000 parcels across Montana, indicating there is a need for rehabilitation to retain these homes as part of Montana’s housing stock.

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

According to 2016-2020 CHAS data, there are 220,780 occupied housing units built before 1980 and are at risk of LBP hazards. This group of occupied housing units represents about 51% of all occupied housing units in Montana. **Table MA-20.2** shows the breakdown of households living in housing units built before 1980 by household income as determined by 2016-2020 CHAS data. There are 53,880 low- and moderate-income (less than 80% AMI) owner-households, and 54,170 low- and moderate-income renter-households at risk for LBP hazards. Combined, these groups represent about 25% of all households in Montana. The largest group at risk for LBP hazards is owner-occupied households with incomes exceeding 100% AMI (70,110 households); however, this group is also the most likely to be able to mitigate their LBP risk due to their ownership status and relatively high income.

Table MA-20.2 - Household Income by Tenure for Housing Units with Lead Based Paint Risk

Household Income	Owner-Occupied Housing Units Built Before 1980		Renter-Occupied Housing Units Built Before 1980	
	Number	% of Total	Number	% of Total
0-30% AMI	14,930	11%	19,930	25%
>30-50% AMI	17,770	13%	16,125	21%
>50-80% AMI	21,180	15%	18,115	23%
>80-100% AMI	18,155	13%	7,895	10%
>100% AMI	70,110	49%	16,570	21%
Total	142,145	100%	78,635	100%

Data Source: 2016-2020 CHAS; Table 13

Discussion:

National Efforts to Reduce Lead-Based Paint Hazards

In 1991, Congress formed HUD’s Office of Healthy Homes and Lead Hazard Control to eradicate LBP hazards in privately owned and low-income housing in the United States. One way it has done this is by providing grants for communities to address their own lead paint hazards. Other responsibilities of this office are enforcement of HUD’s LBP regulations, public outreach and technical assistance, and technical studies to help protect children and their families from health and safety hazards in the home.²⁹ Then in 1992, to address the problem more directly, Congress passed the Residential Lead-Based Paint Hazard Reduction Act, also known as Title X, which developed a comprehensive federal strategy for reducing lead exposure from paint, dust and soil, and provided authority for several rules and regulations, including the following:

1. **Lead Safe Housing Rule** – mandates that federally assisted or owned

²⁹ “About the Office of Healthy Homes and Lead Hazard Control.” 21 February 2011. U.S. Department of Housing and Urban Development. 12 May 2014.

housing facilities notify residents about, evaluate, and reduce LBP hazards.

2. **Lead Disclosure Rule** – requires homeowners to disclose all known LBP hazards when selling or leasing a residential property built before 1978.³⁰
3. **Pre-Renovation Education Rule** – ensures that owners and occupants of most pre-1978 housing are given information about potential hazards of LBP exposure before certain renovations happen on that unit.
4. **Lead Renovation, Repair and Painting Program Rule** – establishes standards for anyone engaging in target housing renovation that creates LBP hazards.³¹

A 10-year goal was set in February 2000 by President Clinton’s Task Force on Environmental Health Risks and Safety Risks to Children to eliminate childhood lead poisoning in the United States as a major public health issue by 2010. To achieve this goal, they released the following four broad recommendations in their “Eliminating Childhood Lead Poisoning: A Federal Strategy Targeting Lead Paint Hazards,” report:

1. **Prevent lead exposure in children** by, among other actions, increasing the availability of lead-safe dwellings through increased funding of HUD’s lead hazard control program, controlling lead paint hazards, educating the public about lead-safe painting, renovation and maintenance work, and enforcing compliance with lead paint laws.
2. **Increase early intervention to identify and care for lead-poisoned children** through screening and follow-up services for at-risk children, especially Medicaid-eligible children, and increasing coordination between federal, state and local agencies who are responsible for lead hazard

³⁰ “Lead Programs Enforcement Division - HUD.” Homes and Communities - U.S. Department of Housing and Urban Development (HUD). 12 May.

³¹ “Lead: Rules and Regulations; Lead in Paint, Dust, and Soil.” U.S. Environmental Protection Agency. 31 Dec. 2008.

control, among other measures.

3. **Conduct research** to, for example, develop new lead hazard control technologies, improve prevention strategies, promote innovative ways to decrease lead hazard control costs, and quantify the ways in which children are exposed to lead.
4. **Measure progress and refine lead poisoning prevention strategies** by, for instance, implementing monitoring and surveillance programs.

Continuing these efforts, the U.S. Department of Health and Human Services launched Healthy People 2020, which included the goal of eliminating childhood blood lead levels ≥ 10 $\mu\text{g}/\text{dL}$ (micrograms per deciliter).³² As part of the National Center for Environmental Health, the program works with other agencies to address the problem of unhealthy and unsafe housing through surveillance, research and comprehensive prevention programs.³³ In 2010, the Environmental Protection Agency enacted the Lead Renovation, Repair, and Painting Rule (RRP). This rule requires that any firms performing renovation, repair, and painting projects that disturb LBP in homes, childcare facilities and pre-schools built before 1978 must be certified by the EPA.³⁴

Lead-Based Paint Hazards for Children

Children's exposure to lead has decreased dramatically over the past few decades due to federal mandates that lead be phased out of items such as gasoline, food and beverage cans, water pipes, and industrial emissions. However, despite a ban in 1978 on the use of lead in new paint, children living in older homes are still at risk from deteriorating LBP and its resulting lead contaminated household dust and soil. Today LBP in older housing remains one of the most common sources of lead exposure for

³² <http://www.cdc.gov/nceh/Lead/>

³³ <http://www.cdc.gov/nceh/eehs/>

³⁴ <http://www2.epa.gov/lead/renovation-repair-and-painting-program>

children.³⁵ Thirty-eight million housing units in the United States had LBP during a 1998 to 2000 survey, down from the 1990 estimate of 64 million. Still, 24 million housing units in the survey contained significant LBP hazards. Of those with hazards, 1.2 million were homes to low-income families with children under 6 years of age.³⁶ In Montana, over a two-year period, 335 children under the age of six had elevated blood lead levels. An estimated 41% of these cases were due to potential exposure to lead-based paint in pre-1978 homes or buildings.³⁷

National Efforts to Reduce Lead Exposure in Children

There have been a number of substantive steps taken by the United States to reduce and eliminate blood lead poisoning in children. The Lead Contamination Control Act (LCCA) of 1988 authorized the Centers for Disease Control and Prevention (CDC) to make grants to state and local agencies for childhood lead poisoning prevention programs that develop prevention programs and policies, educate the public, and support research to determine the effectiveness of prevention efforts at federal, state, and local levels. The CDC has carried out these activities through its Childhood Lead Poisoning Prevention Program.³⁸ One of the most significant actions the CDC has taken to lower blood lead levels (BLLs) in children over the past few decades is their gradual changing of the definition of an Elevated Blood Lead Level. For example, during the 1960s the criteria for an EBLL was ≥ 60 micrograms per deciliter ($\mu\text{g}/\text{dL}$). It then dropped to ≥ 40 $\mu\text{g}/\text{dL}$ in 1971, to ≥ 30 $\mu\text{g}/\text{dL}$ in 1978, ≥ 25 $\mu\text{g}/\text{dL}$ in 1985, and most

³⁵ “Protect Your Family.” March 2014. Environmental Protection Agency. Web. 2 May 2014.

³⁶ Jacobs, David E., Robert P. Clickner, Joey Y. Zhou, Susan M. Viet, David A. Marker, John W. Rogers, Darryl C. Zeldin, Pamela Broene, and Warren Friedman. “The Prevalence of Lead-Based Paint Hazards in U.S. Housing.” *Environmental Health Perspectives* 110 (2002): A599-606. Pub Med. 12 May 2014.

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1241046/pdf/ehp0110-a00599.pdf>

³⁷ chrome-

extension://efaidnbmnnnibpcajpcgiclfndmkaj/https://dphhs.mt.gov/assets/publichealth/Epidemiology/MEHEA/241024MTCLPPPHCPFactSheet.pdf

³⁸ “Implementation of the Lead Contamination Control Act of 1988.” Editorial. *Morbidity and Mortality Weekly Report* 01 May 1992: 288-90. 05 Aug. 1998. Centers for Disease Control. 12 May 2014. <https://www.cdc.gov/mmwr/preview/mmwrhtml/00016599.htm>

recently, $\geq 10 \mu\text{g}/\text{dL}$ in 1991.³⁹

Roughly 14 out of every 1,000 children in the United States between the ages of 1 and 5 have blood lead levels greater than 10 micrograms of lead per deciliter of blood. This is the level at which public health actions should be initiated according to the CDC.

Results of National Efforts

All of these coordinated and cooperative efforts at the national, state and local levels have supported the infrastructure needed to identify high-risk housing and to prevent and control lead hazards.

Consequently, EBLs in U.S. children have decreased dramatically. For example, in 1978 nearly 14.8 million children in the United States had lead poisoning; however, by the early 90s that number had dropped substantially to 890,000.⁴⁰ According to data collected by the CDC, this number is dropping even more. In 1997, 7.6% of children under 6 tested had lead levels $\geq 10 \mu\text{g}/\text{dL}$. By 2012, even after the number of children being tested had grown significantly, only 0.62% had lead levels $\geq 10 \mu\text{g}/\text{dL}$.⁴¹

Amidst all of this success, a debate exists in the field of epidemiology about the definition of EBLs in children. A growing body of research suggests that considerable damage occurs even at BLLs below $10 \mu\text{g}/\text{dL}$. For example, inverse correlations have been found between BLLs $< 10 \mu\text{g}/\text{dL}$ and IQ, cognitive function and somatic growth.⁴² Further, some studies assert that some effects can be more negative at BLLs below 10

³⁹ Lanphear, MD MPH, Bruce P et al. "Cognitive Deficits Associated with Blood Lead Concentrations" Public Health Reports 115 (2000): 521-29. Pub Med. 12 May 2014. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1308622/pdf/pubhealthrep00019-0027.pdf>

⁴⁰ Eliminating Childhood Lead Poisoning: A Federal Strategy Targeting Lead Paint Hazards. Feb. 2000. President's Task Force on Environmental Health Risks and Safety Risks to Children. 12 May 2014. <https://www.cdc.gov/nceh/lead/about/fedstrategy2000.pdf>

⁴¹ <http://www.cdc.gov/nceh/lead/data/StateConfirmedByYear1997-2012.htm>

⁴² Preventing Lead Poisoning in Young Children. Aug. 2005. Centers for Disease Control and Prevention. 12 May 2014. <https://www.cdc.gov/nceh/lead/Publications/PrevleadPoisoning.pdf>

µg/dL than above it.⁴³

While the CDC acknowledges these associations and does not refute that they are, at least in part, causal, they have yet to lower the level of concern below 10 µg/dL. The reasons the CDC gives for this decision are as follows: it is critical to focus available resources where negative effects are greatest, setting a new level would be arbitrary since no exact threshold has been established for adverse health effects from lead, and the ability to successfully and consistently reduce BLLs below 10 µg/dL has not been demonstrated.⁴⁴

Montana Lead Removal Efforts

The State of Montana has a commitment to ensure that recipients of HOME, CDBG, HTF, and ESG funds administer programs that adequately limit the risks associated with LBP. Recipients of funding through these programs are required to comply with all federal, state, and local LBP regulations.

Although a large portion of the state's housing stock was built prior to 1978, it is important to note that LBP exposure risk is based on a variety of factors, and not all units built prior to 1978 will pose a risk. Commerce does presume pre-1978 units have LBP risks and follows all HUD, Healthy Home, and EPA guidelines to assess and mitigate risks. Education and awareness of the potential hazards and the need to properly maintain, control, and abate LBP is crucial.

For the ESG Program, all units constructed prior to 1978 and assisted with ESG funds must undergo an LBP visual assessment if a child under the age of 6 is or will be living

⁴³ Matte, MD, MPH, Thomas D., David Homa, PhD, Jessica Sanford, PhD, and Alan Pate. A Review of Evidence of Adverse Health Effects Associated with Blood Lead Levels < 10 µg/dL in Children. Centers for Disease Control and Prevention, Work Group of the Advisory Committee on Childhood Lead Poisoning Prevention. 12 May 2014. https://www.cdc.gov/nceh/lead/ACCLPP/SupplementalOct04/Work%20Group%20Draft%20Final%20Report_Edited%20October%207,%202004%20-%20single%20spaced.pdf

⁴⁴ Preventing Lead Poisoning in Young Children. Aug. 2005. Centers for Disease Control and Prevention. 12 May 2014. <https://www.cdc.gov/nceh/lead/Publications/PrevLeadPoisoning.pdf>

in the unit or a pregnant woman will live in the unit unless an exemption applies. The visual assessment must be completed prior to ESG assistance being provided, and annually thereafter. Depending on the results of the visual assessment, additional steps may be required before assistance can be provided for that unit. In addition, for all households assisted with ESG funds in housing units constructed before 1978, property owners or managers must adhere to disclosure requirements.

Applicants for CDBG, HOME, and HTF funds are made aware of the requirements of the LBP regulations before they apply for funds. If funded, applicants receive additional information on dealing with LBP hazards. Technical assistance is available throughout the project. Commerce also promotes lead training whenever it is offered in Montana.

The State of Montana supports rehabilitation and construction activities to ensure that households, particularly those with children, benefiting from federal housing programs are safe from LBP hazards. 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, or painting activities is certified and uses lead-safe work practices, as required by the U.S. Environmental Protection Agency. If rehabilitation or homebuyer assistance is funded by CDBG, HOME, or HTF, and the unit funded was built prior to 1978, LBP risks must be assessed. If a unit has LBP that is chipping, peeling, or deteriorating, it must be remediated or removed during rehabilitation or prior to securing funds for homebuyer assistance. For many projects, CDBG, HOME, and HTF funds can be used to assist with the cost of LBP testing and remediation.

In addition, Uniform Physical Condition Standards (UPCS)/HQS inspections are performed annually at HOME, HTF, Section 8, and other publicly-financed rental properties throughout the state. UPCS/HQS inspections are also conducted on all homes purchased with HOME downpayment 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. Once effective, inspections will comply with National Standards for the Physical Inspection of Real

Estate, HUD's updated standard for assisted properties.

The Montana Board of Housing's 2025 Qualified Allocation Plan for LIHTC administration states that projects "Must comply with HUD's "Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance," known as the Lead Safe Housing Rule, 24 CFR Part 35. Developer must provide MBOH with documentation from a certified professional Abatement Contractor of Project compliance with the Lead Safe Housing Rule."

Commerce's statewide Public Housing Authority's Administrative Plan includes details on Lead-Based Paint regulations, including disclosure, stabilization, notification, compliance, inspection and related requirements. Details include requirements of the PHA and landlord/property owner in the event a child in a covered housing unit has a confirmed Elevated Blood Lead Level.

The more populated areas of the state tend to have more access to resources for appropriately dealing with LBP hazards. However, rural areas of the state, where rehabilitation is often the largest part of housing strategies, remain under-prepared to address LBP hazards. Significant portions of rehabilitation program budgets now go to addressing LBP hazards, and there is an increasing need for federal funding to support the remediation of LBP hazards.

The state has only one accredited lead analysis laboratory, Northern Analytical Laboratories of Billings, that can perform analyses on paint chips, dust wipes, and soil. The state has several individual contractors, and a limited number of companies certified to perform LBP abatement and/or LBP RRP activities within the state.

Vacant Housing

Table MA-20.3 shows the change in number of vacant housing units between the 2017 ACS and 2022 ACS. During that timeframe, Montana's vacant housing units have decreased significantly across all vacancy segments. This loss of vacant housing has largely been driven by large increases in housing demand due to in-migration and larger

numbers of small households. Therefore, the loss of these vacant housing units represents a shift to occupancy and not the demolition or deconstruction of housing units.

Table MA-20.3 - Change in Vacant Housing Units

Vacancy Status	2017 1-year ACS		2022 1-year ACS		% Change 2017 to 2022
	Units	% of Total	Units	% of Total	
For rent	8,707	10.0%	7,300	11.2%	-16.2%
Rented, not occupied	2,425	2.8%	1,447	2.2%	-40.3%
For sale only	4,294	4.9%	2,287	3.5%	-46.7%
Sold, not occupied	1,970	2.3%	1,389	2.1%	-29.5%
For seasonal, recreational, or occasional use	48,466	55.5%	36,015	55.3%	-25.7%
For migrant workers	194	0.2%	26	0.0%	-86.6%
Other vacant	21,261	24.3%	16,631	25.5%	-21.8%
Total	87,317	100%	65,095	100%	-25.4%

Data Source: 2017 1-year ACS; 2022 1-year ACS; B25004

Beginning in 2021, the Census Bureau began releasing more detailed data on “Other Vacant” housing units. **Table MA-20.4** shows Montana’s data regarding the purpose for the other vacant designation (note: this data can be relatively unreliable due to relatively high margins of error). The most common reason for a unit to be marked as “other vacant” was “Personal/Family reasons” (24.5%) followed closely by “Needs repairs” (22.6%). There are three other vacant statuses that indicate housing quality is an issue: 1) “Needs repairs”, 2) “Currently being repaired/renovated”, and 3) “Abandoned/Possibly condemned.” These three groups represent 6,601 housing units and make up 10% of all vacant housing units.

Table MA-20.4 - Other Vacancy Status

Other Vacancy Status	2022 1-year ACS	
	Units	% of Total
Foreclosure	60	0.4%
Personal/Family reasons	4,080	24.5%
Legal proceedings	208	1.3%
Preparing to rent/sell	617	3.7%
Held for storage of furniture	1,179	7.1%
Needs repairs	3,764	22.6%
Currently being repaired/renovated	1,924	11.6%
Specific use housing	550	3.3%
Extended absence	2,190	13.2%
Abandoned/Possibly condemned	913	5.5%
Other	1,146	6.9%
Total of "Other Vacant"	16,631	100%

Data Source: 2022 1-year ACS; B25130

Figures MA-20.3 and **MA-20.4** show the overall vacancy rate by Census Tract as measured by the 2010 and 2020 Decennial Censuses. As shown in the maps, the primary concentration of vacant housing units occurs in tracts with large swaths of public lands and national parks – likely due to vacation and recreation homes in these areas. In 2020, vacancy rates fell and there were far less vacancies in urban areas.

Figure MA-20.3 - 2010 Census Vacant Housing Units

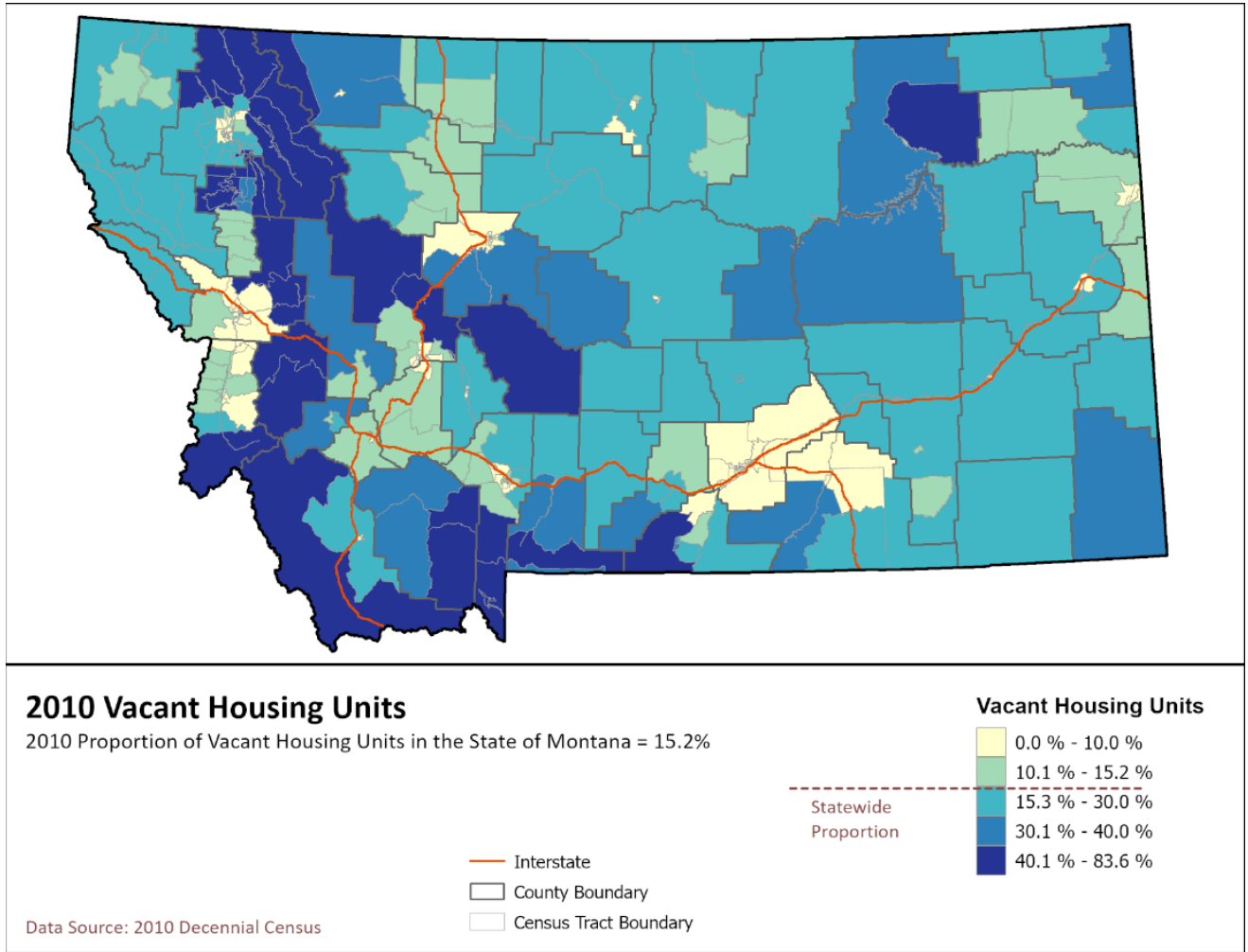
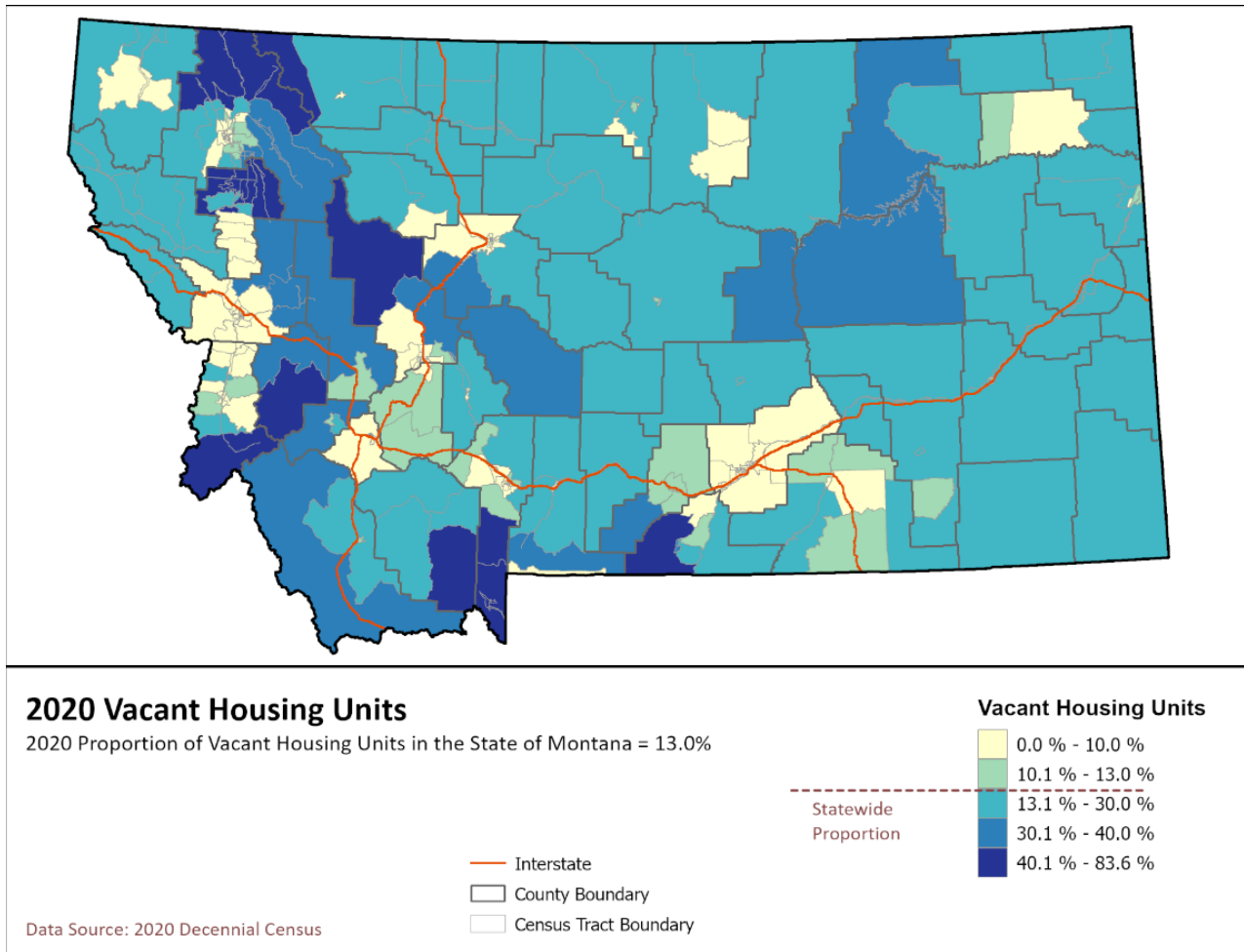


Figure MA-20.4 - 2020 Census Vacant Housing Units



MA-25 Public and Assisted Housing – (Optional)

Introduction

Below is information regarding public and assisted housing. **Table 40** shows the number of units in the state by program type.

Totals Number of Units

Table 40 – Total Number of Units by Program Type

Program Type									
	Certifi- cate	Mod- Reha b	Public Housing	Vouchers					
				Total	Projec t- based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing*	Family Unification Program	Disabled **
# of units vouchers available	0	139		4,337	0	4,337	416	0	187
# of accessibl e units									

Data Source: HUD HCV Dashboard and EHV Dashboard (8/14/2024)

*Includes PB-VASH.

**Includes Non-Elderly Disabled, Mainstream, and EHV.

Describe the supply of public housing developments:

Montana has 18 PHAs (13 HUD funded PHAs and 5 Tribal PHAs) administering subsidized housing in local communities. There are 400 public housing properties for the elderly and 700 public housing properties for the disabled.

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

There are 13 PHAs and 5 Tribal PHAs in Montana, who own and manage over 14,163

subsidized units. These PHAs struggle with aging infrastructure and cost of completing the capital improvement projects necessary to comply with Real Estate Assessment Center and/or NSPIRE requirements.

Describe the Restoration and Revitalization Needs of public housing units in the jurisdiction:

Information on the restoration and revitalization needs of all of Montana’s PHAs is not available.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

As Montana’s statewide public housing authority, Commerce does not own or operate any public housing units.

Discussion:

Public housing in Montana continues to have long waiting lists due to the inability of the number of units to meet the needs of residents. Decreases in funding and challenges with federal funding contribute to barriers to accessing and utilizing public housing in the state. Many waitlists for Housing Choice Vouchers are closed due to the number of households on the lists and decreased federal funding. Repositioning public housing has also been initiated in Helena to move households from public housing units to Tenant-Based Vouchers to ensure access to safe and sustainable housing in the wake of aging public housing units.⁴⁵

MA-30 Homeless Facilities – 91.310(b)

Introduction

DPHHS works with the MTCOC to leverage resources and provide increased and coordinated services to homeless persons across the state. ESG funds are used to meet the needs of households experiencing or at risk of homelessness. ESG activities

⁴⁵ <https://hhamt.org/news-updates/>

are based on local need and include rental assistance, rent delinquency assistance, financial assistance of rental application fees, security and utility deposits, arrears, and payments, case management, housing search and support for toll-free telephone referral hotlines for domestic abuse and other homeless individuals and families, landlord engagement, and referral to mainstream resources. While ESG can provide assistance to shelters for the homeless and victims of domestic and sexual violence including both shelter operation and essential service costs, limited funding prohibits it as a major resource to these facilities. Local efforts are part of a web of care that extends statewide across many programs.

Facilities Targeted to Homeless Persons

Table 1 - Facilities Targeted to Homeless Persons

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year-Round Beds	Voucher, Seasonal, Overflow Beds	Current and New	Current and New	Under Development
Households with Adult(s) and Child(ren)	188		103	360	
Households with Only Adults	762		211	542	
Chronically Homeless Households				279	
Veterans	39		87	663	
Unaccompanied Youth	21		59	51	

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

Projects for Assistance in Transition from Homelessness Program

The PATH Program is part of SAMHSA’s Recovery Support Strategic initiative to reduce or eliminate homelessness for individuals with serious mental illness or co-occurring serious mental illness and substance use disorders. Through its required and elective services, the PATH Program links a vulnerable population that experiences health disparities to mainstream and other supportive services. Collectively, these efforts help homeless individuals with serious mental illness secure safe and stable housing, improve their health, and live self-directed, purposeful lives.

All individuals who have a serious mental illness, or co-occurring serious mental illness and substance use disorder, and are experiencing homeless or are at imminent risk of becoming homeless are eligible for the PATH Program. In addition, participants in the PATH Program must be deemed ineligible for commercial or public health insurance programs, have a formal determination that insurance is unaffordable, or that services are not sufficiently covered by insurance.

The PATH Program provides a variety of services. These include outreach, screening and diagnostic treatment, habilitation and rehabilitation, community mental health, substance use disorder treatment, referrals for primary health care, job training, educational services, and housing, and housing services.⁴⁶

PATH Programs are available in:

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<https://dphhs.mt.gov/BHDD/Prevention/ProjectsforAssistanceinTransitionfromHomelessnessPATH>

- Billings: South Central Montana Regional Mental Health Center
- Butte: Western Montana Mental Health Center
- Missoula: Western Montana Mental Health Center
- Kalispell: Western Montana Mental Health Center
- Great Falls: Alluvion Health
- Bozeman: The HRDC Bozeman

Additional assistance programs are described below.

Western Montana Mental Health Center

With locations across western Montana, limited mental health services are available, in conjunction with case management. Case management may include assessing the client's mental status, monitoring the client's ability to function in the community, supporting the client in efforts to remain stable, planning treatment goals and future needs, linking the client to needed community services, or outreach to determine the client's status and needs. Think of the case manager as the hub of the wheel and the spokes of the wheel as the client's needs for housing, benefits, job, school, legal access, medical care access, socialization opportunities, and support.

Share House

Share House in Missoula provides residential and integrated support services for persons experiencing co-occurring or dual disorders (substance use as well as mental health disorders) and homeless individuals. Share House staff are on site 24 hours a day, 7 days a week. The goal is to have residents become self-sufficient as they progress in their recovery. Share House services are a part of the community effort to end chronic homelessness. Share House provides a drug- free supportive living environment, case management services, life skills groups, rehabilitation aide services related to the development and utilization of life skills, coordinates referral to clinical services, employment, vocational planning, nutritional and medical care, and permanent housing.

The Poverello Center

The Poverello Center in Missoula collaborates with Partnership Health Center's Health Care for the Homeless Clinic to provide onsite medical treatment to homeless individuals and families. Medical respite beds are available by referral only for people who need additional privacy and time to recuperate from a medical crisis. Additional services such as access to mental health treatment and counseling and access to medical care and dental services are provided through the Center.⁴⁷

Butte Rescue Mission

The Butte Rescue Mission provides emergency shelter services along with clothing assistance, health services, and food services. Butte Rescue Mission partners with Southwest Montana Community Health Clinic to provide free healthcare two days a week.

Montana Rescue Mission

Montana Rescue Mission in Billings provides additional services along with shelter. This includes mental health services such as therapy, psychiatric care, case management, peer support, and day treatment. Montana Rescue Mission also provides career training, financial education, and other supportive services.

211/First Call for Help

First Call for Help provides a link between dozens of nonprofit organizations statewide and people in need of their services, connecting the homeless to housing, employment, and support services across the community.

RiverStone Health

RiverStone Health's Healthcare for the Homeless service in Billings provides medical

⁴⁷ <https://thepoverellocenter.org/services/#respite>

services for people experiencing homelessness. Services include routine preventive healthcare, immunizations, acute/chronic illnesses care, mental health counseling and therapy, assessment of chemical dependency, emergency dental care, financial assistance for prescriptions, and outreach services.⁴⁸

U.S. Department of Veterans Affairs, Montana Health Care System, Ft. Harrison

The Acquired Property Sales for Homeless Providers Program

The Acquired Property Sales for Homeless Providers Program makes all VA foreclosed properties available for sale to homeless provider organizations—at a 20 to 50% discount—to shelter homeless veterans. The Supportive Services for Veteran Families Program provides grants and technical assistance to community-based, nonprofit organizations to help veterans and their families stay in their homes.

Health Care for Homeless Veterans Program

The VA's HCHV Program offers outreach, exams, treatment, referrals, and case management to veterans who are homeless and dealing with mental health issues, including substance use.

Montana offers 436 HCHV programs for veterans to receive healthcare from trained, caring VA specialists, providing the tools and supports necessary for veterans to get their lives on a better track. More information is available through the VA's toll-free hotline (1-877-222-VETS (8387)) or at the HCHV Program website

<http://www.va.gov/homeless/hchv.asp>.

Homeless Patient Aligned Care Teams Program

The VA's Homeless Patient Aligned Care Teams Program provides a coordinated “medical home” specifically tailored to the needs of homeless veterans that integrates

⁴⁸ <https://riverstonehealth.org/clinic-services/healthcare-for-the-homeless/>

clinical care with delivery of social services with enhanced access and community coordination. Implementation of this model is expected to address many of the health disparity and equity issues facing this population and result in reduced emergency department use and hospitalizations, improved chronic disease management, improved “housing readiness” with fewer veterans returning to homelessness once housed.

Homeless Veterans Dental Program

The VA’s Homeless Veterans Dental Program provides dental treatment for eligible veterans in a number of programs: Domiciliary Residential Rehabilitation Treatment, VA Grant and Per Diem, Compensated Work Therapy/Transitional Residence, HCHV (contract bed), and Community Residential Care. VA is working to expand dental care to all eligible veterans in this program.

Project CHALENG

Project CHALENG (aka Community Homelessness Assessment, Local Education and Networking Groups) brings together providers, advocates, and other concerned citizens to identify the needs of homeless veterans and works to meet those needs through planning and cooperative action. This process has helped build thousands of relationships between the VA and community agencies so that together they can better serve homeless veterans.

Substance Use Disorder Treatment Enhancement Initiative

The VA’s Substance Use Disorder Treatment Enhancement Initiative provides substance use services in the community to aid homeless veterans’ recovery.

The Readjustment Counseling Service’s Vet Center Programs

The Readjustment Counseling Service’s Vet Center Programs feature community-based locations and provide outreach activities that help to identify homeless veterans and match them with necessary services.

Project Homeless Connect Great Falls

Project Homeless Connect Great Falls provides a range of free services to people experiencing homelessness or at risk of becoming homeless, including dental cleanings, extractions, clothing, and haircuts.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

Table 30.1 provides a non-exhaustive list of all the facilities that provide services for persons experiencing homelessness in Montana. These service providers cross a wide range of services and cover the large geographic area of Montana. In particular, providers that serve families with children, veterans, and unaccompanied youth are described in more detail below.

Families with Children

Ada's Place in Missoula is designed to help homeless survivors of domestic violence and their children work toward self-sufficiency and independence. Ada's Place offers participants the opportunity to gain knowledge, education, and skills in a variety of areas while working on goals that will assist them in obtaining permanent housing and achieving economic security.

Action Inc. in Butte offers housing assistance to households with children as well as other at-risk households, in addition to services for training and work experience.

Family Promise of Gallatin Valley's mission is to empower families experiencing housing insecurities to secure a safe, affordable home, a livelihood, and the chance to build a better future for their children. In addition to services such as financial budgeting

and savings, employment and career goals, transportation freedoms, parenting skills, responsible homecare and maintenance, they provide a year-round family resource center.⁴⁹ Additional Family Promise locations include Billings, Great Falls, and Helena.

Florence Crittenton in Helena provides transitional living apartments for women and children, providing an opportunity for families to live independently while still receiving support on an outpatient basis.⁵⁰

Great Falls Rescue Mission Cameron Family Center Recovery Program is a 16-month long program providing job skills, life skills, parenting, and financial education.

Veterans

Housing Montana Heroes provides housing and services for veterans and their families through the Poverello Center in Missoula, Montana.

Independence Hall is a 20-bed men's transitional housing facility in operation 24 hours a day for veterans located in Billings, Montana.

Unaccompanied Youth

Florence Crittenton, located in Helena, Montana, provides residential care for youth aged 12-21 who are pregnant and/or parenting.⁵¹

Tumbleweed offers crisis counseling and youth services 24 hours a day, 7 days a week. Tumbleweed's services are free of charge and include crisis prevention and intervention, family counseling, adolescent support groups, information, advocacy, and referral to other community services, parenting courses, aftercare, and assistance with

⁴⁹ <https://www.familypromisegv.org/copy-of-emergency-shelter>

⁵⁰ <https://www.florencecrittenton.org/programs/residential-programs/>

⁵¹ <https://www.florencecrittenton.org/programs/residential-programs/>

runaway youth.⁵²

Table 30.1 – Homeless Service Providers

Providers	
Action Inc.	HRDC 6
Ada’s Place Emergency Housing	HRCD 7
Aspen Shelter	HRDC 9
Bitterroot Warming Center	HRDC XI
Butte Non-Congregate Hotel	Kalispell Non-congregate Hotel
Butte Rescue Mission Shelter	Lincoln County Crisis Solution
Canterbury House	Livingston Warming Center
CAPNWMT	Mercy Home
Center for Mental Health Helena	Poverello Center
CNADA House	Ray of Hope
Community Action Partnership of the NW	Richmond County Coalition Against Domestic Violence
Community Crisis Center	Rocky Mountain Development Council
DCDV	SAFE
DOC - MERA	SAFE DVS
Family Promise Gallatin	Safe Space
Family Promise of Greater Helena	Salvation Army of Helena
Family Promise of Missoula	Samaritan House Transitional

⁵² <https://www.tumbleweedprogram.org/about-tumbleweed/overview/>

Family Promise of Yellowstone	Samaritan House
Flathead Warming Center	Sanders County Coalition for Families
Florence Crittenton Home and Services	Shelter First
Friendship Center	SKHA - Warming Center
Gateway House	The Abbie Shelter
GFRM - Cameron Family Center	The Haven
GFRM Men's Shelter	Thompson Falls Women's Shelter
GFRM Women's Shelter	TLC Toman
God's Love	Tumbleweed
GPD-Independence Hall	Volunteers of America
Grace Home	Warming Center
Haven	YMCA Pathways
Housing MT Heroes	YWCA Helena Transitional Housing

MA-35 Special Needs Facilities and Services – 91.310(c)

Introduction

Montana has a diverse population of individuals and families with various special needs who require services and support. Its vast ruralness makes accessing special needs services challenging for many residents, and the need for special needs services can vary between regions of Montana, with some areas facing more significant challenges than others. While needs for persons with mental health disorders and disabilities and those experiencing homelessness are discussed in more detail in other sections, this section describes some of the ongoing efforts to improve access, quality, and funding of essential services for these populations in Montana. It also outlines the steps the State of Montana is taking to fill existing service gaps.

With an aging population, it is important to note that Montana requires services and support for older adults with disabilities and/or chronic conditions at an increasing level. Access to mental health services can be limited in some regions. Additionally, as is evident through the utilization of resources within the HOPWA Assistance listed below, persons living with HIV/AIDS do need continued assistance for housing, utilities, and supportive services.

HOPWA Assistance Baseline Table

Montana's HOPWA program is funded via competitive award and not through a formula grant. Montana HOPWA Tri-State Housing Environments for Living Positively (TS HELP) is a partnership between one State agency and four private sponsor agencies. The program model delivers housing and related supportive services to HOPWA-eligible participants in a three-state region: Montana, South Dakota, and North Dakota. TS HELP sponsors provide Permanent Supportive Housing, Tenant-Based Rental Assistance and Short-term Rental, Mortgage and Utility assistance (STRMU). They also provide Supportive Services under 24 CFR 574.300(b)(7) based on each client's needs through the creation of their housing stabilization plan, including client outreach, nutritional services, legal and employment resources, transportation, advocacy, coordination of benefits, budgeting, family resource services, and other eligible supportive services. Supportive Services may be provided either in conjunction with HOPWA housing assistance or as a stand-alone service. The Permanent Housing Placement subcategory is allocated to specifically assist clients with costs associated with establishing a new residence including Landlord/Application fees, credit checks, and security deposits.

Because Montana's HOPWA funds are provided via competitive award and not through a formula grant, HOPWA data are not provided in **Table 42**. For information about the State's HOPWA program, funded via competitive award, please see Montana's HOPWA Annual Progress Report on DPHHS's website or on the HUD Exchange

website⁵³.

Table 42 – HOPWA Assistance Baseline

Type of HOPWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	N/A
PH in Facilities	N/A
STRMU	N/A
ST or TH Facilities	N/A
PH Placement	N/A

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

To the extent information is available, describe the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

DPHHS works with the MTCOC to leverage resources and provide increased and coordinated services across the state. Activities include current unit rent and arrears assistance, financial assistance of rental application fees, security and utility deposits, prior unit rental arrears, and payments, case management, landlord outreach and engagement, housing search and referral to mainstream resources. DPHHS also operates the Housing Stability Services Program made possible through the Consolidated Appropriations Act of 2021 and then the American Rescue Plan Act of 2021 which will sunset September 2025.

In the next section, Montana’s work for the Healing and Ending Addiction Through Recovery and Treatment waiver is described in more detail, and those services available to individuals who are at risk of homelessness but not yet homeless are

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https://files.hudexchange.info/reports/published/HOPWA_Perf_GrantComp_06_AAA-A-MT_MT_2022.pdf

discussed.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing.

Commerce and DPHHS participate in efforts to facilitate the development of permanent supportive housing in Montana to help stabilize those experiencing homelessness and those most at risk of losing access to housing, including persons returning from mental and physical health institutions. Efforts to identify those who are frequently using emergency shelter, emergency room and correctional facilities continue in Montana's seven largest cities and inform decisions about the need for and means to address supportive housing for that population.

Funds for permanent supportive housing and rapid rehousing across Montana are available on a competitive basis through the MTCoC process. Each of the 12 regional MTCoC districts housed within the state's 10 HRDCs provides specific services of crisis stabilization and housing supports for veterans, unaccompanied youth, families with children, and chronically homeless individuals and families.

DPHHS is utilizing the HEART waiver and other reform efforts to provide Montanans struggling with addiction and mental health conditions find and keep stable housing, provide incentives to those meeting treatment goals, and provide services to incarcerated individuals in the 30 days before their release from the state prison system. The HEART Initiative, of which the waiver is a component, invests state and federal funding to expand treatment and recovery services for individuals with mental health and substance use disorders. It supports a full continuum of substance abuse prevention and treatment programs for communities.

Tenancy support services will help Medicaid recipients with a diagnosed severe mental illness or a substance use disorder who are experiencing housing instability or homelessness to find and keep stable housing. Contingency management is the evidence-based treatment for stimulant use disorder that allows individuals in treatment

to earn small motivational incentives for meeting treatment goals. Justice-involved reentry services will provide targeted Medicaid services for eligible justice-involved populations 30-days prior to release to support their transition back to the community.

The Behavioral Health System for Future Generations (BHSFG) Commission within DPHHS identified a problem that individuals and families served in Montana's Behavioral Health (BH) and Developmental Disabilities (DD) Systems are increasingly unable to secure and maintain safe and affordable housing. Research suggested that a lack of affordable housing threatens to create and exacerbate behavioral health challenges and crises for vulnerable individuals. The BHSFG Commission recommended providing one-time grant funding of up to \$1,000,000 to the Montana Department of Commerce to work in partnership with the Montana National Association of Housing and Redevelopment Officials (MT NAHRO) HUD Fair Market Rent Solutions Workgroup to conduct a statewide FMR Reevaluation project. The \$1,000,000 funding for the project, provided by House Bill 872, was approved by Governor Gianforte on July 31, 2024.

Commerce collaborated with DPHHS and the statewide Fair Market Rent Reevaluation Study was conducted November 1 through December 20, 2024. The survey results illustrate a significant discrepancy between the HUD FY2025 Fair Market Rents and actual Montana market rents. Commerce submitted the findings to HUD on January 8, 2025, along with a request for reevaluation of the HUD FY2025 FMR for the four HUD Metro FMR Areas, other larger population Montana counties, as well as all the nonmetropolitan counties throughout the entire state of Montana.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

The State of Montana will work to encourage activities that address the housing needs

of those at risk of homelessness, encourage activities that increase the level of assistance to programs serving those at risk of homelessness, and encourage the development and rehabilitation of nonrental facilities for the shelter and transition of temporarily homeless Montanans.

Montana will continue to support effort by local governments and partner organizations providing HIV services, substance abuse services, disability services, aiding victims of domestic violence, and assisting the disabled.

Through implementation of Commerce's HOME-ARP program, projects to serve primarily those experiencing or at risk of homelessness will be undertaken by private developers in partnership with local community stakeholders. The one-time source of funds will be disbursed in five Montana communities to develop permanent supportive housing and non-congregate shelter as well as provide supportive services to qualifying populations living at the HOME-ARP-assisted properties.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

Not applicable.

MA-40 Barriers to Affordable Housing – 91.310(d)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

Public policies play a significant role in shaping the landscape of affordable housing and residential investment in Montana. The web of policies and practices that currently govern housing development in the state is complex, and some policies and practices effectively limit affordable housing and/or curb much-needed residential investments.

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In the context of affordable housing, the negative effects of public policies can be observed through the various lenses of tax policy, land use controls, zoning ordinances, building codes, fees and charges, and growth limits. These subjects are discussed below.

- Tax Policy - Tax policies affecting land and property can have a substantial impact on housing affordability and investment. Rising property taxes, for example, can increase the cost of homeownership such that residents who have historically been able to afford their housing costs are eventually pushed into being housing cost burdened, paying more than 30% of their income on housing, or worse, becoming displaced or homeless. Renters also feel the impact of high property taxes since increases in operating costs are eventually passed to tenants.

Because of explosive home value growth in the state during and after the pandemic, property tax bills for Montana’s median residential properties have increased more than 20% since 2020. This increase reflects hundreds of dollars or more assessed annually for many homeowners, with owners of residential properties paying over \$200 million more aggregately in 2023 than in 2022.⁵⁴

- Land-Use Controls and Zoning Ordinances - Land-use controls include government ordinances, codes, and permit requirements that restrict the use of land and natural resources. Examples of land-use controls are subdivision regulations, building codes, housing codes, historic preservation laws, and zoning.

In Montana’s cities and towns, zoning tells developers what kinds of homes can be built and where. Zoning is typically friendly to single-family homes, which are

⁵⁴ <https://montanafreepress.org/2023/12/07/how-much-montana-property-taxes-are-rising/>

the most expensive type of home to develop. Conversely, zoning prohibits or penalizes multi-family housing development, which is not allowed under certain “by right” zoning designations and/or minimum lot area requirements. Minimum lot areas and exclusionary zoning practices, together, have made finding space for affordable housing in Montana’s residential areas difficult, which in turn has limited residential investment.

Cost-inflating land-use controls and zoning ordinances don’t just affect housing affordability; they can also affect housing choice by perpetuating segregation and limiting or blocking access to amenities and well-resourced areas for certain demographics.

- Building Codes - Building codes have a direct effect on the price of housing, driving up construction costs and adding various levels of administrative burden to the development process. While building codes are essential mechanisms for ensuring that homes meet certain health and safety standards, overly burdensome regulations can stifle innovation and put housing out of reach for many Montanans. This may include parking minimums, floor-area-ratio criteria, stipulated set-backs, and design reviews, as well as other code restrictions.
- Fees and Charges - High development fees and charges imposed by local governments can add significant costs to residential projects, limiting how far residential investments can go and making it that much more difficult for affordable housing projects to pencil out.
- Growth Limits - Growth limits or growth management policies may artificially constrain housing supply, leading to shortages and inflated prices. While growth limits aim to preserve natural resources and prevent urban sprawl, they can inadvertently contribute to housing unaffordability by limiting supply in high-demand areas of the state.

To support affordable housing development and increase residential investment, elected officials in Montana have taken the following proactive steps:

- In July 2022, the governor created the Housing Task Force and charged its appointed members with providing recommendations to make housing more affordable and attainable for Montana residents. The bipartisan task force is took a comprehensive approach and looking at affordable housing challenges and opportunities spanning the areas of regulation, planning, construction, and financial considerations. It has provided recommendations in written reports to the Governor (October 2022, December 2022, and June 2024). The October 2022 Phase I report specified measures the Legislature could consider and the Governor could sign into law. The December 2022 Phase II report outlined regulatory changes and best practices that could be adopted by state agencies and local governments. Finally, the June 2024 Phase III report included a comparison of Montana housing development successes and challenges using common themes, key factors, and root-cause analysis..
- During the 2023 legislative session, several new laws designed to boost housing development were passed and subsequently signed into law. These reforms aimed to address zoning regulations, land use policies, and other related barriers to affordability. The “Montana Miracle,” as dubbed by some sources⁵⁵, reflects bipartisan, innovative efforts to confront Montana’s housing crisis head-on.
 - Land use legislation, specifically, Senate Bill (SB) 382 or the “Montana Land Use Planning Act,” aimed at modernizing and streamlining the development process, encouraging coordinated and planned growth,

⁵⁵ <https://www.bloomberg.com/news/articles/2023-04-28/montana-s-yimby-revolt-aims-to-head-off-a-housing-crisis>; <https://www.planning.org/planning/2023/fall/how-the-bipartisan-montana-miracle-confronts-the-housing-crisis-head-on/>

utilizing a broad and comprehensive level of data collection to identify and analyze existing conditions and future opportunities and constraints, allowing for quicker site-specific development review and decision-making, and providing robust public participation. SB 382 essentially limits public hearings on housing projects by front-loading them to the general planning stages of development. After early public engagement during land-use plan adoption, development approvals are allowed to proceed by right, effectively restricting the ability of not-in-my-back-yard (NIMBY) property owners to slow or thwart growth. The bill also requires local governments to establish planning commissions; set population growth projections, ensuring zoning maps align with projected growth; and adopt a minimum number of pro-housing strategies from an established schedule.

- Additional enacted land-use bills sought to revise municipal zoning to encourage multifamily, mixed-use, duplex, and Accessory Dwelling Unit (ADU) development, as well as revise the local subdivision review process.
 - SB 245 mandates that cities over 5,000 allow multiple-unit (i.e., five or more units) dwelling and mixed-use developments in commercial zones and prohibits requirements for more than one off-street parking space per unit unless required in a parking agreement or ADA.
 - SB 323 mandates that cities over 5,000 allow duplex housing on lots permitted for single-family residences and establishes that zoning regulations may not be more restrictive on duplex housing.
 - SB 528 mandates that cities and towns with zoning must allow at least one ADU on lots with a single-family dwelling. The bill also prohibits additional parking requirements and fees, requirements that ADUs match the design of the single-family dwelling, owner or

relationship occupancy requirements, requirements of any relationship between occupants, assessed impact fees, public street improvement requirements, dimensional requirements more restrictive than the single-family dwelling, and certain restrictive covenant requirements.

- House Bill (HB) 211 dealt with general subdivision review, phased subdivision review, and expedited subdivision review. Per the bill, subsequent general subdivision review hearings may be held if new information is relevant, change in subdivision design is significant, and the new information has a substantial effect on the governing body's consideration of the subdivision. It requires hearings for phases submitted for final plat approval 5 years after preliminary plat approval and additional standards for imposing conditions on subsequent phases. Finally, it allows for expedited review even when requests include variance or deviation from existing subdivision regulations (adding an extended timeline of 45 days for hearings) and requires municipalities to incorporate the expedited review process into their local subdivision regulations.
- Legislation also dealt with building code barriers to affordable housing via SB 406, which prohibits local governments from adopting building codes stricter than state codes.
- Tax relief legislation amounted to \$470 million. HB 587 provided permanent property tax relief to Montana homeowners (more than \$120 million over several years) by establishing the state special revenue school equalization and property tax reduction account and directing a portion of revenue from school equalization local tax levies or "95 mills" to the account, buying down local permissive mills. Additionally, the governor secured up to \$1,350 in property tax rebates for Montana homeowners for

their primary residence in 2023 and 2024. The Property Tax Assistance Program (PTAP), which in 2023 extended relief to Montanans who own properties with a market value up to \$350,000, is open to individuals who meet certain criteria for homeownership, occupancy, and income. The Montana Disabled Veterans (MDV) Property Tax Assistance Program, which in 2023 expanded to serve higher income levels, reduces the property tax burden for resident veterans who are disabled or the surviving, unmarried spouses of deceased veterans who were disabled. Eligibility under MDV is based on homeownership, occupancy, military disability, and income.

- In January 2024, the Governor created the Property Tax Task Force and charged its appointed members with providing recommendations to reform the property tax system and reduce the burden of property taxes on Montana taxpayers. The bipartisan task force provided its recommendations in a written report to the Governor on August 15, 2024. The report includes 12 recommendations, including Tax Fairness (Homestead/Comstead Exemption), three pertaining to Education (Countywide BASE Levy, State Levy, and Voter Approval of Tax Increases), and eight recommendations associated with Local Government taxation. The final report is available at <https://budget.mt.gov/About/PropertyTaxTaskForce>.

Montana's housing crisis is not unique, but the state's flurry of legislative activity to reckon with it stands apart in the nation. And although some of Montana's laws have been met with legal challenges, they have elevated the conversation around affordable housing and residential investment. Conversely, other states, have been met with political impasse as they have struggled to build political coalitions strong enough to proportionally respond to their post-pandemic-era-boom housing shortages.

While this consolidated plan must consider the effects of public policies, it should be

noted that local jurisdictions and the State Legislature, not the public agencies who administer this plan, determine ordinances, policies, and laws that impact affordable housing. As they have historically done, Commerce and DPHHS encourage local jurisdictions and the State Legislature to consider possible impacts to affordable housing and community assets when updating policy and enacting laws.

Respondents to the 2024 Fair Housing Survey found that the biggest barriers to developing housing in the state were, in fact, the cost of land, labor, and materials, more than the barriers of zoning or local policies. While Commerce seeks to mitigate these with subsidized housing, limited resources remain one of the primary barriers to the development of affordable housing.

Although Commerce and DPHHS do not oversee state or local policy and law, they do provide funding and technical assistance to communities seeking to navigate the affordable housing landscape. Through investments in planning activities, for example, the State “tools up” communities, giving them the resources they need to consider policy and law as they seek to make informed, strategic, and locally designed decisions addressing community housing needs.

MA-45 Non-Housing Community Development Assets – 91.315(f)

Introduction

According to [DLI's 2023 Labor Day Report](#)⁵⁶, Montana added over 20,000 jobs in 2022 which far exceeded the previous decade's average annual job growth of 7,100 jobs. This expansion in the state's employment coincided with rapid population growth following the COVID-19 pandemic. Montana's unemployment rate reached the lowest point on record (2.3%) in March of 2023. Much of the nation experienced similar

⁵⁶ https://lmi.mt.gov/_docs/Publications/LMI-Pubs/Labor-Market-Publications/LDR20221.pdf

employment market tightness, but Montana’s unemployment rate has been consistently lower than the national rate following the COVID-19 pandemic. This tight labor market has led to accelerated wage growth in Montana with the state ranking 4th in the nation in terms of real wage growth in 2022.

Much of Montana’s employment growth can be traced to the rebound of service-sector jobs related to the recreation, tourism, and leisure industries. These industries were hit hardest by the pandemic in 2020 but these industries rebounded rapidly in Montana and now far exceed their pre-pandemic levels of employment. Elsewhere, a housing shortage has brought many new construction and trade jobs to the state which rounds out the majority of employment growth in Montana. Leisure activities, business services, construction, and trade jobs make up 74% of Montana’s job growth in 2022.

Economic Development Market Analysis

Tables 43 through 49 contain data relevant to economic development in Montana.

Business Activity

Table 43 - Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs Less Workers %
Agriculture, Mining, Oil and Gas Extraction	32,368	12,744	6%	3%	-3%
Arts, Entertainment, Accommodations	51,982	62,048	10%	13%	3%
Construction	49,735	34,035	9%	7%	-2%
Education and Health Care Services	127,378	117,229	24%	25%	1%
Finance, Insurance, and Real Estate	26,932	23,501	5%	5%	0%
Information	10,095	6,005	2%	1%	-1%



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Manufacturing	21,833	21,338	4%	5%	0%
Other Services	25,732	17,980	5%	4%	-1%
Professional, Scientific, Management Services	52,363	47,539	10%	10%	0%
Public Administration	31,705	33,864	6%	7%	1%
Retail Trade	59,962	60,103	11%	13%	1%
Transportation and Warehousing	27,061	17,023	5%	4%	-2%
Wholesale Trade	10,419	17,768	2%	4%	2%
Grand Total	527,565	471,177			

Data Source: 2021 1-year ACS; DP03 (workers) | 2021 LEHD (jobs)

Data Universe: Civilian employed population 16 years and over

Labor Force

Table 44 - Labor Force

Measure	Estimate
Total Population in the Civilian Labor Force	577,037
Civilian Employed Population 16 years and over	559,604
Unemployment Rate	3.0%
Unemployment Rate for Ages 16-24	7.1%
Unemployment Rate for Ages 25-65	2.3%

Data Source: 2022 1-year ACS; DP03 | B23001

Data Universe: Population 16 years and over

Table 45 - Occupations by Select Sectors

Occupations by Sector	Number of People
Management, business and financial	99,517
Farming, fisheries and forestry occupations	10,693
Service	94,199

Sales and office	104,616
Construction, extraction, maintenance and repair	57,076
Production, transportation and material moving	61,883

Data Source: 2022 1-year ACS; S2401

Data Universe: Civilian employed population 16 years and over

Travel Time

Table 46 - Travel Time to Work

Travel Time	Number	Percentage
< 30 Minutes	382,970	79%
30-59 Minutes	79,147	16%
60 or More Minutes	20,153	4%
Total	482,270	100%

Data Source: 2022 1-year ACS; B08303

Data Universe: Workers 16 years and over who did not work from home

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Table 47 - Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor force		Not In Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	35,448	3,973	47,615
High school graduate (includes equivalency)	143,236	6,785	104,159
Some college or associate's degree	179,506	6,111	101,416
Bachelor's degree or higher	194,641	2,228	83,433

Data Source: Montana Department of Commerce analysis of 2022 ACS Microdata via IPUMS*;

*Steven Ruggles, Sarah Flood, Matthew Sobek, Daniel Backman, Annie Chen, Grace Cooper, Stephanie Richards, Renae Rogers, and Megan Schouweiler. IPUMS USA: Version 14.0 [dataset]. Minneapolis, MN: IPUMS, 2023.
<https://doi.org/10.18128/D010.V14.0>

Educational Attainment by Age

Table 48 - Educational Attainment by Age

Educational Attainment	Age				
	18-24 yrs	25-34 yrs	35-44 yrs	45-65 yrs	65+ yrs
Less than 9th grade	1,911	4,649	3,244	3,996	5,240
9th to 12th grade, no diploma	9,770	4,482	5,428	10,383	9,329
High school graduate, GED, or alternative	41,016	37,979	36,021	80,035	63,557
Some college, no degree	33,178	32,640	27,710	57,106	57,570
Associate's degree	5,906	14,359	14,380	27,479	18,109
Bachelor's degree	11,099	40,639	38,171	56,725	44,173
Graduate or professional degree	367	11,230	21,449	31,197	28,158

Data Source: 2022 1-year ACS; B15001

Educational Attainment – Median Earnings in the Past 12 Months

Table 49 - Median Earnings in The Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	\$30,133
High school graduate (includes equivalency)	\$35,674
Some college or Associate's degree	\$39,948
Bachelor's degree	\$50,894

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Graduate or professional degree	\$68,235
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Data Source: 2022 1-year ACS; B20004

Data Universe: Population 25 years and over with earnings

Based on the Business Activity table above, what are the major employment sectors within the state?

In order of share, the employment sectors are:

- Education and Health Care Services (1st with 24.1% of workers and 24.9% of jobs);
- Retail Trade (2nd with 11.4% of workers and 12.8% of jobs);
- Arts, Entertainments, and Accommodations (3rd with 9.9% of workers and 13.2% of jobs);
- Professional, Scientific, Management Services (4th with 9.9% of workers and 10.1% of jobs);
- Construction (5th with 9.4% of workers and 7.2% of jobs); and
- The remaining eight industries make up the final 35.3% of workers and 31.9% of jobs.

Describe the workforce and infrastructure needs of business in the state.

According to [Montana Economic Development Association's Montana Next Generation Analysis](#)⁵⁷, the state needs to invest in infrastructure to continue to attract talent and business, including remote business. Therefore, increased investments in broadband and 5G technology will attract new development and help Montana's existing businesses grow and innovate. In terms of workforce, *Montana's Next Generation Analysis* identified that Montana is a state with a high level of state-to-state migration, with 5,000 domestic in-migrants per 100,000 residents. This ongoing influx of new residents can be a positive catalyst for economic dynamism and workforce

⁵⁷https://medamembers.org/media/userfiles/subsite_48/files/2020-06-30%20Montana%20Next%20Generation%20Analysis%20%20FINAL.pdf

development. However, MEDA emphasized the importance of workforce development programs and affordable housing to retain this economic driver. Furthermore, respondents to the 2020 Housing and Community Development Survey indicated that affordable housing for the workforce, especially teachers and service industry workers, the elderly, and the disabled, is in short supply throughout the state.

Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

The State of Montana intends to nurture emerging industries and encourage innovation by strengthening the role of universities as technology incubators through research, development, and commercialization; to foster innovation and encourage knowledge-based industries to locate and grow in Montana; and to support entrepreneurs and small businesses to achieve their potential to achieve growth and stability.

[Montana Tech Hub Designation](#)⁵⁸

The Headwaters Hub aims to become a global leader in smart, autonomous, photonic remote sensing technologies. The consortium seeks to develop and deploy smart photonic sensing systems coupled with autonomous systems to address critical defense, resource management, and disaster prevention needs. The Headwaters Hub will help overcome barriers to the advancement and broad adoption of autonomous technologies in critical use areas that are vital to U.S. economic and national security. In July 2024, the federal Economic Development Authority recommended this Tech Hub receive grant funding of approximately \$41 million to implement five projects, including:

- Supporting final-stage testing of technologies by creating environmentally specific

⁵⁸ <https://www.eda.gov/funding/programs/regional-technology-and-innovation-hubs/2023/Headwaters-Hub>

testbeds in rugged terrain, precision agriculture, and roadway settings;

- Building the region's photonics sector by increasing four-year degree opportunities in related fields, utilizing skills-based approaches to train and place workers, and extending on-ramps to Native and rural students across educational levels to access careers in the smart-sensing industry; and
- Establishing and supporting structured pathways for robust engagement across its network to ensure projects stay on track and augment one another by identifying best practices, adjusting course, and building on successes and lessons learned.

To ensure that the impacts of these projects benefit the entire region, components of the strategy are led by Tribal and two-year colleges, and activities include providing robust wrap-around services for workforce development participants.

How do the skills and education of the current workforce correspond to employment opportunities in the state?

One of Montana's strengths is its educated workforce. 94% of Montana's population has a high school diploma, and 35% of Montana's population has a bachelor's degree or higher. Our skilled workforce and quality K-12 education system are recognized as an important strength, but we must provide education and training opportunities aligned with the needs of the private sector. Forming partnerships among educators, workforce development professionals, and the private sector will help identify opportunities to connect education and training to the skills necessary in an ever-changing economy.

Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.

There are a variety of workforce training initiatives in Montana. These include workforce training initiatives in the trade, transportation, and utility; professional and business services; manufacturing; leisure and hospitality; and education and health services sectors. A complete list of programs and training providers is supplied on DLI's website at <http://lmi.mt.gov/Career/Programs>.

[Montana Registered Apprenticeship Program](#)⁵⁹

Montana's Registered Apprenticeship program, administered by the Department of Labor & Industry, enables workers to receive paid, supervised, on-the-job training in more than 100 different occupations across Montana. This program has continually expanded both the number of apprentices and the number of sponsors following a rule change in 2022. That rule change revised the journeyman to apprentice ratio of 2:1 to 1:2; allowing one journeyman to supervise two apprentices. In 2023, the Registered Apprenticeship Program had 685 active apprenticeship sponsors and 3,242 active apprenticeships. With the expansion of this program, Montana has taken steps to grow its skilled workforce and address the shortage of trade labor plaguing many industries.

Discussion

Prior to 2007, unemployment in Montana had been on a generally downward trend for nearly two decades thanks to the steady growth in the number of employed persons, which slightly but consistently outpaced the rate at which new members were added to the labor force. However, a large growth in unemployment came after 2007, when the unemployment rate jumped and continued to rise until 2010. Since 2010, the unemployment rate in the state fell steadily until 2019 reaching a low of 3.5%. The COVID-19 pandemic caused a shock increase to unemployment in 2020 and carrying into 2021; the peak of which occurred in April 2020 with an unemployment rate of 11.8%. Following the pandemic, Montana's unemployment rate began to rapidly decrease to record lows in 2022 (2.7%) and 2023 (2.9%). Montana has had a lower rate than the national average since 2002, as shown in **Figure MA-45.1**.

Figure MA-45.2 shows the monthly unemployment rate since 2008 for both Montana and the nation. Montana's monthly unemployment peaks in the winter months and declines in the summer months –coinciding with major tourism, construction, and agriculture seasons. Compared with the nation, Montana's monthly unemployment is typically lower;

⁵⁹ <https://apprenticeship.mt.gov/>

however, some winter months match or exceed the national unemployment rate. Montana’s employment recovery from the pandemic in early-2020 far outpaced that of the nation with Montana reaching “normalized” levels of unemployment by April 2021. The nation did not return to normal levels of unemployment until the end of 2021.

Full- and Part-Time Employment

The U.S. Bureau of Economic Analysis provides an alternate index of employment; a count of full-time and part-time jobs in the state (**Figure MA-45.3**). These data differ from the U.S. Bureau of Labor Statistics data discussed previously in that they are collected where workers are employed rather than at the household level, and the same person may be counted twice in this dataset if he or she works more than one job. Montana’s full- and part-time employment has grown steadily, year-over-year since 2010 until the COVID-19 pandemic in 2020. Following the pandemic, Montana’s employment grew rapidly, adding over 62,000 jobs from 2020 to 2022.

Figure MA-45.1 - Annual Unemployment Rates | Montana and USA

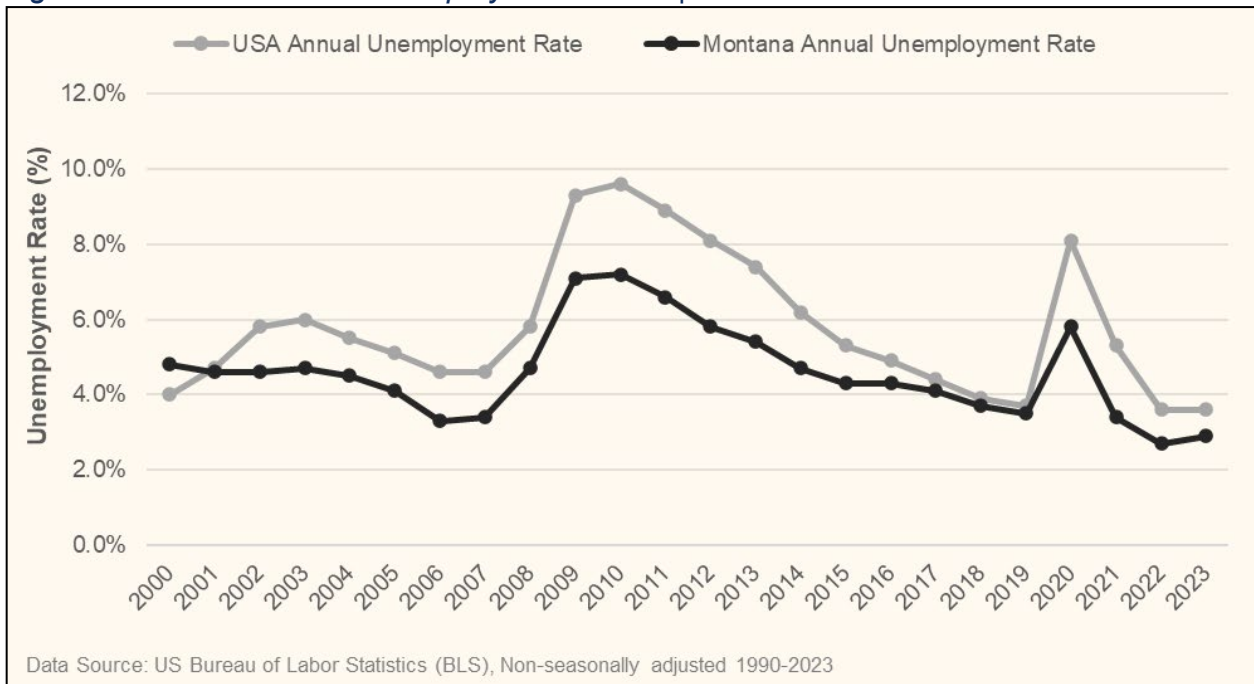


Figure MA-6 - Monthly Unemployment Rates | Montana and USA

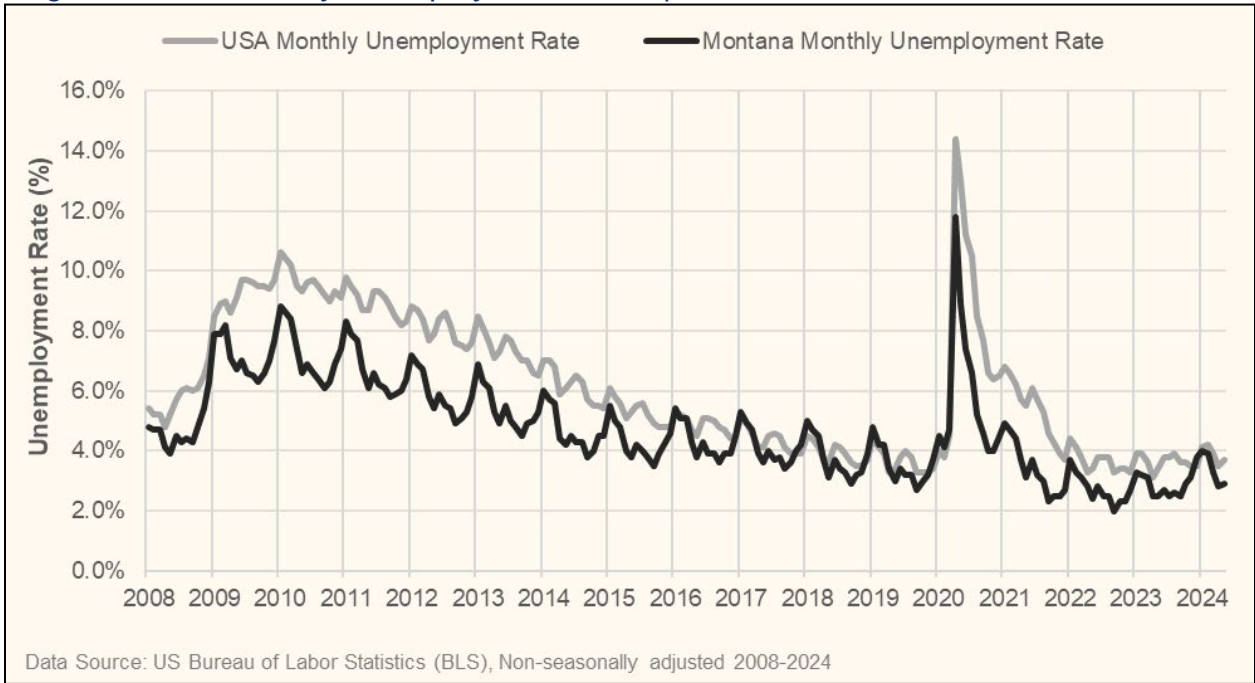
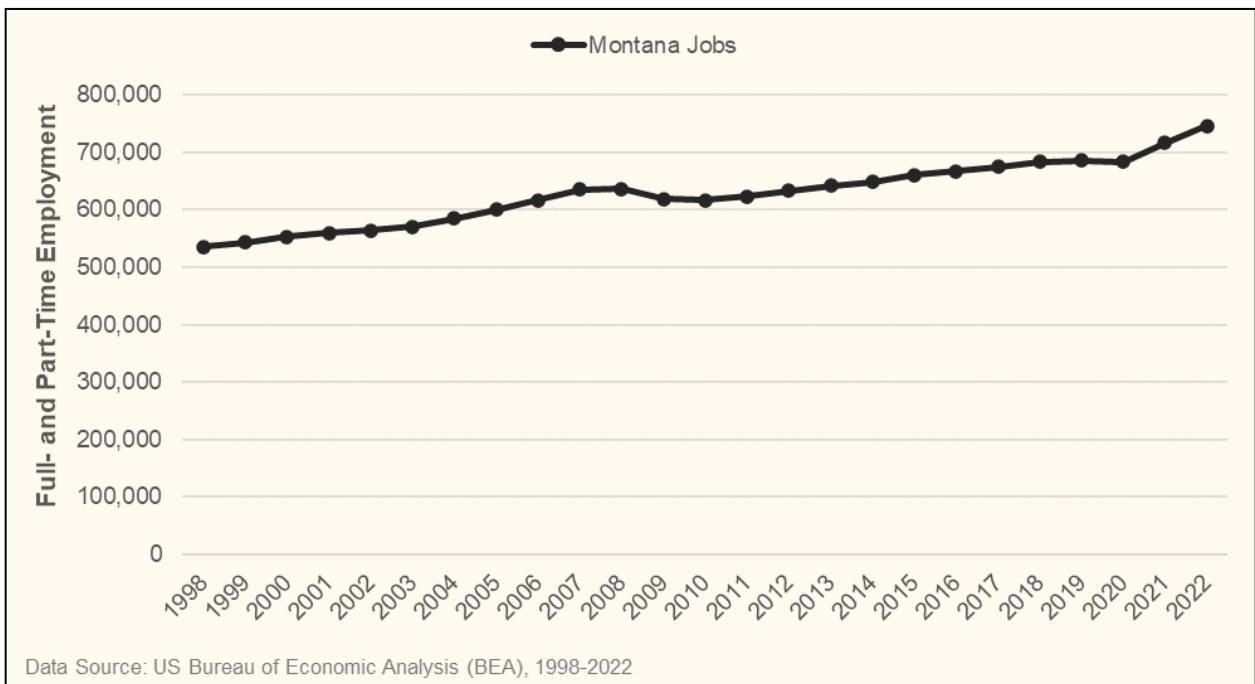


Figure MA-45.3 - Montana Full- and Part-Time Employment



MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of “concentration”)

The number of housing units with at least one or more housing problems is concentrated in the Census Tracts represented by the colored portions of **Figure MA-50.1**. Concentration is defined as those Census Tracts where the percent of households with one or more housing problems is greater than Montana’s rate (28%). This data is derived from HUD’s CHAS data for 2016-2020. Generally, these tracts overlap with both concentrated minority Census Tracts (**Figure MA-50.3**) and concentrated low-income block groups (**Figure MA-50.3**).

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of “concentration”)

Figure MA-50.2 identifies Census Tracts with greater than 25% of the populations declaring a racial category other than “white only” based on 2022 5-year ACS data. **Figure MA-50.2** identifies Census Block Groups with concentrated low income (Block Groups with >30% low-income households).

What are the characteristics of the market in these areas/neighborhoods?

The local housing markets vary widely across the state and are largely dependent on geographical and social issues specific to any given area. Planning activities such as market analyses undertaken by local organizations and local governments identify local housing needs that are used to ensure a measured, targeted approach is taken when investing federal funds. The state is so geographically large, covering more than 147,000 square miles, and demographically diverse with housing and community development needs that vary widely, that it is not feasible to identify and describe specific market characteristics for the areas that may receive state assistance.

Figure MA-50.1 – Concentration of Housing Problems for Montana Census Tracts

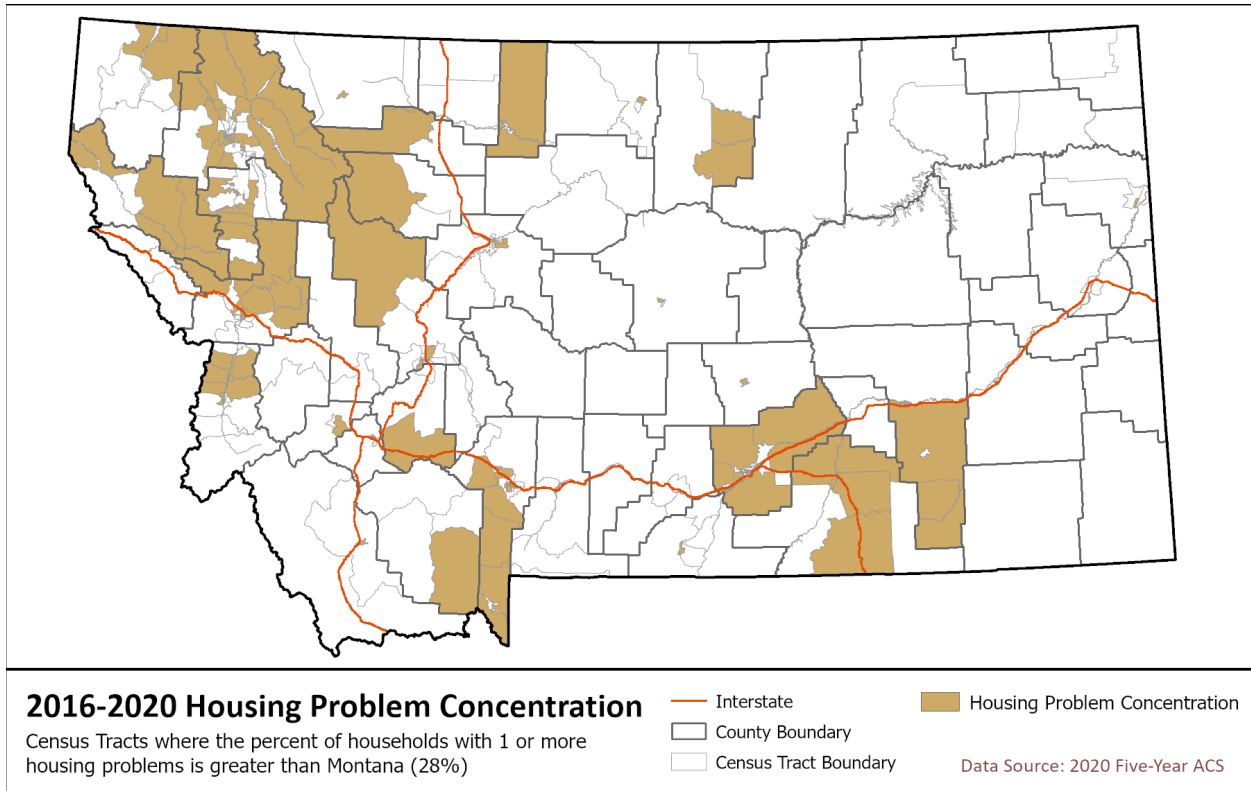


Figure MA-50.2 – Concentrated Minority Montana Census Tracts

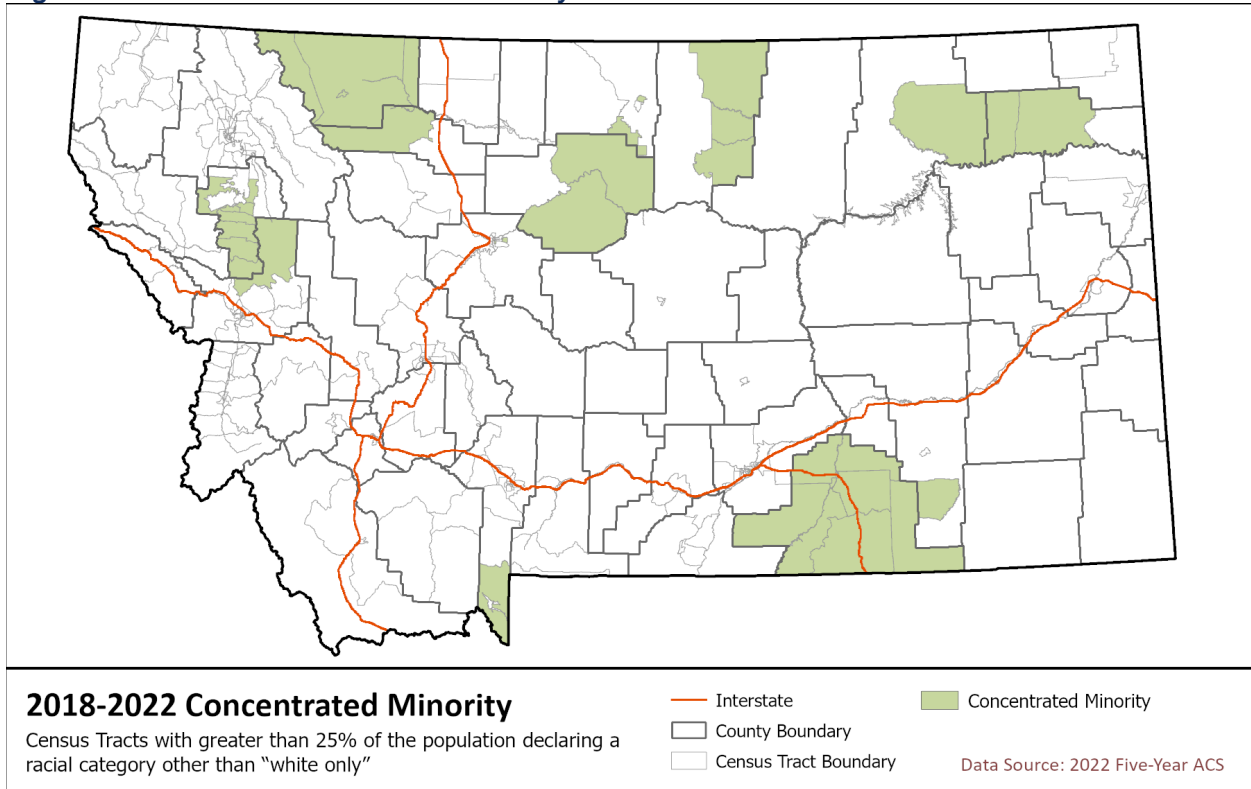
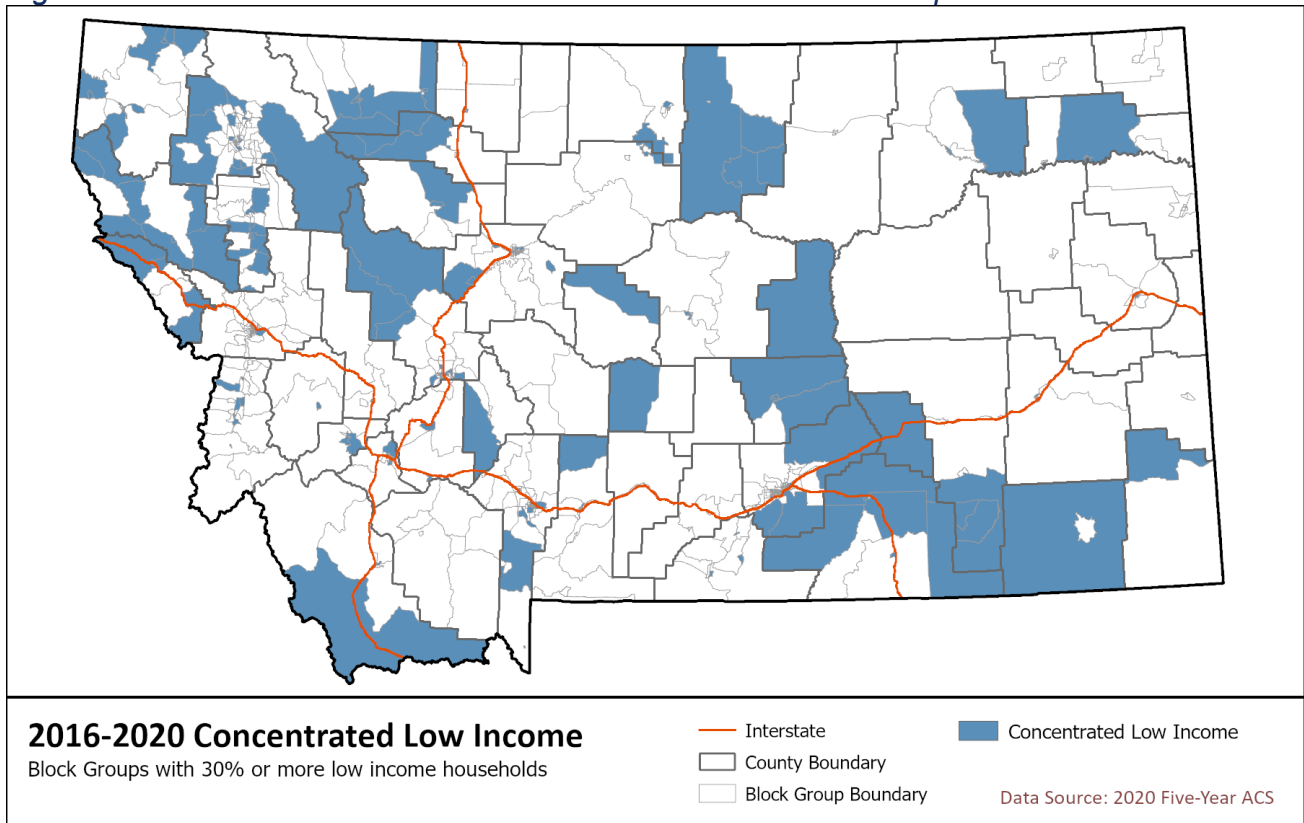


Figure MA-50.3 – Concentrated Low-Income Montana Block Groups



Are there any community assets in these areas/neighborhoods?

Every Montana community has its own unique assets that citizens and local leaders leverage to bolster local housing markets. A variety of organizations supported by Commerce, including CHDOs, HRDCs, CRDCs, work with citizens and local leaders to promote and strengthen local assets, including natural resources and human capital.

Are there other strategic opportunities in any of these areas?

The State of Montana interacts with other agencies, businesses, developers, social service agencies and other organizations to enhance the coordination of efforts to develop housing, support communities, and generate economic development. Commerce supports a broad-based approach to address affordable housing and community development issues through the Consolidated Plan Steering Committee, Water, Wastewater and Solid Waste Action Coordinating Team (W2ASACT), and

Montana Economic Developers Association (MEDA).

Additionally, the Community Technical Assistance Program (CTAP), which is housed at Commerce within Community MT, 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. CTAP helps educate constituents on planning best practices, policy and even regulations that promote affordable housing and support resilient community and economic development. Through hands-on training, workshops, webinars, online resources, direct technical assistance by phone or email, and collaboration with local, state and federal agencies, communities learn how to more effectively utilize policy, code, and regulations such as zoning, subdivision, building code and tax increment financing tools to help— not hinder—the development of affordable housing alternatives in their jurisdiction. Additionally, the link between affordable housing and transportation alternatives, proximity to jobs, public services and education is also an important focus of the CTAP program.

The Montana Main Street Program, also housed within Community MT, further supports these actions by offering additional technical assistance aimed at downtown revitalization through proactive planning and development incentives that support rural communities.

Through the Consolidated Plan, private industry, businesses, developers, and social service agencies have both resources and an opportunity to provide input regarding strategic opportunity.

Summary

In 2017, Montana had 510,408 total housing units. Since that time, the total housing stock has increased the number of units, reaching 529,167 units in 2022. According to the ACS in 2022, Montana's housing stock included 390,845 single-family units and 47,063 mobile home units. Of the 529,167 housing units counted in Montana in the

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2022 ACS, 464,072 units were occupied, with 319,421 counted as owner-occupied and 144,651 counted as renter occupied. This equated to a homeownership rate of 68.8%. Montana has a homeowner vacancy rate of 0.7% and a rental vacancy rate of 4.8%. As reported by the 2022 ACS, the median home value for owner-occupied units is \$366,400.

Results from the 2024 Housing and Community Needs Survey regarding housing topics showed needs prioritized as follows: new construction of affordable rental housing, new construction of affordable for-sale housing, rental assistance, and first-time homebuyer education and down payment assistance.

Comments received from focus group and regional meetings indicated that there is an increased demand for affordable rental housing, and housing supply broadly. The State of Montana received substantial feedback during its public process, and themes emerged, as follows:

- Development of all housing types for all income levels is needed statewide
- Rural areas need additional supports and subsidies to address their housing development challenges
- Accessible and visitable features are needed in new and rehabilitated developments
- Many underserved communities need housing that provides supportive services (housing alone is not addressing the needs of many households at risk of homelessness)
- Adjustments are needed to make voucher programs more effective and better aligned with the current housing market
- Existing resources are not meeting existing needs; more subsidies are needed for low-income households (state-level funding is of particular interest)
- Accessing existing resources to develop housing is difficult due to high regulation loads and the limited capacity of developers, especially in Montana's smaller communities

Results from the 2024 Housing and Community Needs Survey regarding human and public service topics showed needs prioritized as follows: childcare services, mental health and chemical dependency services, youth services, transportation services, and healthcare services.

In addition, the 2024 Housing and Community Needs Survey indicated the highest need for a specific subset of a population prioritized as follows: persons with mental illness, persons that are homeless or at risk of homelessness, and persons with substance use disorders.

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

[According to Broadband Now](#)⁶⁰, Montana ranks 44th in the nation among states scored by broadband coverage, speed, and price access for 2023. According to 2022 ACS data, 89.4% of Montana households have internet subscriptions at home; of those, 77.9% use traditional broadband services such as cable, fiber optic, or DSL. Due to Montana's geographical constraints, advancements in satellite internet have had a significant impact on internet access for rural Montanans. In 2019, 39,792 (9.1%) Montana households had a satellite internet subscription; that number grew to 48,870 (10.5%) in 2022. Montana has far more households utilizing satellite internet subscriptions (10.5%) than the nation (6.7%) and that trend is likely to continue as satellite internet service expands.

Only 86.7% of Montanans have access to competitive broadband service, compared

⁶⁰ <https://broadbandnow.com/research/best-states-with-internet-coverage-and-speed>

with the national average of 94.3%. In rural and tribal areas, access to competitive broadband service is even lower; only 73.3% of persons in rural areas and 73.5% of persons in tribal areas have access to competitive broadband service. In addition, 11 out of Montana's 56 counties have less than 50% broadband coverage and 4 out of Montana's 56 counties have less than 25% broadband coverage. The Federal Communications Commission (FCC) defines competitive broadband coverage as three or more service providers of asymmetrical digital subscriber line (ADSL), cable, fiber, fixed wireless, or satellite service at speeds of great than or equal to 25 Mbps (download) and 3 Mbps (upload). In Montana, substantial numbers of low- and moderate-income households reside in both rural and tribal areas, so the need for broadband wiring and connections could be significant. According to 2022 ACS data, Montana households with incomes lower than \$20,000 are significantly more likely to not have an internet subscription at home (27.7%) than households with higher incomes (8.0%) or Montana as a whole (10.6%). Broadband Now reports that access to wire, low-priced broadband (\$60/month or less) in Montana is only at 33.3%. This means that two-thirds of Montana residents must pay more than \$60 per month for broadband internet access.

The state is committed to expanding broadband access, especially in rural communities. According to Governor Gianforte's *Montana Comeback Plan*, it is a statewide priority to work with consumers, stakeholders, and service providers to increase broadband access throughout Montana to close the digital divide. To accomplish this, Montana is dedicated to balancing resources available from HUD for broadband infrastructure – particularly through CDBG and HOME – with other state and federal resources, such as the Coronavirus State Fiscal Recovery Funds under the American Rescue Plan Act of 2021, which were used to make necessary investments in broadband infrastructure. Specifically, Montana's ARPA broadband deployment, comprised of ARPA 602 State & Local Fiscal Recovery Funds and APRA 604 Capital Project Funds, included a total approximate investment of \$310 million. This allocation included 61 projects covering 61,887 serviceable locations across Montana. Of these

locations, 38,631 are unserved communities, 21,956 are underserved communities, and 1,300 are rural communities.

Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

Montana is the least competitive broadband marketplace in the nation largely due to Montana's geography. In total, there are 120 providers offering competitive broadband services within the state. 205,000 residents only have one provider to choose from, another 36,000 people do not have any provider offering services at their home address. However, not all Montana residents have so few choices. Certain places in Montana are well-connected; when it comes to speed, price, and availability, the best ranking cities in Montana are Billings, Great Falls, Kalispell, Missoula, and Butte.

Broadband Now reports that Montana has 131 internet service providers within the state. Most Montana cities and towns – big and small – have at least 10 internet service providers operating in their area. However, the quality of service (as measured in download speed) that these ISPs provide varies greatly and sometimes these ISPs do not meet the FCC standard of 25 MBPS.

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

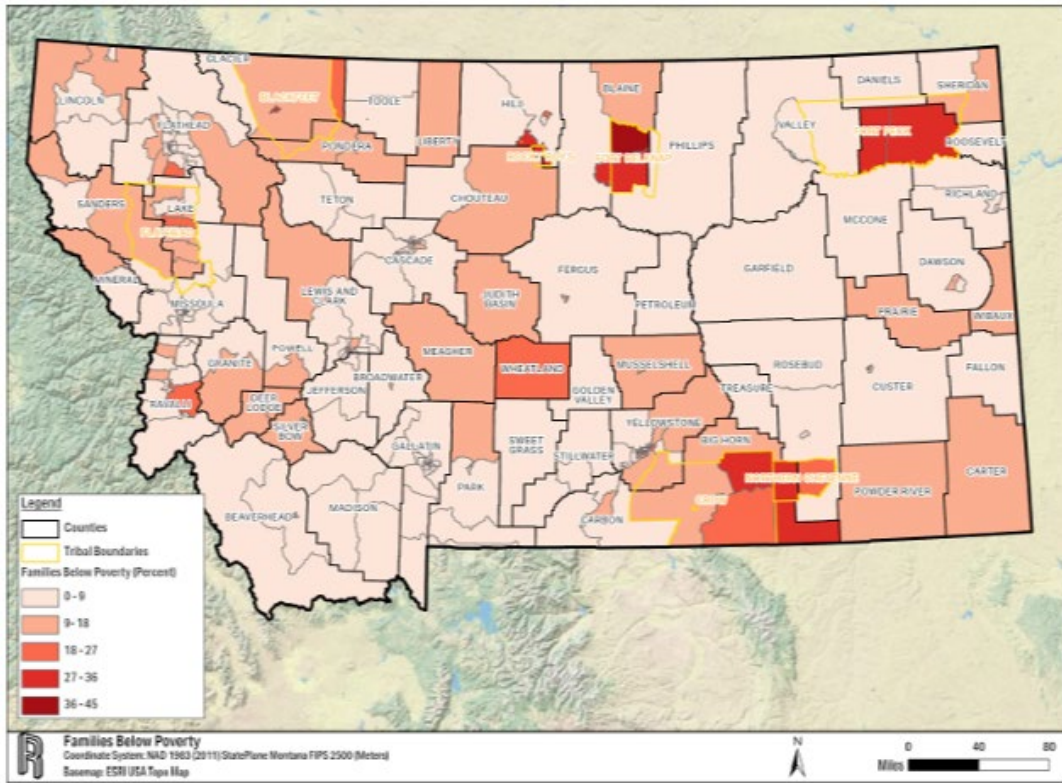
According to Commerce's *Montana Resiliency Framework*, natural disasters—particularly wildfires, droughts, flooding, and severe storms—threaten communities across the state and are projected to accelerate due to climate change. According to the Montana Department of Emergency Services' *State of Montana Multi-Hazard Mitigation Plan*, the hazards that pose the most threat to the state, listed based on probability, severity, and impact, are wildfires, flooding, earthquakes, droughts, and severe weather. From 2002 through 2022, there were more than 45,000 wildfire incidents in

Montana, burning over 9 million acres and destroying over 1,398 structures. These wildfires cost over \$800 million in suppression costs, according to the *State of Montana Multi-Hazard Mitigation Plan*. From 2010 to 2022, there were nine federal disaster declarations for flooding in Montana, causing millions of dollars of damage to roads, bridges, buildings, and homes. The 2022 flood in and around Yellowstone National Park not only caused millions of dollars in damage, but also caused Montana communities to lose tourism dollars vital to their local economies. Montana is also one of the most seismically active states in the United States; since 1925, there have been five shocks that have reached intensity VII or greater, and hundreds of less severe tremors felt throughout the state.

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

The types of natural disasters that pose the greatest risk to housing occupied by low- and moderate- income households in Montana are flooding, wildfires, and severe weather. These changes may be compounded by the lack of resources available for low- and moderate- income households. The increased incidence of wildfires and flooding, as mentioned above, will continue to put households at risk. Those most vulnerable are households with limited access to resources. The Montana’s *Multi-Hazard Mitigation Plan 2023* update found that areas with higher concentrations of poverty tend to overlap with areas that are most susceptible to wildland fire, flooding, and severe weather. The map, shown below, is taken from the report and shows this overlap. Areas in Blaine, Rosebud, Big Horn, and Roosevelt Counties see the highest cross-rates of poverty and higher rates of hazards.

Figure MA-65.1 Hazards Map



Strategic Plan

SP-05 Overview

Strategic Plan Overview

The goals of this strategic plan align with Montana’s goals to provide safe and affordable homes, a suitable living environment, and expanded economic opportunities for the state’s extremely low-, low-, and moderate-income residents. The State of Montana strives to accomplish these goals by maximizing and effectively utilizing all available funding resources to conduct housing and community development activities that serve the economically disadvantaged residents of the state. By addressing need and creating opportunity at the individual and neighborhood levels, the State of Montana aims to improve the quality of life for all residents of the state. The objectives of this strategic plan are as follows:

- *Provide decent housing* by supporting appropriate housing for homeless persons and assisting those at risk of homelessness; preserving the affordable housing stock; increasing the supply of permanent affordable housing; increasing the supply of supportive housing for persons with special needs, including the elderly; frail elderly; persons with mental, physical, and developmental disabilities; persons with substance use disorders; persons with HIV/AIDS and their families; public housing residents; veterans; and victims of domestic violence; supporting homeownership through homebuyer assistance; and providing affordable housing near job opportunities.
- *Provide suitable living environments* by improving the safety and livability of neighborhoods; improving access to quality facilities, infrastructure, and services; reducing the isolation of income groups within communities through de-concentration of low-income housing; revitalizing deteriorating neighborhoods; restoring and preserving properties of special historic architectural value; and conserving energy resources.
- *Expand economic opportunities* by creating and retaining jobs; establishing,

stabilizing, and expanding small businesses; providing public employment services; encouraging the employment of low-income persons in projects funded under this plan; providing reasonable mortgage financing rates without discrimination; providing access to capital and credit for development activities that promote long-term economic and social viability of the community; and reducing generational poverty of those living in publicly assisted housing by providing empowerment and self-sufficiency opportunities.

These objectives are supported by the following goals:

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

This Strategic Plan outlines how the State of Montana will utilize federal funding to meet these goals and objectives over the course of the next five years.

SP-10 Geographic Priorities – 91.315(a)(1)

Geographic Area

Needs for housing and community development vary widely across Montana. The diversity in population density and rates of growth across the state complicate the assessment of the type and degree of housing and community development needed to benefit Montana's communities. Because of the limited availability of resources and the extent of community development and housing needs, Commerce and DPHHS programs are implemented on a statewide basis rather than with geographic priorities.

Entities that receive CDBG, HOME, HTF and ESG funds typically have previous grant awards substantially drawn down before they are eligible to apply for or receive

additional program funds. This method has been shown to disburse funds throughout the state, providing all areas an opportunity to apply for funds and providing an incentive for grant recipients to complete projects on a timely basis. Over time, all funding methods, whether through a formula, competitive, or non-competitive process, tend to effectively distribute grant assistance throughout the state.

Because the State of Montana does not have geographic priorities for any of its federally funded CPD programs, data are not provided in **Table 50**.

Table 50 – Geographic Priority Areas

Area Name	Area Type	Area Description
N/A	N/A	N/A

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

Priorities for funding are based on the following: the Consolidated Plan Needs Assessment and Market Assessment; feedback from the Fair Housing and Housing and Community Development surveys, focus groups, and public meetings; and the objectives and outcomes set by the State of Montana. The state’s housing and community development needs are established and prioritized by local communities and addressed through the state’s process of distributing funds to local communities (see AP-30 Methods of Distribution).

SP-25 Priority Needs – 91.315(a)(2)

Priority Needs

Table 51 – Priority Needs Summary

#	Priority Need	Priority Level	Population			
			Income Level	Family Type	Homeless	Non-Homeless Special Needs
1	Affordable Housing Preservation and Construction	High	Extremely Low, Very Low, Low and Moderate	Large Families, Families with Children, Elderly, and Public Housing Residents	Chronic Homelessness Individuals, Families with Children Veterans Victims of Domestic Violence	Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence

Description: Encourage rehabilitation of existing and development of new rental and owner-occupied affordable housing, to include permanent supportive housing, located within walkable neighborhoods and/or served by public transportation systems, particularly for those with special needs and the elderly.

Basis for Relative Priority: The most common housing problem Montanans face is being housing cost burdened. In 2022, 28.3% of households in Montana experienced a housing cost burden. Of note, cost burden fell most heavily on households with an annual income of less than \$35,000, with 64.9% of this bracket paying 30% or more of their income on housing. Additionally, renters were more cost burdened than homeowners, with 44.6% of renters paying 30% or more of their income on housing versus 21.5% of homeowners paying 30% or more of their income on housing.

Results from the 2024 Montana Housing and Community Development show that preserving and constructing affordable housing is a high priority, with 72% of

respondents indicating the need for more affordable single-family housing and 68% of respondents indicating the need for more affordable rentals.

Table 51 – Priority Needs Summary - Continued

2	Community Planning	High	Extremely Low, Low, Moderate	Large Families Families with Children Elderly Public Housing Residents	Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth	Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Non-Housing Community Development
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Description: Encourage comprehensive planning, downtown master planning, business development planning, market studies, preliminary architectural reports, asset management, needs analysis, preliminary engineering reports, flood prevention and disaster mitigation plans, growth policy updates, housing studies, and other studies or plans that support the sustainability of local communities, affordable housing, public works investments, and vital employment centers.

Basis for Relative Priority: The first step in revitalizing communities, improving the efficiency of public works investments, and safeguarding rural landscapes and natural resources is planning. Planning for the location and density of future land uses, the needs for public and community facilities and amenities, the economic and marketing

strategy of a community or business, and preliminary design of a potential project results in efficient, affordable, and resilient development and helps communities prioritize local projects.

Approximately 69% of respondents to the 2020 Montana Housing and Community Development Survey indicated that they would allocate resources to planning for communities.

Table 51 – Priority Needs Summary Continued

3	Improving and Sustaining Vital Public Infrastructure	High	Extremely Low Low Moderate	Large Families Families with Children Elderly Public Housing Residents	Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth	Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Non-Housing Community Development
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Description: Provide funding opportunities to serve Montanans of low income, particularly special needs and elderly populations, with safe, efficient public infrastructure; improve the safety and efficiency of public infrastructure; promote healthy, safe, and walkable neighborhoods; and safeguard the environment.

Basis for Relative Priority: In the fall of 2024, the Montana Section of the American Society of Civil Engineers (ASCE) issued a cumulative grade of C- for Montana’s aging

infrastructure. The report warned that Montana’s aging infrastructure is mediocre and requires attention. ASCE provides recommendations for ways which Montana can improve its infrastructure grade, which includes long-term commitment to infrastructure funding. The State of Montana is committed to investing its federal funds to provide safe, efficient public infrastructure to serve Montanans, particularly those of low- to moderate-income or with special needs.

Results from the 2024 Montana Housing and Community Development Survey show that updated public infrastructure is a high priority, with more than 73% of respondents indicating that they would allocate resources to this category. Results also indicate that new and updated public facilities is a moderate priority, with approximately 52% of respondents indicating that they would allocate resources to this category.

Table 51 – Priority Needs Summary - Continued

4	Economic Revitalization	High	Extremely Low Low Moderate	Large Families Families with Children Families with Mentally Ill Children Elderly Public Housing Residents	Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth	Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Non-Housing Community Development
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Description: Support and strengthen new and existing businesses, particularly those located within traditional downtown business centers comprising a mix of businesses, housing, and services.

Basis for Relative Priority: As industries shift in Montana and the United States, many communities within the state are struggling with the lack of well-paying jobs, cost of attracting new businesses, and disinvestment in their downtowns. According to the U.S. Environmental Protection Agency, this type of degradation causes residents, visitors, and businesses to relocate as economic opportunities, property values, health outcomes, and community vitality declines. To reverse this trend, Montana needs to invest in economic infrastructure, job training, and downtowns that will catalyze businesses with well-paying jobs. Furthermore, to attract and retain this workforce, Montana needs to create vibrant, walkable, and unique communities with access to housing, work, schools, childcare, and other amenities.

Results from the 2024 Montana Housing and Community Development Survey show that revitalizing local economies is a moderate priority, with more than 37% of respondents indicating that they would allocate resources to this category.

Table 51 – Priority Needs Summary - Continued

5	Reducing Homelessness	High	Extremely Low	Large Families Families with Children Elderly Public Housing Residents	Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS	N/A
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COMMERCE

					Victims of Domestic Violence Unaccompanied Youth	
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Description: Encourage activities that provide assistance and shelter to homeless Montanans and those at risk of homelessness, particularly homeless veterans, youth and children, and the chronically homeless living in unsheltered locations.

Basis for Relative Priority: Homelessness in Montana increased by 23% in the past five years with over 800 more people counted in 2023 than in 2019. Montana continues to see chronic homelessness and a lack of resources to meet the needs of all people experiencing homelessness and at risk of homelessness in the state.

The 2023 Montana PIT Homeless Survey counted 2,178 homeless persons, including 494 homeless individuals belonging to a family with children, one unaccompanied homeless youth, and 1,683 homeless adults. Of the 2,178 homeless persons counted, 540 are considered chronically homeless. At the time of the survey, Montana's homeless population was a majority of white persons that were either a household of adults only (77.3%) or a household with adults and children (22.7%). Additionally, the majority of households were sheltered (77.2%) versus unsheltered (22.8%).

Narrative (Optional)

N/A

SP-30 Influence of Market Conditions – 91.315(b)

Influence of Market Conditions

Table 52 – Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant-Based Rental Assistance (TBRA)	<p>The demand for rentals in Montana continues to rise, with specific challenges for lower-income households to afford rental housing units. Montana expects to see the need for TBRA to persist as the number of cost-burdened families grows, particularly in these lower income ranges. In addition, demand for federal rental assistance has resulted in very long or closed waiting lists for housing across the state. The reduction of federal disbursements, off-sets, Fair Market Rents, and lack of willing landlords compounds the lack of available housing. Montana does use ESG funds to provide TBRA. The 2024 Housing and Community Development Survey results indicated a moderate level of need for rental assistance, with the need for additional rental units placed at a higher priority.</p>
TBRA for Non-Homeless Special Needs	<p>The Non-Homeless Special Needs populations have a variety of housing needs throughout the state. The increase in demand for and in the price of rentals will place a higher need on TBRA for special need populations within the state. This is particularly true for households with disabilities and senior households, as demonstrated by the Market Analysis and 2024 Fair Housing Equity Plan. These increases in rental costs make rentals unaffordable to many special needs populations. As stated previously, Montana uses ESG funds to provide TBRA. The 2024 Housing and Community Development Survey results indicated a moderate level of need for rental assistance, with the need for additional rental units placed at a higher priority. Montana’s statewide PHA and local PHAs continue to have</p>

	<p>difficulty achieving high utilization of their Housing Choice Vouchers due to lack of suitable units for rent.</p>
<p>New Unit Production</p>	<p>As shown by the Market Analysis section, housing production has not been keeping pace with demand, coupled with an increase in prices. New unit production will increase the number of affordable units available to Montana households by increasing supply. The number of new units attainable with CPD funds will not meet demand but may help numerous households address cost burdens and inadequate access to housing. The 2024 Housing and Community Development Survey results indicated a high level of need for new unit production for both housing units for rent or purchase. This sentiment was echoed in data analysis and public comment, with the need for more affordable housing units a top priority for many communities throughout the state.</p>
<p>Rehabilitation</p>	<p>In light of Montana’s continued inadequate housing production compounded by growing population and increased demand, the need for rehabilitation is as high as ever. Much of the state’s housing is older, particularly in more rural areas. As the population grows, maintaining and rehabilitating this existing housing stock is paramount to meeting the needs of current and future residents. The 2024 Housing and Community Development survey found a moderate level of need for rehabilitation behind new unit production. However, the loss of housing units in need of rehabilitation may exacerbate the lack of available units and the rate of housing cost burdens throughout the state.</p>
<p>Acquisition, including preservation</p>	<p>As shown in this plan, more than 4,000 subsidized units are at risk of expiring. As the demand for affordable rental units continues to</p>

increase, the loss of these units will place additional households in need. As stated above, the preservation of existing housing units, particularly those that are affordable, is paramount. Any loss of existing subsidized units will increase the rate of cost burdens or widening the gap in the housing stock.

SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)

Introduction

This section describes the HUD resources expected to be allocated by program throughout the State of Montana during Plan Year 1 – April 1, 2025 to March 31, 2026 – of the 2025-2029 Consolidated Plan.

Allocation Estimates

Table 53 outlines the HUD resources expected to be allocated by program throughout the State of Montana during Plan Year 1 – April 1, 2025, to March 31, 2026. ***These estimates are based on 2024 Allocations until the 2025 Allocations are released by HUD.***

CDBG general planning and administration allocations are capped at 20% of the annual CDBG allocation in addition to eligible program income received during the program year. For Year 1, Montana will cap its general planning and administration allocations at 20% of its allocation and will not use any portion of program income for general planning and administration costs. The use of administrative funds for the state will not exceed 3% plus \$100,000, which is included in the cap. The balance of general planning and administrative funds will be available to units of general local government for general planning and administrative costs to support the completion of project activities. General planning activities are eligible planning activities under Section 105(a)(12) of the Housing and Community Development Act of 1974. Any administrative funds not awarded to grantees for general planning or administrative costs may be

redirected to project costs for completing activities. CDBG planning funds that are used for standalone planning-only activities will meet either the Low- and Moderate-Income (LMI) or Slums and Blight National Objectives.

HOME administration allocations are capped at 10% of the annual HOME allocation in addition to eligible program income received during the program year. The amount of federal HOME administrative funds will not exceed 10% of the HOME allocation for Year 1. Revenue received during a project's period of affordability is considered program income and will not be used for administration.

HTF administration allocations are capped at 10% of the annual HTF allocation. The amount of federal HTF administrative funds will not exceed 10% of the HTF allocation for Year 1. The use of administrative funds will not exceed 10% for state HTF staff and grantee administrative costs to support the completion of project activities.

Expected revenues for CDBG include repayments for funding loaned to businesses that create job opportunities for Montanans of Low- to Moderate-income. Expected revenues for HOME include recaptured funds and program income generated by the HOME Homebuyer Assistance Program. The amount of program income received in any given plan year varies depending on the housing market, interest rates and the general economy.

To achieve the most effective and efficient use of CDBG funds, the Director of Commerce may reallocate up to 25% of the total CDBG allocation among grant categories, depending on the needs in the state during the plan year. A reallocation of more than 25% of the total allocation, or the creation or elimination of a grant category, is considered a substantial amendment to the state's AAP and would require further steps as identified within the Citizen Participation Plan (Appendix A of the 2025-2029 Consolidated Plan). CDBG funds may be reallocated in the case of a disaster and funds must be used immediately. In the event of a disaster, Commerce will follow the Citizen Participation Plan as described in the Consolidated Plan. Reallocations may also be

made to any remaining balances within a grant category within the last 3 months of a 15-month obligation deadline to meet the HUD Timely Distribution requirement.

To achieve the most effective and efficient use of HOME funds, the Director of Commerce may reallocate up to 25% of the total HOME allocation among HOME Housing Development Program and HOME Homebuyer Assistance Program grant categories, depending on the needs in the state during the plan year. A reallocation of more than 25% of the total allocation, or the creation or elimination of a grant category is considered a substantial amendment to this AAP and would require further steps as identified within the Citizen Participation Plan (Appendix A of the 2025-2029 Consolidated Plan). Reallocations may also be made of any remaining balances within a grant category within the last 3 months of a 24-month obligation deadline to meet the HUD obligation requirements. Reallocations or awards may not be made until at least 15% of the CHDO set-aside requirement has been obligated.

The HTF allocation may also be moved between projects that serve those experiencing homelessness and other rental projects. Reallocations of up to 25% may be authorized by the Director of Commerce. Reallocations may also be made of any remaining balances within a grant category within the last 3 months of a 24-month obligation deadline to meet the HUD requirements.

For ESG, DPHHS allocates funds to ensure the provision of ESG services statewide so all Montanans who are homeless or near homeless have access in or near their communities. 7.5% of ESG funds are allocated to administrative activities; DPHHS retains 2.5% of this 7.5% and 5% of this 7.5% is distributed to the HRDCs for administrative costs. ESG funds are distributed based on a formula allocation for Montana's 12 poverty districts, reflecting poverty and population in the area as relative to poverty and population in the entire state. This process is set forth in Montana Code Annotated (MCA) Section 53-10-502, which pertains to the federal Community Services Block Grant (CSBG). Currently, ESG funds are allocated to 8 of the 10 HRDCs in Montana represent 8 of the 12 poverty districts. DPHHS is currently engaged in a

limited solicitation bid for districts 1 through 4.

Table 53 – Anticipated Resources

Program	Source of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan	Narrative Description
		Annual Allocation	Program Income	Prior Year Resources	Total		
CDBG	Public/ Federal	\$6,172,506	\$0	\$0	\$6,172,506	\$24,690,024	State allocation; CDBG funds matched in some grant categories by units of general local government; State funds used to meet CDBG match requirements
	Uses of Funds: Acquisition, Administration and Planning, Economic Development, Housing, Public Improvements, Public Services, and Homeowner Rehabilitation. National Objectives include benefit to low- and moderate-income persons, prevent or eliminate slums and blight, and meet urgent needs.						
HOME	Public/ Federal	\$3,000,000	\$500,000	\$0	\$3,500,000	\$14,000,000	State allocation; HOME funds matched by recipients
	Uses of Funds: Acquisition, Administration, Homebuyer Assistance, Multifamily New Construction, Multifamily Rehabilitation, and New Construction for Ownership.						
HOPWA	Public/ Federal	\$0	\$0	\$0	\$0	\$0	Montana only receives HOPWA


COMMERCE

							competitive funds
	Uses of Funds: N/A						
ESG	Public/ Federal	\$744,418	\$0	\$0	\$744,418	\$2,977,672	State allocation; ESG funds matched by subrecipients
	Uses of Funds: Financial Assistance, Homelessness Prevention, Overnight Shelter, Rapid Re-housing (Rental Assistance), and Street Outreach.						
HTF	Public/ Federal	\$3,144,833	\$0	\$0	\$3,144,833	\$12,000,000	State allocation
	Uses of Funds: Acquisition, Administration, Multifamily New Construction, and Multifamily Rehabilitation.						

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The State of Montana will accomplish the goals of the 2025-2029 Consolidated Plan during Plan Year 1 by effectively maximizing and utilizing all available funding resources to conduct housing and community development activities that will serve economically disadvantaged residents primarily residing in the non-entitlement areas of the state.

The CDBG Program requires 50% match for Economic Development projects. This match can come from a variety of sources, including cash investment, bank loans, state or federal loan programs, or grants. Most CDBG-ED grants are at least partially matched with funds from the state, private bank loans, or owner equity.

The CDBG Program requires 25% match for Public and Community Facilities projects. This match is usually provided either by a direct cash contribution or by incurring a loan

or issuing bonds to be repaid 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 recently appraised value of 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. The State of Montana provides state general fund match for the administration of the CDBG Program.

The CDBG Program requires a 25% match for Planning projects. Funds requested for activities on behalf of a private entity for site-specific projects require a 100% match. At least one-third of the required match funds must be from local sources, not state or federal funds.

No match is required for CDBG Affordable Housing Development and Rehabilitation or Housing Stabilization Program grants, but the applicants' ability to leverage other private, local, state, or federal funds is considered when ranking a proposed project for CDBG housing grant funding.

While HUD requires a 25% match for HOME funds, Montana's HOME Program requires 5% match funding for projects and relies on excess match carried over from previous years, as allowed in regulation. Local match sources include, but are not limited to, local costs of infrastructure installation to serve HOME-assisted units, proceeds from bond financing, private grants, deferred or waived state or local taxes or fees, cash, and the value of donated land. Funds will also be leveraged with resources from CHDOs, which may be funded with HOME funds through the CHDO set-aside. Awards for CHDO activities will be given preference over non-CHDO activities and the HOME Program may not award any project activities until at least 15% of HOME Program funds have been allocated to meet the HUD CHDO set-aside requirement.

ESG funds are matched by subrecipients who provide rental assistance, transitional housing and/or supportive services through collaboration with the Montana Continuum

of Care (MTCoC). 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.

No match is required under the HTF Program, which provides a much-needed source of leveraging for other funding programs aimed at the preservation and expansion of rental housing stock in Montana serving Extremely Low-Income households.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The State of Montana does not anticipate that any publicly owned land or property will be used to address the needs identified in the 2025-2026 AAP. Most state-owned land is either maintained as state recreational land or managed so as to obtain the highest financial return possible for the state's K-12 public school system and other beneficiaries, as mandated by Montana statute. Local entities leveraging CDBG, HOME, or HTF grant funds may use publicly owned land or property to help accomplish a local project on a case-by-case basis, and in most cases, such donations or offers will be considered local match resources.

On June 14, 2023, Governor Gianforte signed House Bill 819, titled "Create Montana community reinvestment act to fund workforce housing". A component of this legislation directs the Department of Natural Resources to assess use of state trust lands for attainable housing. Below is the applicable excerpt from the bill:

Where state trust lands are in close proximity to cities, towns, or communities:

1. the department of natural resources and conservation shall undertake an evaluation of whether the lands could be made available for use as land for

potential development of attainable workforce housing as a part of the Montana community reinvestment plan; and

2. each community reinvestment organization shall consider the use of state lands to support critical public employee services, including attainable workforce housing as part of the Montana community reinvestment plan.

This recommendation was included in the Governor’s Housing Task Force report.

Discussion

Not applicable.

SP-40 Institutional Delivery Structure – 91.315(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Commerce is the lead government entity responsible for Consolidated Plan activities funded through CDBG, HOME, and HTF. DPHHS is the lead government entity responsible for Consolidated Plan activities funded through ESG.

Table 54 – Institutional Delivery Structure

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
State of Montana	State government	Administration of CDBG, HOME, HTF, and ESG, programs and grant awards. Affordable Housing <input checked="" type="checkbox"/> Ownership <input checked="" type="checkbox"/> Rental <input checked="" type="checkbox"/> Public Housing <input checked="" type="checkbox"/> Homelessness <input checked="" type="checkbox"/> Non-homeless special needs	Statewide


COMMERCE

		<p>Community Development</p> <p><input checked="" type="checkbox"/> Public facilities</p> <p><input checked="" type="checkbox"/> Neighborhood improvements</p> <p><input checked="" type="checkbox"/> Public services</p> <p><input checked="" type="checkbox"/> Economic Development</p> <p><input checked="" type="checkbox"/> Planning</p>	
Montana cities and towns	Local government	<p>Administration of CDBG-, CDBG CARES-, HOME-, and -funded projects serving residents of the jurisdiction.</p> <p>Affordable Housing</p> <p><input checked="" type="checkbox"/> Ownership</p> <p><input checked="" type="checkbox"/> Rental</p> <p><input checked="" type="checkbox"/> Public Housing</p> <p><input checked="" type="checkbox"/> Homelessness</p> <p><input checked="" type="checkbox"/> Non-homeless special needs</p> <p>Community Development</p> <p><input checked="" type="checkbox"/> Public facilities</p> <p><input checked="" type="checkbox"/> Neighborhood improvements</p> <p><input checked="" type="checkbox"/> Public services</p> <p><input checked="" type="checkbox"/> Economic Development</p> <p><input checked="" type="checkbox"/> Planning</p>	Within municipal boundaries
Montana counties	Local government	<p>Administration of CDBG-, CDBG CARES-, and HOME-funded projects serving residents of the jurisdiction.</p> <p>Affordable Housing</p>	Within county boundaries or within municipal boundaries if joint administration of project serving residents of both the


COMMERCE

		<input checked="" type="checkbox"/> Ownership <input checked="" type="checkbox"/> Rental <input type="checkbox"/> Public Housing <input checked="" type="checkbox"/> Homelessness <input checked="" type="checkbox"/> Non-homeless special needs Community Development <input checked="" type="checkbox"/> Public facilities <input checked="" type="checkbox"/> Neighborhood improvements <input checked="" type="checkbox"/> Public services <input checked="" type="checkbox"/> Economic Development <input checked="" type="checkbox"/> Planning	municipality and unincorporated areas of a county
Certified Regional Development Organizations	Private, nonprofit corporation	Administration of CDBG-funded projects. Affordable Housing <input type="checkbox"/> Ownership <input type="checkbox"/> Rental <input type="checkbox"/> Public Housing <input type="checkbox"/> Homelessness <input type="checkbox"/> Non-homeless special needs Community Development <input type="checkbox"/> Public facilities <input checked="" type="checkbox"/> Neighborhood improvements <input type="checkbox"/> public services <input checked="" type="checkbox"/> Economic Development <input checked="" type="checkbox"/> Planning	Within 1 of 11 regional areas across Montana


COMMERCE

<p>Community Housing Development Organizations (CHDOs)</p>	<p>Private, nonprofit corporation</p>	<p>Administration of HOME and HTF grants. Affordable Housing <input checked="" type="checkbox"/> Ownership <input checked="" type="checkbox"/> Rental <input type="checkbox"/> Public Housing <input checked="" type="checkbox"/> Homelessness <input checked="" type="checkbox"/> Non-homeless special needs Community Development <input type="checkbox"/> Public facilities <input type="checkbox"/> Neighborhood improvements <input type="checkbox"/> Public services <input type="checkbox"/> Economic Development <input type="checkbox"/> Planning</p>	<p>Within area certified as part of grant application</p>
<p>Tribal housing authorities</p>	<p>Public housing authority</p>	<p>Administration of HOME and HTF grants for non-tribal housing. Affordable Housing <input checked="" type="checkbox"/> Ownership <input checked="" type="checkbox"/> Rental <input type="checkbox"/> Public Housing <input checked="" type="checkbox"/> Homelessness <input checked="" type="checkbox"/> Non-homeless special needs Community Development <input type="checkbox"/> Public facilities <input type="checkbox"/> Neighborhood improvements <input type="checkbox"/> Public services <input type="checkbox"/> Economic Development <input type="checkbox"/> Planning</p>	<p>Within tribal nation boundaries</p>


COMMERCE

Human Resource Development Councils	Nonprofit community action agency	Administration of HOME, HTF, and ESG grants Affordable Housing <input checked="" type="checkbox"/> Ownership <input checked="" type="checkbox"/> Rental <input type="checkbox"/> Public Housing <input checked="" type="checkbox"/> Homelessness <input checked="" type="checkbox"/> Non-homeless special needs Community Development <input type="checkbox"/> Public facilities <input type="checkbox"/> Neighborhood improvements <input type="checkbox"/> Public services <input type="checkbox"/> Economic Development <input type="checkbox"/> Planning	Within 1 of 12 regional districts across Montana
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Assess of Strengths and Gaps in the Institutional Delivery System

The mission of the Montana Department of Commerce is to effectively and efficiently deliver programs and resources through technical assistance, funding/investments, training/consulting, promotion, research, reporting and outreach to provide affordable housing and create sustainable business and economic growth to enhance community vitality to benefit the citizens of Montana.

The mission of DPHHS is to serve Montanans in their communities to improve health, safety, well-being, and empower independence.

Commerce and DPHHS work closely with the Montana League of Cities and Towns, the Montana Association of Counties, the Montana Economic Developers Association, housing organizations, entitlement communities, private housing developers, and private sector businesses to promote economic, community, and affordable housing development statewide. These organizations and agencies have created partnerships with local government entities, social service agencies, benefit providers, faith-based organizations, philanthropic groups, and private industry leaders to deliver housing, job, and community services throughout the state. Experienced Commerce and DPHHS staff are responsible for the award and administration of federal and state funds to eligible entities. All staff take advantage of nationally recognized trainings.

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 of Low- to Moderate-Income, with special needs, or experiencing homelessness. Areas of opportunity exist for increased collaboration to ensure that services are delivered. The state seeks to actively engage the public and private sectors in broad discussions regarding the economic, social, environmental, housing and health needs and opportunities in Montana.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Table 55 – Homeless Prevention Services Summary

Homelessness Services	Prevention	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services				
Counseling/Advocacy		X	X	X
Legal Assistance		X		
Mortgage Assistance		X		
Rental Assistance		X	X	X
Utilities Assistance		X	X	
Street Outreach Services				
Law Enforcement		X		
Mobile Clinics				
Other Street Outreach Services		X	X	
Supportive Services				
Alcohol and Drug Abuse		X	X	
Child Care		X	X	
Education		X	X	
Employment and Training		X	X	
Healthcare		X	X	
HIV/AIDS		X	X	X
Life Skills		X	X	X
Mental Health Counseling		X	X	X
Transportation		X	X	
Other				

Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction

Homeless persons living with HIV receive services and referrals through the Ryan White HIV/AIDS Program, Open Aid Alliance, and District 7 HRDC which offers case management and housing assistance through HOPWA. Once housing and healthcare needs have been met, employment services are encouraged.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

Community partners working together to provide services—including the District 7 HRDC and Open Aid Alliance, both of which receive funding from a competitive HOPWA grant—are a strength of the service delivery system. There continue to be significant gaps in the service delivery system for people living with HIV, such as:

- The lack of temporary shelter appropriate for people with compromised immunity. The majority of clients who are at-risk of homelessness end up in emergency hospital care with serious medical issues. The limited funding for short-term hotel stays does not provide sufficient time to secure permanent housing.
- The lack of stable housing availability for people in difficult financial circumstances.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

Affordable Housing Preservation and Construction: The state will continue to work to preserve existing and construct new affordable housing by increasing collaboration between and within Commerce and DPHHS; and between the state and its local

government, federal government, nonprofit, and private sector partners.

Commerce manages the HOME and HTF funds and a portion of the CDBG funds to rehabilitate existing and construct new affordable housing. Commerce and DPHHS coordinate with service providers to reduce barriers for financing permanent affordable housing for those experiencing homelessness. Commerce plays a key role in organizing and sponsoring Montana's annual Housing Partnership Conference to maintain and grow relationships with the nonprofit and private sectors to monitor trends in housing needs and help identify and solve barriers to affordable housing.

Commerce will continue to provide fair housing information, housing education, and homebuyer counseling in partnership with the HRDCs and CHDOs across the state.

Community Planning: The state remains committed to providing coordinated funding and technical assistance in support of comprehensive long range, and strategic community planning. Commerce's Community Technical Assistance Program, (CTAP), provides direct technical assistance in the areas of land use planning and community development across the state. New legislation enacted in 2023, the Montana Land Use Planning Act (MLUPA), requires municipalities with a population at or exceeding 5,000 located within a county with a population at or exceeding 70,000 in the most recent decennial census to identify and adopt much more comprehensive and proactive planning approaches that thoroughly assess housing needs and require implementing specific strategies to address the housing deficiencies now and for the next 20 years.

Additionally, the Montana Community Reinvestment Act (MCR), provided \$1,000,000 for community grants to incorporate housing needs assessments in long-range planning efforts for communities of all sizes. CTAP staff and consultants assist communities as they navigate the new comprehensive planning and public engagement strategies outlined in MLUPA, and Commerce staff manage the MCR grants as well as additional funding to the Montana Main Street Communities targeted for housing needs. Efforts to assist communities in prioritizing and funding critical community service facilities, housing, public infrastructure, and economic development projects are ongoing. CTAP

continues to provide training and education statewide to local governments, nonprofits, and the private sector on topics related to community planning.

Improving and Sustaining Vital Public Infrastructure: The state is keenly aware of the need to improve and sustain vital public infrastructure, and the importance of safe, efficient infrastructure. Montana’s legislature periodically funds and authorizes capital and infrastructure projects throughout the state. Infrastructure needs persist statewide and the state continues to use existing state and federal funding to address critical needs.

Economic Revitalization: The state continues to work to revitalize Montana’s economy and local business districts by increasing collaboration within Commerce; and between the state and its local government, federal government, nonprofit, and private sector partners.

Commerce manages the CDBG-ED program, offering a “one-stop” approach to grant opportunities for economic development, historic preservation, and downtown revitalization. Commerce’s Community MT and Destination MT divisions meet regularly with the Montana Economic Developers Association and the Certified Regional

Development Corporations to coordinate potential job creation, workforce training, and revolving loan fund projects with eligible CDBG-ED grants. They also collectively monitor economic data in order to address needs as they arise. In addition, Commerce is actively involved in the annual Montana Downtown Conference, MEDA Conference, Montana Main Street Conference, Business Attraction Team, and other state and regional meetings. This involvement allows Commerce to maintain and grow relationships with the nonprofit and private sectors to monitor trends in economic development and help collectively identify and solve barriers to economic revitalization in communities across Montana.

Reducing Homelessness: The state continues to work toward creating community and statewide partnerships, with emphasis on providing “one-stop” referral services. The state and the Montana Continuum of Care, working with service providers, have

adopted a strategic plan for addressing homelessness, with the intent of reducing or eliminating the length of time any person must experience homelessness.

Family with Children Strategies:

- Reallocate MTCoC funded transitional housing beds to Rapid Re-housing or Permanent Supportive Housing
- Prioritize ESG for Rapid Re-housing of families
- Dedicate or prioritize use of Temporary Assistance for Needy Families (TANF) funds for Rapid Re- housing of TANF-eligible families
- Increase availability of PSH beds by shortening lengths of stay

Individual Strategies:

- Reallocate MTCoC-funded transitional housing beds to Rapid Re- housing or Permanent Supportive Housing
- Dedicate PSH turnover beds for chronically homeless
- Increase availability of PSH beds by shortening lengths of stay
- Increase availability of PSH beds by prioritizing HCV for PSH Graduates
- Prioritize ESG for Rapid Re-housing of individuals

SP-45 Goals Summary – 91.315(a)(4)

Goals Summary Information

Table 56 presents Montana’s goals for all 5 years of the Consolidated Plan period (2025-2029). See **Table 58** in AP-20 for Montana’s goals for Plan Year 1 of the 5-year Consolidated Plan period.

Table 56 – Goals Summary

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Preserve and Construct Affordable Housing	2025	2029	Affordable Housing	Statewide	Affordable Housing Preservation and Construction	CDBG: \$5,000,000 HOME: \$11,250,000 HTF: \$11,250,000	Rental Units Constructed: 60 Household Housing Units Rental Units Rehabilitated: 90 Household Housing Units Homeowner Housing Added: 10 Household Housing Units Homeowner Housing Rehabilitated: 15 Household Housing Units Direct Financial Assistance to Homebuyers: 100 Households Assisted
Funding and outcome goals are 5-year estimates. The State of Montana will use CDBG, HOME, and HTF funds to support affordable housing activities that benefit Extremely Low-, Low- and Moderate-Income households.								
2	Plan for Communities	2025	2029	Non-Housing Community Development	Statewide	Community Planning	CDBG: \$3,000,000	Other: 60 Local Governments Assisted


COMMERCE

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
		Funding and outcome goals are 5-year estimates. The State of Montana will use CDBG funds to help communities engage in various types of planning, including comprehensive community development, housing, public infrastructure, business, downtown revitalization, flood prevention and other disaster mitigation, and preliminary project design. A wide variety of activities will be funded that primarily benefit Low- to Moderate-Income persons throughout the state.						
3	Improve and Sustain Public Infrastructure	2025	2029	Non-Housing Community Development	Statewide	Improving and Sustaining Vital Public Infrastructure	CDBG: \$17,000,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 5,000 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 100 Households Assisted
		Funding and outcome goals are 5-year estimates. The State of Montana will use CDBG funds to improve existing and construct new public water, wastewater, and storm drain infrastructure that primarily benefits low to moderate income persons throughout the state.						


COMMERCE

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Revitalize Local Economies	2025	2029	Non-Housing Community Development	Statewide	Economic Revitalization	CDBG: \$5,000,000	Jobs Created/Retained: 150 Jobs Businesses Assisted: 10 Businesses Assisted Façade Treatment/ Business Building Rehabilitation: 5 Businesses
<p>Funding and outcome goals are 5-year estimates. The State of Montana will use CDBG funds to create jobs, expand businesses, and revitalize historic downtown business districts. A wide variety of activities will be funded that primarily benefit Low- to Moderate-Income persons through the state.</p>								


COMMERCE

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Reduce Homeless -ness	2025	2029	Homeless	Statewide	Reducing Homeless -ness	CDBG: \$2,500,000 HOME: \$3,750,000 HTF: \$3,750,000 ESG: \$3,706,000	Tenant-Based Rental Assistance/ Rapid Rehousing: 2,000 Households Assisted Homeless Person Overnight Shelter: 100 Persons Assisted Homeless Prevention: 2,500 Persons Assisted Housing for Homeless Added: 50 Household Housing Units
<p>Funding and outcome goals are 5-year estimates. The State of Montana will use CDBG, HOME, HTF, and ESG funds to provide shelter, services, and permanent supportive housing for homeless persons and persons at risk of homelessness. Activities may include construction, rehabilitation, and direct assistance to serve this clientele throughout the state.</p>								

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

CDBG, HOME, and HTF resources will be used to provide affordable housing to Extremely Low-, Low- and Moderate-Income households throughout the 5-year period. Based on the estimates above, each year approximately 35 income-eligible households will be provided housing through new construction and rehabilitation activities, 20 income-eligible households will receive direct financial assistance for home purchase, and 10 households experiencing homelessness will benefit from permanent housing for homeless added.

SP-50 Public Housing Accessibility and Involvement – 91.315(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

Not applicable.

Activities to Increase Resident Involvements

Not applicable.

Is the public housing agency designated as troubled under 24 CFR part 902?

Not applicable.

Plan to remove the ‘troubled’ designation

Not applicable.

SP-55 Barriers to affordable housing – 91.315(h)

Barriers to Affordable Housing

Public policies play a significant role in shaping the landscape of affordable housing and

residential investment in Montana. The web of policies and practices that currently govern housing development in the state is complex, and some policies and practices effectively limit affordable housing and/or curb much-needed residential investments.

In the context of affordable housing, the negative effects of public policies can be observed through the various lenses of tax policy, land use controls, zoning ordinances, building codes, fees and charges, and growth limits. These subjects are discussed below.

- Tax Policy - Tax policies affecting land and property can have a substantial impact on housing affordability and investment. Rising property taxes, for example, can increase the cost of homeownership such that residents who have historically been able to afford their housing costs are eventually pushed into being housing cost burdened, paying more than 30% of their income on housing, or worse, becoming displaced or homeless. Renters also feel the impact of high property taxes since increases in operating costs are eventually passed to tenants.

Because of explosive home value growth in the state during and after the pandemic, property tax bills for Montana's median residential properties have increased more than 20%. This increase reflects hundreds of dollars or more assessed annually for many homeowners, with owners of residential properties paying over \$200 million more aggregately in 2023 than in 2022.¹

- Land Use Controls and Zoning Ordinances - Land-use controls include government ordinances, codes, and permit requirements that restrict the use of land and natural resources. Examples of land-use controls are subdivision regulations, building codes, housing codes, historic preservation laws, and zoning.

In Montana's cities and towns, zoning tells developers what kinds of homes can be built and where. Zoning is typically friendly to single-family homes, which are the most expensive of all home categories to develop. Conversely, zoning prohibits or penalizes multi-family housing development, which is not allowed under certain "by right" zoning designations and/or minimum lot area requirements. Minimum lot areas and exclusionary zoning practices, together, have made finding space for affordable housing in Montana's residential areas difficult, which in turn has limited residential investment.

Cost-inflating land-use controls and zoning ordinances don't just affect housing affordability; they can also affect housing choice by perpetuating segregation and limiting or blocking access to amenities and well-resourced areas for certain demographics.

- Building Codes - Building codes have a direct effect on the price of housing, driving up construction costs and adding various levels of administrative burden to the development process. While building codes are essential mechanisms for ensuring that homes meet certain health and safety standards, overly burdensome regulations can stifle innovation and put housing out of reach for many Montanans, such as parking requirements, floor area ratios, and density and lot size restrictions.
- Fees and Charges - High development fees and charges imposed by local governments can add significant costs to residential projects, limiting how far residential investments can go and making it that much more difficult for affordable housing projects to pencil out, such as impact and permitting fees.
- Growth Limits - Growth limits or growth management policies may artificially constrain housing supply, leading to shortages and inflated prices. While growth limits aim to preserve natural resources and prevent urban sprawl, they can

inadvertently contribute to housing unaffordability by limiting supply in high-demand areas of the state.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

To support affordable housing development and increase residential investment, elected officials have taken the following proactive steps:

- In July 2022, Montana’s governor created the Housing Task Force and charged its appointed members with providing recommendations to make housing more affordable and attainable for Montana residents. The bipartisan task force took a comprehensive approach assessing affordable housing challenges and opportunities spanning the areas of regulation, planning, construction, and financial considerations. It has provided recommendations in three written reports to the Governor (October 2022, December 2022, and June 2024). Numerous Housing Task Force recommendations will be considered during Montana’s 2025 Legislative Session.
- During the 2023 legislative session, several new laws designed to boost housing development were passed and subsequently signed into law. These reforms aimed to address zoning regulations, land use policies, and other related barriers to affordability. The “Montana Miracle,” as dubbed by some sources², reflects bipartisan, innovative efforts to confront Montana’s housing crisis head-on.
 - Land use legislation, specifically, Senate Bill (SB) 382 or the “Montana Land Use Planning Act,” aimed to modernize and streamline the development process, encourage coordinated and planned growth, utilize a broad and comprehensive level of data collection to identify and analyze existing conditions and future opportunities and constraints, allow for quicker site-specific development review and decision-making, and provide robust public participation. SB 382 essentially limits public hearings on housing projects by front-loading them to the general planning

stages of development. After early public engagement during land-use plan adoption, development approvals are allowed to proceed by right, effectively restricting the ability of so-called not-in-my-back-yard (NIMBY) individuals to slow or thwart growth. The bill also requires local governments to establish planning commissions; set population growth projections, ensuring zoning maps align with projected growth; and adopt a minimum number of pro-housing strategies from an established schedule.

- Additional land-use bills sought to revise municipal zoning to encourage multifamily, mixed-use, duplex, and Accessory Dwelling Unit (ADU) development, as well as revise the local subdivision review process.
 - SB 245 mandates that cities over 5,000 allow multiple-unit (i.e., five or more units) dwelling and mixed-use developments in commercial zones and prohibits requirements for more than one off-street parking space per unit unless required in a parking agreement or ADA.
 - SB 323 mandates that cities over 5,000 allow duplex housing on lots permitted for single-family residences and establishes that zoning regulations may not be more restrictive on duplex housing.
 - SB 528 mandates that cities and towns with zoning must allow at least one ADU on lots with a single-family dwelling. The bill also prohibits additional parking requirements and fees, requirements that ADUs match the design of the single-family dwelling, owner or relationship occupancy requirements, requirements of any relationship between occupants, assessed impact fees, public street improvement requirements, dimensional requirements more restrictive than the single-family dwelling, and certain restrictive covenant requirements.
 - House Bill (HB) 211 addresses general subdivision review, phased subdivision review, and expedited subdivision review. Per the bill,

subsequent general subdivision review hearings may be held if new information is relevant, if a change in subdivision design is significant, and the new information has a substantial effect on the governing body's consideration of the subdivision. It requires hearings for phases submitted for final plat approval 5 years after preliminary plat approval and additional standards for imposing conditions on subsequent phases. Finally, it allows for expedited review even when requests include variance or deviation from existing subdivision regulations (adding an extended timeline of 45 days for hearings) and requires municipalities to incorporate the expedited review process into their local subdivision regulations.

- Legislation also dealt with building code barriers to affordable housing via SB 406, which prohibits local governments from adopting building codes stricter than state codes.
- Tax relief legislation amounted to \$470 million. HB 587 provided permanent property tax relief to Montana homeowners (more than \$120 million over several years) by establishing the state special revenue school equalization and property tax reduction account and directing a portion of revenues from school equalization local tax levies or “95 mills” to the account, buying down local permissive mills. Additionally, the governor secured up to \$1,350 in property tax rebates for Montana homeowners for their primary residence in 2023 and 2024. The Property Tax Assistance Program (PTAP), which in 2023 extended relief to Montanans who own properties with a market value up to \$350,000, is open to individuals who meet certain criteria for homeownership, occupancy, and income. The Montana Disabled Veterans (MDV) Property Tax Assistance Program, which in 2023 expanded to serve higher income levels, reduces the property tax burden for resident veterans who are disabled or the surviving, unmarried spouses of deceased veterans who

were disabled. Eligibility under MDV is based on homeownership, occupancy, military disability, and income. Additional tax relief measures have been proposed by state legislative officials to be considered in 2025.

- In January 2024, Governor Gianforte created the Property Tax Task Force and charged its appointed members with providing recommendations to reform the property tax system and reduce the burden of property taxes on Montana taxpayers. The bipartisan task force provided its recommendations in a written report to the Governor (August 2024). The report can be found at https://budget.mt.gov/About/PropertyTaxTaskForce_FINALREPORT_OF_THE_GOVERNORS_PROPERTY_TAX_TASK_FORCE.pdf. From this report, House Bill 231 was developed and is currently before the Montana State Legislature.

Montana's housing crisis is not unique, but the state's flurry of legislative activity to reckon with it stands apart in the nation. And although some of Montana's laws have been met with legal challenges, they have elevated the conversation around affordable housing and residential investment. Conversely, efforts in other states have been met with political impasse as they've struggled to build political coalitions strong enough to proportionally respond to their post-pandemic-era-boom housing shortages.

While this Consolidated Plan must consider the effects of public policies, it should be noted that local jurisdictions and the State Legislature, not the state agencies who administer this plan, determine ordinances, policies, and laws that impact affordable housing. As they have historically done, Commerce and DPHHS encourage local jurisdictions and the State Legislature to consider possible impacts to affordable housing and community assets when creating new policy, updating existing policy and enacting laws.

Respondents to the 2024 Fair Housing Survey found that the biggest barriers to developing housing in the state were, in fact, the cost of land, labor, and materials, more than the barriers of zoning or local policies. While Commerce seeks to mitigate these

barriers with subsidized housing, limited resources remain one of the primary barriers to increasing the supply of affordable housing, alongside other obstacles.

Although Commerce and DPHHS do not oversee state or local policy and law, they provide funding and technical assistance to Montana communities seeking to navigate the affordable housing landscape. Through investments in planning activities, for example, the state “tools up” communities, giving them the resources they need to consider policy and law as they seek to make informed, strategic, and locally-designed decisions addressing community housing needs. Commerce requires its CDBG, HOME, or HTF grantees to develop an Affirmative Fair Housing Marketing Plan. An approved AFHMP is one element of the special conditions of Commerce’s contracts with grantees that staff review and approve, then monitor for compliance during CDBG, HOME, and HTF project visits.

A comprehensive discussion of barriers to affordable housing, and additional information on specific strategies identified to remove or ameliorate such barriers, can be found in Section AP-75 Barriers to Affordable Housing of this Consolidated Plan. Annually, AAPs will propose actions to be taken while CAPERs will report actual, completed actions for specific program years.

Additional considerations related to the amelioration of barriers are listed as follows:

Cost of land: According to DOR Biennial Reports, the statewide market value of residential property has increased each biennium since 2015. From 2019 to 2024, the residential improvements market value increased 80.5% while the residential land market value increased 87.3%. This level of increase over a 5-year period was unprecedented and is unlikely to continue at this rate for the foreseeable future.

Cost of materials: According to Bureau of Labor Statistics producer price index, raw building material prices have largely stabilized since the rapid increase in prices in 2021 and 2022. However, these stabilized prices remain far higher than in 2019 and early

2020 (between 20% and 40% higher depending on the material and specific measure).

Cost of labor: According to the Montana Department of Labor & Industry, Montana’s construction industry reached record employment in August 2024 with 42,800 employees. That number represents an annual change of just over 10% since 2023. Construction in Montana has been among the faster growing industries since 2019, adding nearly 10,000 new jobs. Construction industry jobs within Montana are projected to increase by approximately 8,000 jobs by 2031 (an increase of more than 20%). Like nearly all other industries, construction labor costs have also risen significantly since 2019.

Financing Barriers: Affordable financing was identified as a crucial need during one of the housing focus groups Commerce conducted in May through August of 2024. Since 2021, mortgage rates have more than doubled from 2.5% to 3% in 2020 and 2021, to rates exceeding 7% in 2023. At the end of 2024, mortgage rates have declined slightly to roughly 6.5%. While not historically high, these higher interest rates combined with out-of-reach for-sale housing prices have “frozen” the homeownership market. Many existing homeowners who would otherwise move or sell their home, see little incentive in giving up their lower interest rates to purchase a different or new home. Renters who may prefer to own a home have far less purchasing power because of these higher interest rates. Thus, these higher interest rates have slowed the churn of the real estate market, which may have impacts on new construction in the short-term. In an effort to ameliorate financing barriers, the Montana Board of Housing, administratively attached to Commerce, administers loan and mortgage programs that offer alternatives to conventional loan products.

SP-60 Homelessness Strategy – 91.315(d)

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

Montana divides itself into 12 districts to participate annually in the national PIT counts of homeless, unduplicated one-night estimates of both sheltered and unsheltered homeless populations, occurring during the last week in January of each year. The 2024 PIT survey found a significant segment of the homeless population is made up of women, children, and families who have experienced life-altering situations, such as job loss, disaster, divorce, or abuse that have driven them into homelessness.

Montana uses the Continuum of Care (CoC) model originated by HUD, with the goal of supporting the transition of homeless individuals working toward self-sufficiency in stabilized affordable housing. It is important to note that the MTCoc feels that multiplying a single night's data into an annual estimate does not necessarily result in an accurate representation.

Addressing the emergency and transitional housing needs of homeless persons

Montana encourages efforts to provide shelter and other basic needs to people who are currently homeless and supports these efforts with CDBG and ESG funds. In addition, because preventing homelessness is much less costly than addressing the problem after housing has been lost, Montana also supports efforts that will:

- help people in crisis who are at risk of losing existing housing (homeless prevention); and
- place homeless people into affordable housing accompanied by supportive services that will aid them in establishing long-term stability (rapid re-housing).

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.

Table SP-1 shows the length of time since those surveyed during the 2023 homelessness survey had a home. In other words, it indicates how long respondents had experienced homelessness at the time of the survey. Of note, the most number of respondents (689 or 25%) indicated that it had been 2 years or more since they had a home. Unfortunately, research indicates that the longer homelessness is experienced, the more difficult and costly it is to stabilize and re-house the household.

Table SP-1 – Length of Homelessness

Length of Time without Housing	Total	Without Children	With a Child and Adult	With Only Children	Unknown Household Type
7 days or less	457	406	46	2	3
8 to 14 days	112	88	21	2	1
15 to 21 days	92	67	23	1	1
22 to 30 days	77	63	13	0	1
31 to 60 days	219	159	58	1	1
61 to 90 days	161	112	46	2	1
91 to 180 days	317	243	71	1	2
181 to 365 days	337	270	66	1	0
366 to 730 days	246	302	43	1	0
731 days or more	689	616	66	2	5

Total	2807	2326	453	12	15
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Data Source: 2023 Montana Homeless Survey (primary respondents only)

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

DPHHS works with the MTCoC to leverage resources and provide increased and coordinated services to homeless households across the state. DPHHS aligns its strategy for reducing and ending homelessness with the MTCoC districts. DPHHS and subgrantees of ESG funding participate in MTCoC strategic planning discussions and attend working meetings.

The MTCoC prioritizes and ranks homeless projects each year and prepares a consolidated, statewide Continuum of Care application in response to the Notice of Funding Availability (NOFA). Projects originate from local community Continuums of Care or a state agency. Project approvals are based on performance and capacity criteria as well as local needs and HUD priorities.

The ESG Program coordinates its strategy with the MTCoC to meet the needs of the homeless and those at risk of homelessness at the local level. Funded activities include rental assistance, financial assistance of rental application fees, security and utility deposits and payments, case management, housing search, and referral to mainstream resources. All subrecipients submit work plans, budgets, and reports outlining which of the allowable activities will be undertaken.

SP-65 Lead based paint Hazards – 91.315(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The State of Montana complies with the Title X of the 1992 Residential Lead-Based Paint Hazard Reduction Act. As shown in the Market Analysis, about 53% of all owner-occupied units and 61% of all renter-occupied units in Montana are at risk of containing LBP. Projects involving structures built prior to 1978 are considered to have the potential for LBP and consistent procedures have been developed to ensure compliance with federal regulations.

Of the housing at risk of containing LBP, approximately 6% and 10% of owner- and renter-occupied units, respectively, have children present. In 2012, the Center for Disease Control recommended that physicians and parents take action steps for children with elevated lead levels greater than or equal to 5 ug/dL. In Montana, over a two-year period, 335 children under the age of six had elevated blood lead levels. An estimated 41% of these cases were due to potential exposure to lead-based paint in pre-1978 homes or buildings

The State of Montana supports rehabilitation and construction activities to ensure that households, particularly those with children, benefiting from federal housing programs are safe from LBP hazards. 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, or painting activities is certified and uses lead-safe work practices, as required by the U.S. Environmental Protection Agency. If rehabilitation or homebuyer assistance is funded by CDBG, HOME, or HTF, and the unit funded was built prior to 1980, LBP risks must be assessed. If a unit has LBP that is chipping, peeling, or deteriorating, it must be remediated or removed during rehabilitation or prior to securing funds for homebuyer assistance. For many projects, CDBG, HOME, and HTF funds can

be used to assist with the cost of LBP testing, remediation to include renovation, repair and painting, or abatement.

In addition, HUD-compliant inspections are performed annually, as required, at HOME, HTF, Section 8 Housing Choice Vouchers, and other public rental properties throughout the state. Inspections that meet current HUD standards are also conducted on all homes purchased with HOME assistance prior to the commitment of HOME funds. State staff conducting HUD-compliant inspections complete training that adheres to current standards, as well as HUD's online Lead-Based Paint Visual Assessment Training.

How are the actions listed above integrated into housing policies and procedures?

In the adopted CDBG Housing, HOME and HTF grant application guidelines, applicants are required to document that proposed rehabilitation activities have been assessed for LBP or lead water service lines; that the applicant has the resources to ensure that certified LBP inspectors and contractors are secured to accomplish the proposed activities; and that the cost and design of the proposed activity takes LBP renovation, repair and painting or abatement into account. Applicants for CDBG Housing, HOME and HTF financing are required to certify that they accept all program requirements, including compliance with all state and federal LBP requirements and regulations. Additionally, HTF projects require a qualified professional to certify that the assisted project only uses lead-free pipes, solder, and flux.

Commerce requires that Preliminary Architectural Reports (PARs) funded with state or federal funding, are submitted in support of a grant application for any state or federal funding, meet Commerce's PAR standards, which have been adopted as part of the requirements for CDBG, HOME, and HTF grant applications. These standards, among other things, require every PAR to describe all concerns, deficiencies, compliance issues, and relevant regulations related to LBP, evaluate the existence of LBP in any

existing facilities, and describe all mitigation measures that will be implemented to remediate any LBP.

Commerce's Tenant-Based Housing Choice Voucher Program Administrative Plan requires all HCV rental units to meet HQS, including LBP assessment, disclosure, testing, remediation, and on-going unit maintenance as applicable.

SP-70 Anti-Poverty Strategy – 91.315(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

The State of Montana supports the strengths of families and communities by promoting employment and providing the assistance necessary to help families and individuals meet basic needs and work their way out of poverty. The state provides cash assistance, employment training, supplemental nutrition assistance, Medicaid, energy assistance, weatherization, and other services to help families move out of poverty and toward self-sufficiency. The Consolidated Plan targets improvement of economic conditions of Low- to Moderate Income Montanans. Strategies include construction of affordable units, rehabilitation of aging units, homebuyer assistance, rental assistance, and temporary emergency shelter services. Investing in compact, walkable developments and/or neighborhoods within public transit availability, where efficiencies of public infrastructure, community services, and employment centers encourage healthy, vital, and resilient communities.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan?

The State of Montana's poverty-reducing goals, programs, and policies are coordinated between government agencies, nonprofit organizations, and the private sector, to ensure gaps in services and funding are addressed, while maximizing the utilization of each funding source. The state understands that local and regional anti-poverty agencies are well-situated to respond to the specific needs of their individual communities and are in alignment in addressing the impacts of poverty and increasing

the quality of life and economic prosperity of Montanans of lower incomes.

Montana is committed to utilizing employment as the primary strategy for poverty reduction. The state has a well-coordinated employment and training system, which ensures that resources for advancement through employment, training, and other state resources such as higher education, are available to low-income families. The Work Readiness Component (WoRC) provides employment and training services to individuals receiving cash assistance. Administrators of these programs meet regularly to ensure coordination and results.

The state provides a series of work support programs to stabilize families as they increase their skills and seek better employment. These supports include TANF, energy assistance, health care, childcare, housing assistance and advocacy. Supplemental Nutrition Assistance Program provides benefits to eligible families to supplement their food budget and increase their ability to purchase healthy foods.

Montana's minimum wage has increased steadily over the past several years, and is currently \$10.30, which is three dollars higher than the federally mandated minimum wage of \$7.25. Montana will continue to refer housing program participants to state and local community resources and programs, as participant needs are identified.

SP-80 Monitoring – 91.330

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

The goals of the Consolidated Plan will be monitored annually as required by the CAPER, which is submitted to HUD at the conclusion of each program year.

Monitoring of the HOME and HTF programs is conducted during individual project implementation, at project completion and throughout the applicable periods of

affordability as follows:

HOME- and HTF-financed projects are monitored throughout implementation to determine compliance with HUD regulations, state and Commerce policies. Project monitoring is based on a guide found in the HOME and HTF Administration Manual. Key issues include assessment of affirmative marketing actions, outreach to minority and women-owned businesses, compliance with procurement requirements, use of program income, eligibility of residents and homebuyers, compliance of rent levels and purchase prices, and compliance with subsidy limits and underwriting criteria.

Commerce staff conduct a construction monitoring visit to verify work is underway and to provide technical assistance as needed. A final monitoring visit to the construction site at project completion includes a detailed file audit of all relevant records and documents related to the project, as well as a physical inspection to ensure the project is prepared for occupancy and closeout.

Homebuyer and rental grantees provide annual certifications to the HOME Program. Certifications require homebuyer subrecipients to verify either that homes are continuing to be used as the principal residences of participants, or if a transfer of the property has occurred, that either (a) recapture provisions have been implemented to receive and account for program income or (b) resale provisions have been implemented to ensure the subsequent homebuyer is income-eligible. All rental projects must certify that physical inspections are complete and that affordability requirements regarding income and rent limits have been met. In addition, each property's financials are reviewed.

HOME and HTF rental projects are 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 owner and property manager 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 recipients submit rent and occupancy information to Commerce reporting on beneficiaries, rent structure, changes to leases or tenant selection policies and the number of accommodation and emergency transfer requests received and results of those requests. Monitoring visits also help verify the information submitted in rent and occupancy reports.

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. Commerce staff work with grantees and relevant partners to schedule monitoring visits, providing ample notice and sufficient details to ensure a productive and thorough monitoring visit. 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).

Commerce staff monitor all projects through regular contacts with the local project manager and written quarterly and drawdown progress reports. These reports provide information and updates concerning project activities and progress on objectives from start-up through closeout of the project.

DPHHS provides onsite monitoring of the ESG Program via regularly scheduled monitoring visits by DPHHS staff, using a monitoring tool. Staff review the matching requirements, budget, and performance (both financial and operational) against contracted activities in the subrecipient's approved ESG work plans, and review fiscal accountability and timeliness of report submission. This monitoring is part of a comprehensive annual review of all programs funded by the DPHHS Intergovernmental Human Services Bureau.

Annual Action Plan

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

The Annual Plan section describes the HUD CPD resources expected to be allocated by programs throughout the state of Montana during Plan Year 1 – April 1, 2025, to March 31, 2026.

Allocation Estimates

Table 5 describes the HUD resources to be used across the state to achieve the objectives of each program.

CDBG general planning and administration allocations are capped at 20% of the annual CDBG allocation in addition to eligible program income received during the program year. For Year 1, Montana will cap its general planning and administration allocations at 20% of its allocation and will not use any portion of program income for general planning and administration costs. The use of administrative funds for the state will not exceed 3% plus \$100,000, which is included in the cap. The balance of general planning and administrative funds will be available to units of general local government for general planning and administrative costs to support the completion of project activities. General planning activities are eligible planning activities under Section 105(a)(12) of the Housing and Community Development Act of 1974. Any administrative funds not awarded to grantees for general planning or administrative costs will be redirected to project costs for completing activities. CDBG planning funds that are used for standalone planning-only activities will meet either the LMI or Slums and Blight National Objectives.

HOME administration allocations are capped at 10% of the annual HOME allocation in addition to eligible program income received during the program year. The amount of

federal HOME administrative funds will not exceed 10% of the HOME allocation for Year 1. Revenue received during a project's period of affordability is considered program income and will not be used for administration.

HTF administration allocations are capped at 10% of the annual HTF allocation. The amount of federal HTF administrative funds will not exceed 10% of the HTF allocation for Year 1.

Expected revenues for CDBG include repayments for funding loaned to businesses that create job opportunities for Montanans of Low to Moderate Income. Expected revenues for HOME include recaptured funds and program income generated by the HOME Homebuyer Assistance Program. The amount of program income received in any given plan year varies depending on the housing market, interest rates and the general economy.

To achieve the most effective and efficient use of CDBG funds, the Director of Commerce may reallocate up to 25% of the total CDBG allocation among grant categories, depending on the needs in the state during the plan year. A reallocation of more than 25% of the total allocation, or the creation or elimination of a grant category, is considered a substantial amendment to this AAP and would require further steps as identified within the Citizen Participation Plan (Appendix A of the 2025-2029 Consolidated Plan). CDBG funds may be reallocated in the event of a disaster and funds may be used immediately. In the event of a disaster, Commerce will follow the Citizen Participation Plan as described in the Consolidated Plan. Reallocations may also be made to any remaining balances within a grant category within the last 3 months of a 15-month obligation deadline to meet the HUD Timely Distribution requirement.

To achieve the most effective and efficient use of HOME funds, the Director of Commerce may reallocate up to 25% of the total HOME allocation among HOME Housing Development Program and HOME Homebuyer Assistance Program grant categories, depending on the needs in the state during the plan year. A reallocation of

more than 25% of the total allocation, or the creation or elimination of a grant category is considered a substantial amendment to this AAP and would require further steps as identified within the Citizen Participation Plan (Appendix A of the 2025-2029 Consolidated Plan). Reallocations may also be made of any remaining balances within a grant category within the last 3 months of a 24-month obligation deadline to meet the HUD obligation requirements. Reallocations or awards may not be made until at least 15% of the CHDO set-aside requirement has been obligated.

The HTF allocation may also be moved between projects that serve those experiencing homelessness and other rental projects. Reallocations of up to 25% may be authorized by the Director of Commerce. Reallocations may also be made of any remaining balances within a grant category within the last 3 months of a 24-month obligation deadline to meet the HUD requirements.

For ESG, DPHHS allocates funds to ensure the provision of ESG services statewide so all Montanans who are homeless or at risk of homeless have access in or near their communities. 7.5% of ESG funds are allocated to administrative activities; DPHHS retains 2.5% of this 7.5% and 5% of this 7.5% is distributed to the Human Resource Development Councils (HRDCs) for administrative costs. ESG funds are distributed based on a formula allocation for Montana's 12 poverty districts, reflecting poverty and population in the area as relative to poverty and population in the entire state. This process is set forth in Montana Code Annotated Section 53-10-502, which pertains to the federal Community Services Block Grant. Currently, ESG funds are allocated to 8 of the 10 HRDCs in Montana represent 8 of the 12 poverty districts.

These allocations are estimates based on 2024 allocations and will be updated once the 2025 allocations are released by HUD.

Table 5 – Expected Resources – Priority Table

Program	Source of Funds	Expected Amount Available Year 1 Note – these are estimates based on 2024 Allocations				Expected Amount Available Remainder of ConPlan	Narrative Description
		Annual Allocation	Program Income	Prior Year Resources	Total		
CDBG	Public/ Federal	\$6,172,506	\$0	\$0	\$6,172,506	\$24,690,024	State allocation; CDBG funds matched in some grant categories by units of general local government; State funds used to meet CDBG match requirements
	Uses of Funds: Acquisition, Administration and Planning, Economic Development, Rental Housing Rehabilitation, Public Improvements, Public Services, and Homeowner Rehabilitation. National Objectives include Low- and Moderate-Income and Slums and Blight.						
HOME	Public/ Federal	\$3,000,000	\$500,000	\$0	\$3,500,000	\$14,000,000	State allocation; HOME funds matched by recipients
	Uses of Funds: Acquisition, Administration, Homebuyer Assistance, Multifamily New Construction, Multifamily Rehabilitation, and New Construction for Ownership.						
HOPWA	Public/ Federal	\$0	\$0	\$0	\$0	\$0	Montana only receives HOPWA competitive funds
	Uses of Funds: N/A						
ESG	Public/ Federal	\$744,418	\$0	\$0	\$744,418	\$2,977,672	State allocation; ESG funds matched by

							subrecipients
Uses of Funds: Financial Assistance, Homelessness Prevention, Overnight Shelter, Rapid Re-housing (Rental Assistance), Rental Assistance Services, and Street Outreach.							
HTF	Public/ Federal	\$3,144,833	\$0	\$0	\$3,144,833	\$12,000,000	State allocation
	Uses of Funds: Acquisition, Administration, Multifamily New Construction, and Multifamily Rehabilitation.						

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The State of Montana will accomplish the goals of the 2025-2029 Consolidated Plan during Plan Year 1 by effectively maximizing and utilizing all available funding resources to conduct housing and community development activities that will serve economically disadvantaged residents primarily residing in the non-entitlement areas of the state.

The CDBG Program requires 50% match for Economic Development projects. This match can come from a variety of sources, including cash investment, bank loans, state or federal loan programs, or grants. Most CDBG-ED grants are at least partially matched with funds from the state, private bank loans, or owner equity.

The CDBG Program requires 25% match for Public and Community Facilities projects. This match is usually provided either by a direct cash contribution or by incurring a loan or issuing bonds to be repaid 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 recently appraised value of 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. The State of Montana provides state general fund match for the administration of the CDBG Program.

The CDBG Program requires a 25% match for Planning projects.

Funds requested for economic development activities on behalf of a private entity for site-specific projects require a 100% match. At least one-third of the required match funds must be from local sources, not state or federal funds.

No match is required for CDBG Affordable Housing Development and Rehabilitation or Housing Stabilization Program grants, but the applicants' ability to leverage other private, local, state, or federal funds is considered when ranking a proposed project for CDBG housing grant funding.

While HUD requires a 25% match for HOME funds, Montana's HOME Program requires 5% match funding for projects and relies on excess match carried over from previous years, as allowed in regulation. Local match sources include, but are not limited to, local costs of infrastructure installation to serve HOME-assisted units, proceeds from bond financing, private grants, deferred or waived state or local taxes or fees, cash, and the value of donated land. Funds will also be leveraged with resources from CHDOs, which may be funded with HOME funds through the CHDO set-aside. Awards for CHDO activities will be given preference over non-CHDO activities and the HOME Program may not award any project activities until at least 15% of HOME Program funds have been allocated to meet the HUD CHDO set-aside requirement.

ESG funds are matched by subrecipients who provide rental assistance, transitional housing and/or supportive services through collaboration with the Montana Continuum of Care. 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.

No match is required under the HTF Program, which provides a much-needed source of leveraging for other funding programs aimed at the preservation and expansion of rental housing stock in Montana.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The State of Montana does not anticipate that any publicly owned land or property will be used to address the needs identified in the 2025-2026 AAP. Most state-owned land is either maintained as state recreational land or managed to obtain the highest financial return possible for the state’s K-12 public school system and other beneficiaries, as mandated by Montana statute. Local entities leveraging CDBG, HOME, or HTF grant funds may use publicly owned land or property to help accomplish a local project on a case-by-case basis, and in most cases, such donations or offers will be considered local match resources.

On June 14, 2023, Governor Gianforte signed House Bill 819, titled “Create Montana community reinvestment act to fund workforce housing”. A component of this legislation directs the Department of Natural Resources to assess use of state trust lands for attainable housing. Below is the applicable excerpt from the bill:

Where state trust lands are in close proximity to cities, towns, or communities:

- (1) the department of natural resources and conservation shall undertake an evaluation of whether the lands could be made available for use as land for potential development of attainable workforce housing as a part of the Montana community reinvestment plan; and

(2) each community reinvestment organization shall consider the use of state lands to support critical public employee services, including attainable workforce housing as part of the Montana community reinvestment plan.

This recommendation was included in the Governor’s Housing Task Force report.

Discussion

Not applicable.

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Table 6 presents Montana’s goals for Plan Year 1 of the 5-year Consolidated Plan period (2025-2029).

Table 6 – Goals Summary

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Preserve and Construct Affordable Housing	2025	2026	Affordable Housing	Statewide	Affordable Housing Preservation and Construction	CDBG: \$1,000,000 HOME: \$2,750,000 HTF: \$2,394,833	Rental Units Constructed: 12 Household Housing Units Rental Units Rehabilitated: 18 Household Housing Units Homeowner Housing Added: 2 Household Housing Units Homeowner Housing Rehabilitated: 3 Household Housing Units Direct Financial Assistance to Homebuyers: 10 Households Assisted
The State of Montana will use CDBG, HOME (including program income), and HTF funds to support affordable housing activities that benefit Extremely Low-, Low- and Moderate-Income households.								


COMMERCE

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
2	Plan for Communities	2025	2026	Non-Housing Community Development	Statewide	Community Planning	CDBG: \$600,000	Other: 12 Local Governments Assisted
		The State of Montana will use CDBG funds to help communities engage in various types of planning, including comprehensive community development, housing, public infrastructure, business, downtown revitalization, flood prevention, disaster mitigation, and preliminary project design. A wide variety of activities will be funded that primarily benefit Low- to Moderate-Income persons throughout the state.						
3	Improve and Sustain Public Infrastructure	2025	2026	Non-Housing Community Development	Statewide	Improving and Sustaining Vital Public Infrastructure	CDBG: \$3,072,506	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1,000 Persons Assisted
		The State of Montana will use CDBG funds to improve existing and construct new public water, wastewater, and storm drain infrastructure that primarily benefits Low to Moderate Income persons throughout the state.						


COMMERCE

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Revitalize Local Economies	2025	2026	Non-Housing Community Development	Statewide	Economic Revitalization	CDBG: \$1,000,000	Jobs Created/Retained: 30 Jobs Businesses Assisted: 2 Businesses Assisted Façade Treatment/ Business Building Rehabilitation: 1 Businesses
<p>The State of Montana will use CDBG funds to create jobs, expand businesses, and revitalize historic downtown business districts. A wide variety of activities will be funded that primarily benefit Low- to Moderate-Income persons through the state.</p>								

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Reduce Homelessness	2025	2026	Homeless	Statewide	Reducing Homelessness	CDBG: \$500,000 HOME: \$750,000 HTF: \$750,000 ESG: \$744,418	Tenant-Based Rental Assistance/ Rapid Rehousing: 350 Households Assisted Homeless Person Overnight Shelter: 20 Persons Assisted Homeless Prevention: 400 Persons Assisted Housing for Homeless Added: 20 Housing Units
<p>The State of Montana will use CDBG, HOME, HTF, and ESG funds to provide shelter, services, and permanent supportive housing for homeless persons and persons at risk of homelessness. Activities may include construction, rehabilitation, and direct assistance to serve this clientele throughout the state.</p>								

Goal Descriptions

HOME will specifically provide funds to assist Extremely Low-Income, Very Low-Income, and Low-Income families (as listed in **Table 6**). HOME funds will assist with providing 10 households access to new or rehabilitated rental units and providing 12 households opportunities for homeownership through new construction of 2 single-

family homes for purchase and 10 first time homebuyers with downpayment and closing cost assistance. In addition, HOME funds will help finance 5 units of permanent supportive housing for those experiencing homelessness

HTF will specifically provide funds to assist Extremely Low-Income households (as listed in **Table 6**). HTF funds will assist with providing 10 households access to new or rehabilitated rental units and assisting 5 households who are homeless or at risk of homelessness with permanent supportive housing.

CDBG funds will provide assistance to LMI households (as listed in **Table 6**). CDBG funds will assist with rehabilitating single-family and multi-family homes for 13 households and 10 households experiencing homelessness.

CDBG funds will provide planning opportunities for local governments (as listed in **Table 6**). CDBG funds will assist communities engage in comprehensive planning, such as for community development, physical infrastructure, resiliency, economic development, and preliminary project design. CDBG funds will provide public infrastructure assistance to communities (as listed in **Table 6**). CDBG funds will assist communities in constructing or rehabilitating wastewater facilities and systems, water treatment facilities and systems, and storm drain infrastructure that will predominantly assist Low- to –Moderate- Income households. These funds will also help update and construct new community facilities, such as community centers, senior centers, and other vital community projects.

CDBG funds will provide economic development assistance to local small businesses to create new and/or retain jobs and revitalize historic downtown businesses. A variety of these activities will primarily support Low- to Moderate Income residents.

ESG funds will be used to help families primarily through homeless prevention and rapid rehousing activities. The goal is to assist 325 households in Rapid Rehousing and 225 households in Homeless Prevention Category. Homeless prevention funds can only help families who are considered Extremely Low-Income at or below 30% AMI. ESG

Rapid Rehousing (RRH) is used to help homeless families. RRH does not require income eligibility at initial assessment.

AP-25 Allocation Priorities – 91.320(d)

Introduction

The State of Montana will prioritize the award of HOME and HTF funds to eligible applicants that propose to preserve and construct affordable housing and reduce homelessness. The State of Montana will prioritize the award of CDBG funds to eligible applicants that propose to preserve affordable housing, engage in community planning, improve and sustain vital public infrastructure, revitalize local economies, and reduce homelessness. The State of Montana will continue to use ESG funds to reduce homelessness across the state.

Because the State of Montana’s HOPWA funds are provided via competitive award and not through a formula grant, a discussion of HOPWA funding priorities is not included herein, and HOPWA allocation priorities are not provided in **Table 7**.

Funding Allocation Priorities

Program allocations are estimates based on historical data and anticipated needs.

Once HUD announces 2025 allocations, the funding allocation priorities in Table 7 will be adjusted proportionally.

Table 7 – Funding Allocation Priorities

Program	Goal									
	Preserve and Construct Affordable Housing		Plan for Communities		Improve and Sustain Vital Public Infrastructure		Revitalize Local Economies		Reduce Homelessness	
CDBG	\$1,000,000	16%	\$600,000	10%	\$3,072,506	55%	\$1,000,000	16%	\$500,000	8%

HOME	\$2,250,000	64%	\$0	0%	\$0	0%	\$0	0%	\$750,000	21%
HOPWA	N/A									
ESG	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$741,200.00	100%
HTF	\$2,394,833	72%	\$0	0%	\$0	0%	\$0	0%	\$750,000.00	24%

Reason for Allocation Priorities

The State of Montana identified the allocation priorities set forth above for Plan Year 1 through the 2025-2029 Consolidated Plan Needs Assessment and Market Analysis, past experience administering the CDBG, HOME, and HTF programs, and consultation with the state’s local government, nonprofit, and private sector partners, as well as Montana’s citizens. The allocation priorities also reflect the extent to which eligible entities have other sources of funding available to accomplish each priority.

With respect to the ESG Program, the State of Montana focuses on allocating funds, in consultation with the MTCoC, to ensure the provision of ESG services statewide so all homeless or near homeless Montanans have access in or near their communities. Funds are distributed based on a formula allocation for the state’s 12 poverty districts, reflecting areas of poverty and general population, as set forth in Section 53-10-502, MCA, pertaining to the federal Community Services Block Grant (CSBG). Each allocation of funds is based on poverty levels and general population in each service area, relative to the poverty and general population of the entire state. All subrecipients submit work plans, budgets, and reports outlining which of the allowable activities will be undertaken.

How will the proposed distribution of funds address the priority needs and specific objectives described in the Consolidated Plan?

The priority needs and the allocation of funds to address those needs, as set forth above, are designed to specifically address Montana’s objectives described in this AAP.

Support existing Montana communities. Montana will target CDBG, HOME, and HTF funding toward communities to increase community revitalization; improve the efficiency of public infrastructure; safeguard rural landscapes and natural resources through comprehensive planning; eliminate or reduce the presence of slums or blight through comprehensive planning; rehabilitate existing homes; build social, economic, and environmental resiliency to severe events; and develop and rehabilitate community facilities and services within walkable neighborhoods and/or neighborhoods served by public transportation systems.

Invest in vital public infrastructure. By using CDBG funds for public infrastructure, Montana will encourage appropriate and comprehensive pre-development planning activities for public infrastructure; provide funding opportunities to improve the safety and efficiency of public infrastructure; build social, economic, and environmental resiliency to severe events; safeguard the environment; and maximize existing public infrastructure investments.

Enhance Montana's economic competitiveness. Montana is committed to utilizing economic opportunities as the primary strategy for poverty reduction. Montana will use CDBG funds to revitalize local economies; provide educational opportunities, services, and other basic needs by workers; build economic diversification and resiliency; and expand business access to markets, with a particular focus on employment opportunities located within traditional downtown commercial district comprising a mix of businesses, housing, and services. Institutions may collaborate with local governments to access CDBG funds for workforce training and education courses to increase job creation, retention, and advancement opportunities. Commerce will use CDBG funds for a variety of activities that primarily serve LMI persons throughout the state.

Promote equitable, affordable housing in Montana. Montana is committed to being the best place to live, work, and play, where the quality of life starts with equal access to safe and affordable housing. Montana will use CDBG, HOME, and HTF funding to preserve and construct affordable housing that increases mobility and lowers the combined cost of housing, utilities, and transportation, while building social and

economic resiliency to severe events. Through its policies, Montana will require accessibility and visitability features as well as broadband to be incorporated to the extent feasible in the homes financed with CDBG, HOME and HTF. Opportunities for attaining and retaining homeownership will also be supported. All efforts will combine to increase opportunities for eligible Montanans, particularly those who are homeless, disabled, elderly, or otherwise disadvantaged to equal opportunity access safe and affordable housing.

Reduce homelessness in Montana. Through the Montana Continuum of Care Coalition (MTCoC), Montana and its partners have focused attention to developing the state's coordinated entry processes by region with the goal of ending homelessness in the state. This goal will be accomplished by assisting individuals and families experiencing homelessness to receive rapid quality services and referrals leading to long-term stability of permanent housing and self-sufficiency. Agencies are also dedicated to preventing homelessness through case management, rent and rental arrears assistance, using limited homeless prevention funding. Montana will target CDBG, HOME, HTF, and ESG funds to activities that address housing needs and programs offered to Montanans who are homeless and/or those at risk of homelessness. Commerce will use CDBG, HOME, HTF, and ESG funds to provide permanent housing, shelter, and services for persons experiencing or at risk of homelessness. Activities may include operations and maintenance of emergency shelters to be responsive to health and welfare concerns of individuals and families who are homeless or at-risk of homelessness, construction or rehabilitation of housing or shelters, and direct assistance to serve those who are homeless or those at risk of homelessness throughout the state.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction

Montana's Methods of Distribution are identified for CDBG, ESG, HOME, and HTF for Plan Year 1. For purposes of providing more detailed information, the IDIS eCon Planning Suite System distribution method table (**Table 8 – Distribution Methods by State Program**) has been supplemented and reformatted to provide the public with a clearer picture of the state's Methods of Distribution for Plan Year 1.

Montana distributes CDBG funds for eligible activities under the following categories: CDBG Affordable Housing Development and Rehabilitation; CDBG Housing Stabilization Program; CDBG Public and Community Facilities; CDBG Economic Development; and CDBG Planning. Montana distributes HOME and HTF funds for eligible activities under HOME Homebuyer Assistance Program, HOME Housing Development Program, and HTF Program. Montana distributes ESG funds for eligible activities under ESG Program.

Information about evaluation criteria, allocations, award thresholds, and anticipated outcomes for each of the state's programs is detailed below.

Commerce publishes application guidelines for programs according to each program's funding cycle. These guidelines adhere to the methods of distribution outlined herein.

Distribution Methods

Community Development Block Grant (CDBG)

CDBG funds will be used for various activities authorized in Section 105(a) of the amended Housing and Community Development Act of 1974 that meet the CDBG National Objectives of Low- and Moderate- Income, Slums and Blight, and Urgent Need.

Low- and Moderate-Income National Objective

The State of Montana annually certifies that not less than 70% of aggregate CDBG funds received during a 3-year period (as identified to HUD) shall be used for activities benefitting LMI persons. CDBG funds are distributed throughout the state's non-entitlement areas (outside Billings, Bozeman, Great Falls, and Missoula) and target activities that serve persons of LMI. Projects funded with CDBG resources typically provide a community-wide benefit.

Slums and Blight National Objective

To expand the CDBG Program beyond the LMI National Objective, Montana will use CDBG funds (specifically, Planning and Economic Development resources) to reduce, eliminate, or prevent slums and blight.

Planning-only and Economic Development activities undertaken during the 2025-2026 AAP period will meet the LMI or Slums and Blight National Objectives by benefiting LMI persons or preventing or eliminating the presence of slums and blight. While up to this point, no Economic Development activities have proposed to or met the Slums and Blight National Objective, even though the need to prevent or eliminate the presence of slums and blight exists in communities across the state. The state is currently aiding planning activities that meet this National Objective. During the 2025-2026 AAP period, the state will educate and encourage communities to take the necessary steps to submit Planning and Economic Development grant applications for planning-only and revitalization activities that specifically meet the Slums and Blight National Objective.

CDBG funds are reserved in each of the grant categories detailed below, based on a percentage of the total funds available for distribution to local governments. The state is allowed \$100,000 plus 3% of the state grant for administration and technical assistance, in accordance with HUD regulations. The state is allowed 3% of the program income received by units of general local government (whether retained by the unit of general local government or paid to the state) and funds reallocated by HUD to the state;

however, the state does not use program income for administration and technical assistance.

To achieve the most effective and efficient use of CDBG funds, the Director of Commerce may reallocate up to 25% of the total CDBG allocation among National Objectives (assuring that no less than 70% of CDBG funds will be used for LMI beneficiaries) and grant categories, depending upon needs in the state during any given plan year. A reallocation of more than 25% of the total allocation, or the creation or elimination of a grant category, will be considered a substantial amendment to this AAP and will require further steps as identified in Montana's Citizen Participation Plan (**Appendix A** of the 2025-2029 Consolidated Plan). Reallocations may also be made of any remaining balances within any grant category within the last 3 months of a 15-month obligation deadline to meet the HUD Timely Distribution requirement.

Urgent Need

If it is determined that CDBG funds are required to meet an urgent need, CDBG funds may be reallocated in the case of a state or federally declared disaster, and funds must be used immediately. In the event of a disaster, Commerce will follow its Citizen Participation Plan.

State Program Name: CDBG Affordable Housing Development and Rehabilitation

Funding Sources: CDBG

Describe the State Program addressed by the Method of Distribution:

Within the Priority Needs of Preserve and Construct Affordable Housing and Reduce Homelessness, CDBG funds are utilized for the acquisition, new construction (under certain circumstances when undertaken with a qualified non-profit as part of community revitalization efforts), and rehabilitation of rental units made available to households at or below 80% AMI.

Describe all of the criteria that will be used to select applications and the relative importance of these criteria:

CDBG Affordable Housing Development and Rehabilitation funds are only available for non-entitlement units of general local government via a competitive process that involves completing Commerce’s Uniform Application for housing-related loan, grant, and tax credit programs. Commerce provides further guidance in its application guidelines. The CDBG Affordable Housing Development and Rehabilitation ranking criteria and maximum possible points for each criterion are listed in **Table AP-1**.

Table AP-1 – CDBG Affordable Housing Development and Rehabilitation Ranking Criteria

Ranking Criterion	Maximum Possible Points
Community Planning	175
Need for Project	175
Project Strategy	150
Community Efforts and Citizen Participation	100
Benefit to Low- and Moderate-Income Persons	200
Implementation and Management	175
Total Maximum Possible Points	975

If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria?

(CDBG only): CDBG grant program applications, grant application guidelines, project grant administration manual, and other relevant information and resources are available on Commerce’s website at <https://commerce.mt.gov/Infrastructure-Planning/Programs-and-Services/Community-Development-Block-Grant/>

Describe how resources will be allocated among funding categories:

For Plan Year 1, Montana will allocate an estimated \$1,000,000 in CDBG funds to Affordable Housing Development and Rehabilitation activities and to reduce homelessness. The Affordable Housing Development and Rehabilitation allocation

amount is based on beneficiary data of the project area, the feasibility and need for the activity, and the availability of other federal or state resources for the activity.

Describe threshold factors and grant size limits.

Each project funded must meet the CDBG National Objective of benefiting persons of LMI or benefitting limited clientele (LMC). The maximum amount of CDBG funds to be awarded per project is detailed in the published CDBG Housing Development and Rehabilitation Application Guidelines.

Anticipated Outcome Measure:

10 rental units will be constructed or rehabilitated. In addition, approximately 10 LMI persons will be provided overnight shelter.

State Program Name: CDBG Housing Stabilization Program

Funding Sources: CDBG

Describe the State Program addressed by the Method of Distribution:

Within the Priority Need to Preserve and Construct Affordable Housing, CDBG funds are utilized for activities to create or preserve homeownership with a specific focus on solving health and safety issues and improving accessibility and energy efficiency for single-family households with incomes at or below 80% AMI. These activities may include acquisition and/or rehabilitation of housing units made available to LMI persons.

Describe all of the criteria that will be used to select applications and the relative importance of these criteria:

CDBG Housing Stabilization Program funds are only available for non-entitlement units of general local government via a non-competitive process that involves completing an application in collaboration with a community-based organization. Applicants who are not working with a community-based organization must receive approval from Commerce. If new construction of homes is in the scope of work for a community, the local government must partner with a CHDO or other Community Based Development

Organization (CBDO). Once approved for funding, the applicant will remain part of the non-competitive pool for a period of no more than 5 years to accomplish the goals established in its application and will gain access to the set-aside for this funding category.

If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only):

CDBG grant program applications, grant application guidelines, project grant administration manual, and other relevant information and resources are available on Commerce's website at <https://commerce.mt.gov/Infrastructure-Planning/Programs-and-Services/Community-Development-Block-Grant/>

Describe how resources will be allocated among funding categories:

For Plan Year 1, Montana will allocate an estimated \$500,000 in CDBG funds to Housing Stabilization Program activities. Funds that are not awarded within the first 12 months of the program year, as established in the 2025-2029 Consolidated Plan and AAP, will be made available to the Public Facilities, Economic Development, and Affordable Housing Development and Rehabilitation categories of funds.

Describe threshold factors and grant size limits.

Each project funded must meet the CDBG National Objective of benefiting persons of LMI. Each housing unit must be inspected by an individual with construction repair expertise and have a budget for acquisition and/or rehab based on the inspection report to correct health and safety issues as well as accessibility improvements.

Anticipated Outcome Measure:

3 homeowners will be assisted.

State Program Name: CDBG Public and Community Facilities

Funding Sources: CDBG

Describe the State Program addressed by the Method of Distribution:

Within the Priority Needs to Improve and Sustain Vital Public Infrastructure, CDBG funds are utilized to construct new or rehabilitate existing public infrastructure or community service facilities to either benefit discrete geographical areas with an LMI percentage of 51% or higher or provide direct benefits to LMI persons.

Describe all of the criteria that will be used to select applications and the relative importance of these criteria:

CDBG Public Facilities funds are only available for non-entitlement units of general local government via a competitive process that involves completing the Water, Wastewater and Solid Waste Action Coordinating Team’s (W2ASACT) Uniform Application and associated application materials. CDBG Public Facilities applications that provide support for a community service facility such as food banks, head start centers, nursing homes, etc. are reviewed via a competitive process based on application materials. Commerce provides further guidance in its application guidelines. The CDBG Public Facilities ranking criteria and maximum possible points for each criterion are listed in **Table AP-2**.

Table AP-2 – CDBG Public and Community Facilities Ranking Criteria

Ranking Criterion	Maximum Possible Points
Community Planning	175
Need for Project	175
Project Concept and Technical Design	150
Community Efforts and Citizen Participation	100
Need for Financial Assistance	200

Benefit to Low- and Moderate-Income Persons	150
Implementation and Management	175
Total Maximum Possible Points	1,125

If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only):

CDBG grant program applications, grant application guidelines, project grant administration manual, and other relevant information and resources are available on Commerce’s website at <https://commerce.mt.gov/Infrastructure-Planning/Programs-and-Services/Community-Development-Block-Grant/Public-and-Community-Facilities>

Describe how resources will be allocated among funding categories:

For Plan Year 1, Montana will allocate \$3,072,506 in CDBG funds to Public and Community Facilities activities. The Public and Community Facilities allocation amount is based on beneficiary data of the project area, the feasibility and need for the activity, and the availability of other federal or state resources for the activity.

Describe threshold factors and grant size limits.

Each project funded must meet the CDBG National Objective of benefiting persons of LMI. The maximum amount of CDBG funds to be awarded is detailed in the published CDBG Public and Community Facilities application guidelines.

Anticipated Outcome Measure:

Approximately 1,000 LMI households will be served with access to new or improved community facilities that provide support services to LMI households.

State Program Name: CDBG Economic Development

Funding Sources: CDBG

Describe the State Program addressed by the Method of Distribution:

Within the Priority Need to Revitalize Local Economies, CDBG funds are utilized to make loans or grants to businesses for various acquisition, construction, installation, or rehabilitation activities that support economic development (e.g., facilities improvements, equipment purchases, and employee trainings).

Describe all of the criteria that will be used to select applications and the relative importance of these criteria:

CDBG Economic Development funds are only available for non-entitlement units of general local government and non-government entities such as local businesses via a competitive application process that ranks applicants on their ability to demonstrate that 51% or more of jobs created or retained are held by or will be filled by qualified LMI persons, document an areawide benefit, or show they will exclusively serve a specific, limited clientele. Commerce provides further guidance in its application guidelines.

If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only):

CDBG grant program applications, grant application guidelines, project grant administration manual, and other relevant information and resources are available on Commerce's website at <https://commerce.mt.gov/Infrastructure-Planning/Programs-and-Services/Community-Development-Block-Grant/Economic-Development>.

Describe how resources will be allocated among funding categories:

For Plan Year 1, Montana will allocate \$1,000,000 in CDBG funds to Economic Development activities. The Economic Development allocation amount is based on beneficiary data of the project area, the feasibility and need for the activity, and the availability of other federal or state resources for the activity.

Describe threshold factors and grant size limits.

Each project funded must meet the CDBG National Objective of benefitting persons of LMI or reducing, eliminating, or preventing slums and blight. The maximum amount of CDBG funds to be awarded per project is detailed in the published CDBG Economic Development application guidelines.

Anticipated Outcome Measure:

30 jobs will be created or retained, and 2 businesses assisted.

State Program Name: CDBG Planning

Funding Sources: CDBG

Describe the State Program addressed by the Method of Distribution:

Within the Priority Need to Plan for Communities, CDBG funds are utilized to engage in comprehensive planning, downtown master planning, business development planning, market study development, preliminary architectural report development, asset management, needs analysis, preliminary engineering, and other studies or plans that support resilient communities.

Describe all of the criteria that will be used to select applications and the relative importance of these criteria:

CDBG Planning applications are only available for non-entitlement units of general local government via a competitive process in which applications are accepted on an ongoing basis and reviewed and ranked according to the extent to which they align with CDBG National Objectives and address Montana's Priority Needs as set forth in the 2025 - 2029 Consolidated Plan. CDBG Planning applications that seek to complete activities in a designated Opportunity Zone may receive preference and/or have greater flexibility in submission of technical documents as part of an application.

If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria?

(CDBG only): CDBG grant program applications, grant application guidelines, planning

grant administration manual, and other relevant information and resources are available on Commerce's website at <https://commerce.mt.gov/Infrastructure-Planning/Programs-and-Services/Community-Development-Block-Grant/Planning-Activities>.

Describe how resources will be allocated among funding categories:

For Plan Year 1, Montana will allocate \$600,000 in CDBG funds to Planning activities. The Planning allocation amount is based on beneficiary data of the project area, the feasibility and need for the activity, and the availability of other federal or state resources for the activity.

Describe threshold factors and grant size limits.

Each project funded must meet the CDBG National Objectives of benefiting persons of LMI or reducing, eliminating, or preventing slums and blight. Up to \$50,000 in CDBG funds may be awarded per project for project activities.

Anticipated Outcome Measure:

Assistance will be provided to at least 20 local governments.

HOME Investment Partnerships Program (HOME)

State Program Name: HOME Homebuyer Assistance Program

Funding Sources: HOME

Describe the State Program addressed by the Method of Distribution:

Within the Priority Need to Preserve and Construct Affordable Housing, HOME funds will be awarded to eligible applicants (nonprofit organizations, CHDOs, and local governments) that may apply for funding individually or with housing partners to provide down payment and closing cost assistance within the maximum amounts established annually by HUD to income-eligible homebuyers to help them purchase a home. All eligible applicants will be required to identify how HOME funds will meet the goals and objectives of the 2025-2029 Consolidated Plan and local planning efforts. Assisted homebuyers must complete homebuyer education and counseling and secure a first

mortgage that meets responsible lending criteria. The home to be purchased must meet applicable property standards. The purchase price for the property cannot exceed the purchase-price limits established and published annually by HUD. Recapture and Resale provisions are enforced through deed restrictions placed on the HOME-assisted homes for the applicable period of affordability.

Describe all of the criteria that will be used to select applications and the relative importance of these criteria:

Those applicants that can demonstrate through their HOME Homebuyer Assistance application that they have capacity to comply with the HOME regulations and requirements for homebuyer down payment and closing cost assistance are eligible for HOME funds. HOME Program applications, grant application guidelines, the project grant administration manual, and other relevant information and resources are available on the Commerce website at <https://commerce.mt.gov/Housing/Community-Housing/HOME-Program>.

Describe how resources will be allocated among funding categories:

For Plan Year 1, the State of Montana will allocate \$200,000 in HOME resources to HOME Homebuyer Assistance Program activities. In addition, the State of Montana anticipates grantees will receive \$500,000 in program income for Plan Year 1; program income received is typically allocated to HOME Homebuyer Assistance Program activities. With prior approval from Commerce, some program income may be invested in housing development. The HOME Homebuyer Assistance Program allocation amount is based on beneficiary data of the project area, the feasibility and need for the activity, and the availability of other federal or state resources for the activity.

Describe threshold factors and grant size limits.

All funded HOME Homebuyer Assistance Program activities must meet HOME requirements. HOME funds may be provided in an amount up to 30% of the purchase price limit (as presented in **Table AP-3**) per homeowner for down payment and closing cost assistance as a 0% interest, deferred loan. HOME funds may be provided in an

amount up to 40% of the purchase price limit per homeowner for down payment and closing cost assistance as a 0% interest, deferred loan to individuals with a disability or individuals who are enrolled members in a state-recognized Native American tribe. The purchase price for the property cannot exceed the purchase price limits published by HUD and presented in **Table AP-3** below. Resale or recapture provisions must be placed on the HOME-assisted home for the applicable period of affordability, and projects must follow all applicable HOME regulations and guidelines for homebuyer assistance.

Table AP-3 – 2024 HOME Purchase Price Limits

Metropolitan FMR Area Name	2024 Existing Single-Family Home	2024 Newly Constructed Single-Family Home
Beaverhead Co	\$356,000	\$445,000
Big Horn Co	\$356,000	\$445,000
Blaine Co	\$356,000	\$445,000
Broadwater Co	\$356,000	\$445,000
Carbon Co – Billings	\$356,000	\$445,000
Carter Co	\$356,000	\$445,000
Cascade Co – Great Falls	\$356,000	\$445,000
Chouteau Co	\$356,000	\$445,000
Custer Co	\$356,000	\$445,000
Daniels Co	\$356,000	\$445,000
Dawson Co	\$356,000	\$445,000
Deer Lodge Co	\$356,000	\$445,000
Fallon Co	\$356,000	\$445,000
Fergus Co	\$356,000	\$445,000
Flathead Co	\$430,000	\$445,000


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Metropolitan FMR Area Name	2024 Existing Single-Family Home	2024 Newly Constructed Single-Family Home
Gallatin Co	\$513,000	\$513,000
Garfield Co	\$356,000	\$445,000
Glacier Co	\$356,000	\$445,000
Golden Valley Co	\$356,000	\$445,000
Granite Co	\$356,000	\$445,000
Hill Co	\$356,000	\$445,000
Jefferson Co	\$356,000	\$445,000
Judith Basin Co	\$356,000	\$445,000
Lake County	\$356,000	\$445,000
Lewis & Clark Co	\$380,000	\$445,000
Liberty Co	\$356,000	\$445,000
Lincoln Co	\$356,000	\$445,000
Madison Co	\$356,000	\$445,000
McCone Co	\$356,000	\$445,000
Meagher Co	\$356,000	\$445,000
Mineral Co	\$356,000	\$445,000
Missoula Co – Missoula	\$461,000	\$461,000
Musselshell Co	\$356,000	\$445,000
Park Co	\$356,000	\$445,000
Petroleum Co	\$356,000	\$445,000
Phillips Co	\$356,000	\$445,000
Pondera Co	\$356,000	\$445,000
Powder River Co	\$356,000	\$445,000
Powell Co	\$356,000	\$445,000
Prairie Co	\$356,000	\$445,000
Ravalli Co	\$474,000	\$474,000


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Metropolitan FMR Area Name	2024 Existing Single-Family Home	2024 Newly Constructed Single-Family Home
Richland Co	\$356,000	\$445,000
Roosevelt Co	\$356,000	\$445,000
Rosebud Co	\$356,000	\$445,000
Sanders Co	\$356,000	\$445,000
Sheridan Co	\$356,000	\$445,000
Silver Bow Co	\$356,000	\$445,000
Stillwater Co	\$356,000	\$445,000
Sweet Grass Co	\$356,000	\$445,000
Teton Co	\$356,000	\$445,000
Toole Co	\$356,000	\$445,000
Treasure Co	\$356,000	\$445,000
Valley Co	\$356,000	\$445,000
Wheatland Co	\$356,000	\$445,000
Wibaux Co	\$356,000	\$445,000
Yellowstone Co – Billings	\$356,000	\$445,000

Anticipated Outcome Measure:

10 homebuyers will be assisted with down payment and closing cost assistance.

State Program Name: HOME Housing Development Program

Funding Sources: HOME

Describe the State Program addressed by the Method of Distribution:

Within the Priority Needs to Preserve and Construct Affordable Housing and Reduce Homelessness, HOME funds can be used to acquire, rehabilitate, or construct affordable rental units, homeownership units, or permanent housing for homeless

individuals. HOME funds will be awarded to any eligible applicant (nonprofit organization, developer, CHDO, and/or local government) who may apply for funding individually or with housing partners. Commerce will set aside a minimum of 15% of HOME funds for activities sponsored, developed, or owned by CHDOs. CHDO or CHDO-partnered applicants will receive first consideration on eligible projects that meet the criteria of the HOME Housing Development Program. The HOME Program may not award any project activities until at least 15% of the HOME Program funds have been allocated to meet the HUD CHDO set-aside requirement. All eligible applicants will be required to identify how the investment of HOME funds will meet the goals and objectives of 2025-2029 Consolidated Plan and the local planning efforts. Eligible applicants are encouraged to partner with other organizations to provide collaborative and cost-effective projects that will benefit the community and households receiving HOME assistance.

Describe all of the criteria that will be used to select applications and the relative importance of these criteria:

HOME Housing Development applications are ranked according to the applicant's ability to meet the application criteria and align with the goals in the 2025-2029 Consolidated Plan. HOME Program requirements, grant application and guidelines, the project grant administration manual, and other relevant information and resources are available on the Commerce website at <https://commerce.mt.gov/Housing/Community-Housing/HOME-Program>.

Describe how resources will be allocated among funding categories:

For Plan Year 1, the State of Montana will allocate \$2,500,000 of its HOME resources to preserving and constructing affordable housing, including \$750,000 to reduce homelessness. \$300,000 or 10% of Plan Year 1 HOME funds will be used for administration. The HOME Housing Development allocation amount is based on beneficiary data of the project area, and the feasibility and need for the activity.

Describe threshold factors and grant size limits.

All funded HOME Housing Development activities must meet HOME requirements. Award amounts will be determined through underwriting criteria and subsidy limit determinations reviewed during the application process. No grant will be awarded that exceeds the HOME maximum subsidy limit as established annually by HUD.

Anticipated Outcome Measure: 7 rental or homeowner units will be constructed; 5 rental units will be rehabilitated.

Housing Trust Fund (HTF)

State Program Name: HTF Program

Funding Sources: HTF

Describe the State Program addressed by the Method of Distribution:

Within the Priority Needs to Preserve and Construct Affordable Housing and Reduce Homelessness, HTF funds will be used to increase and preserve the supply of rental housing for Extremely Low-Income households, particularly those who are homeless, disabled, elderly, or otherwise disadvantaged. Commerce will not use HTF funds to assist first-time homebuyers, for homeownership housing financing, or for refinancing existing debt.

Describe all of the criteria that will be used to select applications and the relative importance of these criteria:

Commerce will accept HTF applications on a competitive basis. Commerce will then prioritize project proposals from eligible entities through a ranking process. Applications will be ranked to determine how closely a project aligns with the intent of the 2025-2029 Consolidated Plan and HTF Program goals and objectives and ranking criteria. HTF Program requirements, grant application and guidelines, the project administration manual, and other relevant information and resources are available on the Commerce website at <https://commerce.mt.gov/Housing/Community-Housing/Housing-Trust-Fund>.

Describe how resources will be allocated among funding categories:

For Plan Year 1, Commerce will allocate \$2,050,347 of its HTF resources to preserving and constructing affordable housing. \$750,000 of Plan Year 1 HTF funds will be designated for reducing homelessness, while the remaining 10% or \$314,483 will be used for administration. The allocation amount is based on beneficiary data of the project area, the feasibility and need for the activity, and the availability of other federal or state resources for the activity. If no applications are submitted to the HTF program to address homelessness activities, 100% of the funds will be used for housing preservation and new construction activities to benefit Extremely Low-Income households.

Describe threshold factors and grant size limits.

All funded HTF activities must meet HTF requirements, including the HOME Program's maximum per-unit development subsidy limit for housing assisted with HTF funds. The maximum per-unit subsidy is the same as for the HOME Program (24 CFR 93.300(a)) and is calculated using the Uniform Application Form for Montana's housing programs, available on the Commerce website.

Anticipated Outcome Measure:

10 rental units will be constructed or rehabilitated; and 10 units of permanent housing to reduce homelessness will be constructed or rehabilitated.

State Program Name: ESG Program

Funding Source: ESG

Describe the State Program addressed by the Method of Distribution:

Within the Priority Need to Reduce Homelessness, ESG funds will support activities that provide a comprehensive approach to address the needs of persons who are homeless or at risk of homelessness. These activities are intended to assist in the prevention and alleviation of homelessness; provide temporary and/or permanent housing for persons who are homeless; and encourage the development of projects that link housing assistance programs with efforts to promote self-sufficiency. The MTCoC system has

been established to help ensure that persons who are homeless or at risk of homelessness are able to access needed emergency shelter, street outreach, homelessness prevention, and rapid rehousing services statewide.

ESG funds are allocated for the 12 poverty districts of Montana. based on a formula allocation, reflecting poverty and population in the area as relative to poverty and population in the entire state. This process is set forth in MCA Section 53-10-502, which pertains to the federal Community Services Block Grant (CSBG). Subrecipients are encouraged to develop sub-subrecipient relationships to expand services more effectively. Through this approach, agencies that work directly with clients served and partner organizations in the area may establish work plans that meet the demand that they see on a daily basis, and the need that they have identified through a needs assessment process. All project types are eligible for agencies to use because they depend on local needs. Currently, 8 of Montana's HRDCs serve districts 1-12.

Describe all of the criteria that will be used to select applications and the relative important of these criteria:

Needs assessments and strategic planning are conducted by subrecipients to ensure the best alignment of resources available with the needs of LMI persons within the services areas. Partnerships with other organizations are considered essential to eliminate duplication of services to best meet the needs within each community. DPHHS will accept applications for the limited solicitation on a competitive basis. DPHHS will then prioritize project proposals from eligible entities through a ranking process. Applications will be ranked to determine how closely a project aligns with the intent of the ESG program goals and objectives and ranking criteria. The ESG Program Policy Manual is available on DPHHS's website at <http://dphhs.mt.gov/Portals/85/hcsd/documents/ESGPolicyManual.pdf>.

Describe how resources will be allocated among funding categories:

For Plan Year 1, Montana will allocate to ESG administration and to ESG program-specific activities for a total of \$744,418. Data: 2023 5-year ACS (2019-2023)

<u>Agency Poverty Levels</u>	<u>Avg of Population & Poverty %</u>
<u>D1, D2 & D3</u>	<u>7.88%</u>
<u>District 4</u>	<u>2.29%</u>
<u>Opp, Inc</u>	<u>10.94%</u>
<u>District 6</u>	<u>2.00%</u>
<u>District 7</u>	<u>18.49%</u>
<u>RMDC</u>	<u>8.41%</u>
<u>District 9</u>	<u>12.70%</u>
<u>CAPNM</u>	<u>15.95%</u>
<u>District XI</u>	<u>15.50%</u>
<u>Action Inc</u>	<u>5.86%</u>
<u>Total</u>	<u>100.00%</u>

Describe threshold factors and grant size limits.

ESG funds are distributed based on a formula allocation, reflecting poverty and population as set forth in MCA 53-10-502, pertaining to federal CSBG. DPHHS and subrecipient relationships are established through contracts. Subrecipients must develop work plans based on the need in their area. If the agency cannot fulfill all the identified highest needs, the agency establishes sub-subrecipient relationships with other organizations in their community, including nonprofits, community, and faith-based organizations.

Anticipated Outcome Measure:

500 individuals in 325 households will be served with rental assistance and housing relocation and stabilization services either through rapid rehousing or homeless prevention programs; 20 persons will be assisted with overnight shelter.

Montana, South Dakota, and North Dakota are ineligible to receive HOPWA formula funds due to population and need demographics, however, there still exists a need for such housing assistance in our communities. The three states organized a tri-state regional program named “Tri-State Housing Environments for Living Positively” or “Tri-

State HELP,” a partnership between one state agency and four private agencies to apply for competitive HOPWA funds and serve those individuals seeking help. Montana was assigned two sponsor organizations: one representing the western half of the state and one representing the eastern side of the state. One sponsor is in South Dakota and one sponsor is in North Dakota; this was determined based on population and need. Housing coordinators and case managers have built strong relationships and referral systems with not only the Ryan White program in all three states but also their communities’ vast client service networks.

Discussion

All methods of distribution for the CDBG, HOME, HTF, and ESG programs are designed to meet specific program requirements, ensure the most effective use of the funds, and attain the State of Montana’s goals and objectives as set forth in the 2025 - 2029 Consolidated Plan.

AP-35 Projects – (Optional)

Introduction

All activities funded with CDBG, HOME, or HTF funds during Plan Year 1 must meet one of the project objectives presented in **Table 9**. Funds will be awarded through the processes described in AP-30 Methods of Distribution.

Table 9 – Project Information

#	Project Name
1	2025 HOME Housing Development
2	2025 HOME Homebuyer Assistance
3	2025 CDBG Affordable Housing Development and Rehabilitation
4	2025 CDBG Housing Stabilization

#	Project Name
5	2025 CDBG Public and Community Facilities
6	2025 CDBG Economic Development
7	2025 CDBG Planning
8	2025 HTF Program
9	ESG25 Montana
10	2025 HOME Admin
11	2025 CDBG Admin and TA
12	2025 HTF Admin

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Commerce accepts applications from eligible entities across the state to address underserved needs and provides technical assistance to eligible entities to support successful application submissions. Funded activities are limited to those that are submitted to Commerce for consideration.

Allocation priorities are set based on information gathered from the 2025 – 2029 Consolidated Plan Needs Assessment and Market Analysis, as well as prior year application submissions and program trends. Because Commerce does not know the types and scopes of applications that will be received during any plan year, it can only estimate funding and anticipate outcomes. Additionally, the CDBG, HOME, and HTF programs are often oversubscribed and, thus, unable to meet all the needs of eligible entities due to limited funding.

AP-38 Project Summary

Project Summary Information

2024 dollar amounts are being used until 2025 allocations have been released.

1	Project Name	2025 HOME Housing Development
	Target Area	Statewide
	Goals Supported	Preserve and Construct Affordable Housing
	Needs Addressed	Affordable Housing Preservation and Construction
	Funding	HOME: \$2,500,000.00
	Description	<p>Within the Priority Needs to Preserve and Construct Affordable Housing and Reduce Homelessness, HOME funds can be used to acquire, rehabilitate, or construct affordable rental units, homeownership units, or permanent housing for homeless individuals. HOME funds will be awarded to any eligible applicant (nonprofit organization, developer, CHDO, and/or local government) who may apply for funding individually or with housing partners. Commerce will set aside a minimum of 15% of HOME funds for activities sponsored, developed, or owned by CHDOs. CHDO or CHDO-partnered applicants will receive first consideration on eligible projects that meet the criteria of the HOME Housing Development Program. The HOME Program may not award any project activities until at least 15% of the HOME Program funds have been allocated to meet the HUD CHDO set-aside requirement. All eligible applicants will be required to identify how the investment of HOME funds will meet the goals and objectives of 2025-2029 Consolidated Plan and the local planning efforts.</p>
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	7 rental or homeowner units will be constructed; 5 rental units will be rehabilitated.
	Location Description	Statewide
	Planned Activities	HOME Housing Development applications are ranked according to the applicant's ability to meet the application criteria and align with the goals in the 2025-2029 Consolidated Plan.
2	Project Name	2025 HOME Homebuyer Assistance
	Target Area	Statewide
	Goals Supported	Preserve and Construct Affordable Housing
	Needs Addressed	Affordable Housing Preservation and Construction
	Funding	HOME: \$700,000.00, including \$500,000 in HOME Program Income


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Description	<p>Within the Priority Need to Preserve and Construct Affordable Housing, HOME funds will be awarded to eligible applicants (nonprofit organizations, CHDOs, and local governments) that may apply for funding individually or with housing partners to provide down payment and closing cost assistance within the maximum amounts established annually by HUD to income-eligible homebuyers to help them purchase a home. All eligible applicants will be required to identify how HOME funds will meet the goals and objectives of the 2025-2029 Consolidated Plan and local planning efforts. Assisted homebuyers must complete homebuyer education and counseling, and secure a first mortgage that meets responsible lending criteria. The home to be purchased must meet applicable property standards. The purchase price for the property cannot exceed the purchase-price limits established and published annually by HUD.</p>
Target Date	
Estimate the number and type of families that will benefit from the proposed activities	<p>10 homebuyers</p>
Location Description	<p>Statewide</p>

	Planned Activities	Those applicants that can demonstrate capacity to comply with the HOME regulations and requirements for homebuyer down payment and closing cost assistance are eligible for HOME funds.
3	Project Name	2025 CDBG Affordable Housing Development and Rehabilitation
	Target Area	Statewide
	Goals Supported	Preserve and Construct Affordable Housing Reduce Homelessness
	Needs Addressed	Affordable Housing Preservation and Construction Reducing Homelessness
	Funding	CDBG: \$1,000,000.00
	Description	Within the Priority Needs of Preserve and Construct Affordable Housing and Reduce Homelessness, CDBG funds are utilized for the acquisition, new construction (under certain circumstances when undertaken with a qualified non-profit as part of community revitalization efforts), and rehabilitation of rental or homeownership units made available to households at or below 80% AMI.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	10 LMI households 10 LMI households experiencing homelessness
	Location Description	Statewide

	Planned Activities	CDBG Affordable Housing Development and Rehabilitation funds are only available for non-entitlement units of general local government via a competitive process that involves completing Commerce’s Uniform Application for housing-related loan, grant, and tax credit programs.
4	Project Name	2025 CDBG Housing Stabilization
	Target Area	Statewide
	Goals Supported	Preserve and Construct Affordable Housing
	Needs Addressed	Affordable Housing Preservation and Construction
	Funding	CDBG: \$500,000.00
	Description	Within the Priority Need to Preserve and Construct Affordable Housing, CDBG funds are utilized for activities to create or preserve homeownership with a specific focus on solving health and safety issues and improving accessibility and energy efficiency for single-family households at or below 80% AMI. These activities may include acquisition and/or rehabilitation of housing units made available to LMI persons.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	3 homeowner households
	Location Description	Statewide



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	Planned Activities	CDBG Housing Stabilization Program funds are only available for non-entitlement units of general local government via a non-competitive process that involves completing an application in collaboration with a CHDO. Applicants who are not working with a CHDO must receive approval by Commerce. If new construction of homes is in the scope of work for a community, it will partner with a CHDO or other Community Based Development Organization (CBDO). Once approved for funding, the applicant will remain part of the non-competitive pool for a period of no more than 5 years to accomplish the goals established in its application and will gain access to the set-aside for this funding category.
5	Project Name	2025 CDBG Public and Community Facilities
	Target Area	Statewide
	Goals Supported	Improve and Sustain Public Infrastructure
	Needs Addressed	Improve & Sustain Vital Public Infrastructure
	Funding	CDBG: \$2,787,331.00
	Description	Within the Priority Needs to Improve and Sustain Vital Public Infrastructure, CDBG funds are utilized to construct new or rehabilitate existing public infrastructure or community service facilities to either benefit discrete geographical areas with an LMI percentage of 51% or higher or provide direct benefits to LMI persons.
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	1,000 LMI households
	Location Description	Statewide
	Planned Activities	CDBG Public Facilities funds are only available for non-entitlement units of general local government via a competitive process that involves completing the W2ASACT's Uniform Application and associated application materials. CDBG Facilities applications that provide support for a community service facility such as food banks, head start centers, nursing homes, etc. are reviewed via a competitive process based on application materials. Commerce will provide further guidance in its application guidelines.
6	Project Name	2025 CDBG Economic Development
	Target Area	Statewide
	Goals Supported	Revitalize Local Economies
	Needs Addressed	Economic Revitalization
	Funding	CDBG: \$1,000,000.00

	Description	Within the Priority Need to Revitalize Local Economies, CDBG funds are utilized to make loans or grants to businesses for various acquisition, construction, installation, or rehabilitation activities that support economic development (e.g., facilities improvements, equipment purchases, and employee trainings).
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	30 jobs will be created or retained, and 2 businesses assisted.
	Location Description	Statewide
	Planned Activities	CDBG Economic Development funds are only available for non-entitlement units of general local government and non-government entities such as local businesses via a competitive application process that ranks applicants on their ability to demonstrate that 51% or more of jobs created or retained are held by or will be filled by qualified LMI persons, document an areawide benefit, or show they will exclusively serve a specific, limited clientele.
7	Project Name	2025 CDBG Planning
	Target Area	Statewide
	Goals Supported	Plan for Communities
	Needs Addressed	Community Planning

Funding	CDBG: \$600,000.00
Description	Within the Priority Need to Plan for Communities, CDBG funds are utilized to engage in comprehensive planning, downtown master planning, business development planning, market study development, preliminary architectural report development, asset management, needs analysis, preliminary engineering, and other studies or plans that support resilient communities through affordable housing, public works investments, vital employment centers, and the environment.
Target Date	
Estimate the number and type of families that will benefit from the proposed activities	Assistance will be provided to at least 20 local governments.
Location Description	Statewide
Planned Activities	CDBG Planning applications are only available for non-entitlement units of general local government via a competitive process in which applications are accepted on an ongoing basis and reviewed and ranked according to the extent to which they align with CDBG National Objectives and address Montana's Priority Needs as set forth in the 2025 - 2029 Consolidated Plan. CDBG Planning applications that seek to complete activities in a designated Opportunity Zone may receive preference and/or have greater flexibility in submission of technical documents as part of an application.

8	Project Name	2025 HTF Program
	Target Area	Statewide
	Goals	Preserve and Construct Affordable Housing
	Supported	Reduce Homelessness
	Needs Addressed	Affordable Housing Preservation and Construction Reduce Homelessness
	Funding	HTF: \$2,830,347.00
	Description	Within the Priority Needs to Preserve and Construct Affordable Housing and Reduce Homelessness, HTF funds will be used to increase and preserve the supply of rental housing for Extremely Low-Income households, particularly those who are homeless, disabled, elderly, or otherwise disadvantaged. Commerce will not use HTF funds to assist first-time homebuyers, for homeownership housing financing, or for refinancing existing debt.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	10 rental units will be constructed or rehabilitated; and 10 units of permanent housing to reduce homelessness will be constructed or rehabilitated.
	Location Description	Statewide

	Planned Activities	Commerce will accept HTF applications on a competitive basis. Commerce will then prioritize project proposals from eligible entities through a ranking process. Applications will be ranked to determine how closely a project aligns with the intent of the 2025-2029 Consolidated Plan and HTF Program goals and objectives and ranking criteria.
9	Project Name	ESG25 Montana
	Target Area	
	Goals Supported	Reduce Homelessness
	Needs Addressed	Reduce Homelessness
	Funding	ESG: \$744,418.00
	Description	2025 ESG Funds for the State of Montana. Montana will use \$744,418 in ESG funds for the ESG Program. This includes \$688,587 for activities and \$55,831 for administration. Detailed information on this program is available on DPHHS' website: https://dphhs.mt.gov/assets/hcsd/esgpolicymanual.pdf .
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	350 individuals in 200 households will be served with rental assistance, housing relocation, and stabilization services either through rapid rehousing or homeless prevention programs; 50 persons will be assisted with overnight shelter.
	Location Description	Statewide

	Planned Activities	<p>Within the Priority Need to Reduce Homelessness, ESG funds will support activities that provide a comprehensive approach to address the needs of persons who are homeless or at risk of homelessness. These activities are intended to assist in the prevention and alleviation of homelessness; provide temporary and/or permanent housing for persons who are homeless; and encourage the development of projects that link housing assistance programs with efforts to promote self-sufficiency. The MTCoC system has been established to help ensure that persons who are homeless or at risk of homelessness can access needed emergency shelter, street outreach, homelessness prevention, and rapid rehousing services statewide.</p>
10	Project Name	2025 HOME Admin
	Target Area	Statewide
	Goals Supported	Preserve and Construct Affordable Housing Reduce Homelessness
	Needs Addressed	Affordable Housing Preservation and Construction Reduce Homelessness
	Funding	HOME: \$300,000.00
	Description	10%, or \$300,000, of the 2025 HOME allocation will be used to administer the program
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	Administration funds. No direct benefit
	Location	Statewide
	Description	
	Planned Activities	HOME Administration
11	Project Name	2024 CDBG Admin and TA
	Target Area	Statewide
	Goals Supported	<p>Preserve and Construct Affordable Housing</p> <p>Reduce Homelessness</p> <p>Plan for Communities</p> <p>Revitalize Local Economies</p> <p>Improve and Sustain Public Infrastructure</p>
	Needs Addressed	<p>Affordable Housing Preservation and Construction</p> <p>Reduce Homelessness</p> <p>Community Planning</p> <p>Revitalize Local Economies</p> <p>Improve and Sustain Public Infrastructure</p>
	Funding	CDBG: \$285,175.00
	Description	This project includes \$100,000 + 2% for Admin and 1% of the allocation for Technical Assistance.
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	Administration funds. No direct benefit
	Location	Statewide
	Description	
	Planned Activities	CDBG Administration
12	Project Name	2025 HTF Admin
	Target Area	Statewide
	Goals Supported	Preserve and Construct Affordable Housing Reduce Homelessness
	Needs Addressed	Affordable Housing Preservation and Construction Reduce Homelessness
	Funding	HTF: \$314,483.00
	Description	10%, or \$314,483 of the 2025 HTF allocation will be used to administer the program.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	HTF Administration funds. No direct benefits.

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	Location	Statewide
	Description	
	Planned	HTF Administration
	Activities	

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No.

Describe available grant amounts

Not applicable.

Describe how applications will be accepted

Not applicable.

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

No.

Describe the State's process and criteria for approving local government revitalization strategies

Not applicable.

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

The State of Montana will not target any particular geographic area for special assistance. However, the state will allow any non-entitlement community to apply for CDBG; all communities, nonprofits and eligible developers to apply for HOME; and entitlement communities, nonprofits and eligible developers to apply for HTF funding, dependent on eligible activities and programs. 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 throughout the state.

Geographic Distribution

Because the State of Montana does not have geographic priorities for any of its federally funded CPD programs, data are not provided in **Table 10**.

Table 10 – Geographic Distribution

Target Area	Percentage of Funds
N/A	N/A

Rationale for the priorities for allocating investments geographically

Not applicable.

Discussion

Not applicable.

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction

Tables 11 and 12 summarize Montana’s 1-year goals for a number of categories that relate to affordable housing. These goals are related only to the federal resources provided through CDBG, HOME, HTF, and ESG, and do not include numbers for those persons assisted through other federal or state resources.

Table 11 – 1-Year Goals for Affordable Housing by Support Requirement

1-Year Goals for the Number of Households to be Supported	
Homeless	345
Non-Homeless	260
Special-Needs	10
Total	615

Table 12 – 1-Year Goals for Affordable Housing by Support Type

1-Year Goals for the Number of Households Supported Through	
Rental Assistance	550
The Production of New Units	27
Rehab of Existing Units	28
Acquisition of Existing Units	10
Total	615

Discussion

Rental assistance will be completed with ESG resources that include financial assistance such as rental application fees, security and utility deposits, last month’s rent, utility payments, moving costs, and short-term rent assistance.

The production of new units will be completed with CDBG, HOME, or HTF resources in coordination with housing tax credits and private financing for rental projects.

Rehabilitation of existing units will be completed with CDBG, HOME, or HTF resources.

Acquisition of existing units will be completed primarily with HOME resources through down payment and closing cost assistance combined with mortgages financed with proceeds from state-issued tax-exempt bonds.

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction

The Department of Commerce's Housing Division includes the Rental Assistance Bureau, Montana's statewide Public Housing Authority. Commerce's statewide PHA does not directly own or operate any public housing assets. However, Commerce's Housing Division does administer numerous federal rental assistance programs across the state, including the Housing Choice Voucher (HCV) Program. The Bureau contracts with field agency partners, including HRDCs and other PHAs, on local administration of the HCV, Veterans Affairs Supportive Housing (HUD-VASH), Project-Based VASH, Mainstream, Emergency Housing Vouchers, and Moderate Rehabilitation Programs. The State of Montana will continue to work with the PHAs to house Montana's Low-Income households.

Actions planned during the next year to address the needs to public housing

This AAP is for a state grantee, and therefore no summary information is available on the actions planned for multiple PHAs in Montana. This information can be obtained by contacting a given PHA within a designated geographic area. An area of considerable concern for Montana is HUD's methodology for Fair Market Rent calculations and resulting Voucher Payment Standard limits. Commerce's Housing Division and other local PHAs are struggling with voucher utilization, with landlords opting out of the program due to the economics of Payment Standards limitations and their ability to rent to non-voucher holders at higher market rents. Commerce's Housing Division is also

seeking to collaborate with local PHAs on the physical condition and rehabilitation needs of local PHA public housing stock.

Commerce collaborated with DPHHS on the Fair Market Rent Reevaluation Study. This initiative, funded by House Bill 872, which passed during the 68th Legislative session in 2023, and the Behavioral Health for Future Generations Commission, provided \$1,000,000 to conduct a statewide study to determine the appropriate level of funding needed to help supplement housing costs for low-income Montanans served in the state's behavioral health system. The survey was conducted November 1 through December 20, 2024. The survey results illustrate a significant discrepancy between the HUD FY2025 Fair Market Rents and actual Montana market rents. Commerce submitted the findings to HUD on January 8, 2025, along with a request for reevaluation of the HUD FY2025 FMR.

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

This AAP is for a state grantee, and therefore no summary information is available on the actions planned for the PHAs in Montana. The state will work on collecting information and supporting activities that encourage public housing residents to become more involved in management and participate in homeownership.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable.

Discussion

This AAP is for a state grantee, and therefore no summary information is available on the actions planned for multiple PHAs in Montana. This information can be obtained by contacting a given PHA within a designated geographic area.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

Homeless and other special needs activities will be carried out according to the eligible uses of funds for CDBG, HOME, HTF, and ESG. See AP-30 Methods of Distribution.

Homelessness in Montana may be due to leaving one's home as a result of domestic violence, lack of medical assistance, lack of stable employment, leaving a state correctional or mental health facility, or a lack of affordable housing options. However, market rent increases appear to be a primary driving factor in recent rises in homelessness, particularly acute in higher cost areas that experienced rapid rent increases during the COVID-19 era. Every \$100 increase in median rent is associated with a 9 percent increase in the estimated homelessness rate, according to a 2020 report by the U.S. Government Accountability Office. Many households experiencing homelessness double up with family, friends, or may be able to find temporary assistance from a faith-based community. Non-homeless special needs populations in the state include the elderly and frail elderly, persons living with disabilities, persons leaving a correctional facility, persons with substance use disorders, victims of domestic violence, and persons and the families of persons living with HIV. These populations may not be homeless but may be at risk of becoming homeless and, therefore, often require housing and service programs relevant to their specific special needs.

The State of Montana will work to encourage activities that address the housing needs of those at risk of homelessness and encourage activities that increase the level of assistance to programs serving special needs groups including those at risk of homelessness. This includes supporting activities to reduce homelessness and encourage the development and rehabilitation of non-rental facilities for the shelter and transition of temporarily homeless Montanans. Additionally, HOME, CDBG, HTF, and

ESG will continue to support efforts by local governments and partner organizations providing permanent supportive housing, HIV services, substance abuse services, disability services, aid to victims of domestic violence, and assistance for the disabled.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

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

Montana divides itself into 12 districts to participate annually in the national Point-in-Time (PIT) counts of homeless, unduplicated, one-night estimates of both sheltered and unsheltered homeless populations, occurring during the last week in January of each year. One finding from that survey is that a significant segment of the homeless population is women, children, and families that have experienced life-altering situations, such as job loss, disaster, divorce, or abuse that have driven them into homelessness.

Montana uses the Continuum of Care model that originated with HUD, with the goal of supporting the transition of homeless individuals into stabilized self-sufficiency in affordable housing. It is important to note that the MTCoC has expressed that multiplying a single night's data into an annual estimate does not necessarily result in an accurate representation.

Addressing the emergency shelter and transitional housing needs of homeless persons

Montana encourages efforts to provide shelter and other basic needs to people who are currently homeless and supports these efforts with CDBG, HOME, HTF and ESG funds.

In addition, because preventing homelessness is much less costly than addressing the problem after housing has been lost, Montana also supports efforts that will:

- Help people in crisis who are at risk of losing existing housing (homeless prevention); and
- Place homeless people into permanent and affordable housing accompanied by intensive services that will aid them in establishing long-term stability (rapid re-housing).

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

Montana supports transitional housing for homeless families seeking permanent housing and independent living. Several assisted housing development projects in Montana's portfolio provide transitional housing and supportive services. Furthermore, grantees serving homeless persons in Montana participate in Coordinated Entry Systems (CES), which identify the most appropriate housing resources to facilitate homeless households' rapid and permanent exit from homelessness and prioritize the most vulnerable households. Under the CES, service providers work together as a housing and service collaborative, reducing duplication of services, effectively delivering services, and strategically utilizing resources.

Although the state does not know whether it will receive CDBG, HOME, or HTF applications for activities that specifically serve homeless persons, the state prioritizes funding for activities that address special and critical needs, including those experiencing homelessness. One-time federal funding sources such as CDBG-CV and HOME-ARP and state Emergency Shelter Facility Grant funds have also been deployed to serve those experiencing homelessness.

See the 2025-2029 Consolidated Plan for a more in-depth discussion of the needs of homeless persons in Montana.

Helping Low-Income individuals and families avoid becoming homeless, especially Extremely Low-Income individuals and families and those who are: 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); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

DPHHS works with the MTCoC to leverage resources and provide increased and coordinated services to homeless households across the state. DPHHS aligns its strategy for reducing and ending homelessness with the MTCoC districts. DPHHS and subgrantees of ESG funding participate in MTCoC strategic planning discussions and attend working meetings.

The MTCoC prioritizes and ranks homeless projects each year and prepares a consolidated, statewide Continuum of Care application in response to the HUD NOFO. Projects originate from local communities, statewide Continuum of Care, or a state agency. Project approvals are based upon performance and capacity criteria as well as local needs and HUD priorities.

The ESG Program coordinates its strategy with the MTCoC to meet the needs of the homeless and those at risk of homelessness at the local level. Funded activities include rental assistance, financial assistance of rental application fees, security and utility deposits and payments, case management, housing search and support for toll free telephone referral hotlines for domestic abuse; referral to mainstream resources; assistance to shelters for victims of domestic and sexual violence, youth homes, and food banks. All subrecipients submit work plans, budgets, and reports outlining which of the allowable activities will be undertaken.

If it is determined that there is a particularly high need to help individuals being discharged from publicly funded institutions and systems of care, such as health-care facilities, mental health facilities, foster care or other youth facilities, and corrections programs and institutions, then subrecipient agencies will be assisted, as allowed, through the ESG Program. As agencies continue to work in their communities' coordinated assessment/entry process, they will be able to best determine which stream of funding and which organizations can best serve different demographics of need. Because ESG subrecipients are also typically the local Community Action Agencies (CAAs) and have good relationships with other service providers, they can provide other key services that address health, employment, and education, as well as refer households to organizations with whom they have established relationships and coordinated programs.

Montanans who have experienced job loss or significant increases in rent face instability and an increased risk of homelessness. By identifying these characteristics in association with the "At risk of homelessness" definition § 576.2 (1)(iii)(G), ESG allows Homeless Prevention funds to assist these individuals and families so that subrecipients may help program participants regain stability in their current permanent housing or achieve stability in other permanent housing, ultimately preventing an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the "homeless" definition in § 576.2.

In Plan Year 1, HTF funds will also support homeless prevention activities by increasing and preserving the supply of permanent rental housing for Extremely Low-Income households, particularly the homeless, disabled, elderly, and other disadvantaged populations. Furthermore, HOME-ARP and CDBG-CV funds are being used to expand the supply of homes that benefit Qualifying Populations and state ESFG funds are supporting health, safety, and accessibility upgrades to emergency shelters as well as expanding new shelter space.

Discussion

See SP-60 Homelessness Strategy in the 2025-2029 Consolidated Plan for more information about Montana's strategy for reducing homelessness and addressing other special needs.

AP-70 HOPWA Goals – 91.320(k)(4)

Because the State of Montana's HOPWA funds are provided via competitive award and not through a formula grant, a discussion of HOPWA goals is not included herein.

AP-75 Barriers to affordable housing – 91.320(i)

Introduction

Public policies play a significant role in shaping the landscape of affordable housing and residential investment in Montana. The web of policies and practices that currently govern housing development in the state is complex, and some policies and practices effectively limit affordable housing and/or curb much-needed residential investments.

In the context of affordable housing, the negative effects of public policies can be observed through the various lenses of tax policy, land use controls, zoning ordinances, building codes, fees and charges, and growth limits. These subjects are discussed below.

- Tax Policy - Tax policies affecting land and property can have a substantial impact on housing affordability and investment. Rising property taxes, for example, can increase the cost of homeownership such that residents who have historically been able to afford their housing costs are eventually pushed into being housing cost burdened, paying more than 30% of their income on housing, or worse, becoming displaced or homeless. Renters also feel the impact of high property taxes since increases in operating costs are eventually passed to

tenants.

Because of explosive home value growth in the state during and after the pandemic, property tax bills for Montana’s median residential properties have increased more than 20%. This increase reflects hundreds of dollars or more assessed annually for many homeowners, with owners of residential properties paying over \$200 million more aggregately in 2023 than in 2022.¹

- Land-Use Controls and Zoning Ordinances - Land-use controls include government ordinances, codes, and permit requirements that restrict the use of land and natural resources. Examples of land-use controls are subdivision regulations, building codes, housing codes, historic preservation laws, and zoning.

In Montana’s cities and towns, zoning informs developers what kinds of homes can be built and where. Zoning is typically friendly to single-family homes, which are the most expensive of all home categories to develop. Conversely, zoning prohibits or penalizes multi-family housing development, which is not allowed under certain “by right” zoning designations and/or minimum lot area requirements. Minimum lot areas and exclusionary zoning practices, together, have made finding suitable land for affordable housing in Montana’s residential areas difficult, which in turn has limited residential investment.

Cost-inflating land-use controls and zoning ordinances don’t just affect housing affordability; they can also affect housing choice by perpetuating segregation and limiting or blocking access to amenities and well-resourced areas for certain demographics.

- Building Codes - Building codes have a direct effect on the price of housing, driving up construction costs and adding various levels of administrative burden to the development process. While building codes are essential mechanisms for ensuring that homes meet certain health and safety standards, overly

burdensome regulations can stifle innovation and put housing out of reach for many Montanans.

- Fees and Charges - High development fees and charges imposed by local governments can add significant costs to residential projects, limiting how far residential investments can go and making it that much more difficult for affordable housing projects to pencil out.
- Growth Limits - Growth limits or growth management policies may artificially constrain housing supply, leading to shortages and inflated prices. While growth limits aim to preserve natural resources and prevent urban sprawl, they can inadvertently contribute to housing unaffordability by limiting supply in high-demand areas of the state.

Actions it planned 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

To support affordable housing development and increase residential investment, Montana's elected officials have taken the following proactive steps:

- In July 2022, the governor created the Housing Task Force and charged its appointed members with providing recommendations to make housing more affordable and attainable for Montana residents. The bipartisan task force is taking a comprehensive approach and looking at affordable housing challenges and opportunities spanning the areas of regulation, planning, construction, and financial considerations. It has provided recommendations in written reports to the Governor (October [2022](#), December [2022](#), and June [2024](#)) and, with the Governor's support, will continue its work through June 2025. Numerous Housing Task Force recommendations are currently under consideration during the 2025 Legislative Session.

- During the 2023 legislative session, several new laws designed to boost housing development were passed and subsequently signed into law. These reforms aimed to address zoning regulations, land use policies, and other related barriers to affordability. The “Montana Miracle,” as dubbed by some sources², reflects bipartisan, innovative efforts to confront Montana’s housing crisis head-on.
 - Land use legislation, specifically, Senate Bill (SB) 382 or the “Montana Land Use Planning Act,” aimed at modernizing and streamlining the development process, encouraging coordinated and planned growth, utilizing a broad and comprehensive level of data collection to identify and analyze existing conditions and future opportunities and constraints, allowing for quicker site-specific development review and decision-making, and providing robust public participation. SB 382 essentially limits public hearings on housing projects by front-loading them to the general planning stages of development. After early public engagement during land-use plan adoption, development approvals are allowed to proceed by right, effectively restricting the ability of not-in-my-back-yard (NIMBY) groups to slow or thwart growth. The bill also requires local governments to establish planning commissions; set population growth projections, ensuring zoning maps align with projected growth; and adopt a minimum number of pro-housing strategies from an established schedule.
 - Additional land-use bills sought to revise municipal zoning to encourage multifamily, mixed-use, duplex, and accessory dwelling unit (ADU) development, as well as revise the local subdivision review process.
 - SB 245 mandates that cities over 5,000 allow multiple-unit (i.e., five or more units) dwelling and mixed-use developments in commercial zones and prohibits requirements for more than one off-street parking space per unit unless required in a parking agreement or ADA.
 - SB 323 mandates that cities over 5,000 allow duplex housing on lots permitted for single-family residences and establishes that zoning regulations may not be more restrictive on duplex housing.

- SB 528 mandates that cities and towns with zoning must allow at least one ADU on lots with a single-family dwelling. The bill also prohibits additional parking requirements and fees, requirements that ADUs match the design of the single-family dwelling, owner or relationship occupancy requirements, requirements of any relationship between occupants, assessed impact fees, public street improvement requirements, dimensional requirements more restrictive than the single-family dwelling, and certain restrictive covenant requirements.
- House Bill (HB) 211 dealt with general subdivision review, phased subdivision review, and expedited subdivision review. Per the bill, subsequent general subdivision review hearings may be held if new information is relevant, change in subdivision design is significant, and the new information has a substantial effect on the governing body's consideration of the subdivision. It requires hearings for phases submitted for final plat approval 5 years after preliminary plat approval and additional standards for imposing conditions on subsequent phases. Finally, it allows for expedited review even when requests include variance or deviation from existing subdivision regulations (adding an extended timeline of 45 days for hearings) and requires municipalities to incorporate the expedited review process into their local subdivision regulations.
- Legislation also dealt with building code barriers to affordable housing via SB 406, which prohibits local governments from adopting building codes stricter than state codes.
- Tax relief legislation amounted to \$470 million. HB 587 provided permanent property tax relief to Montana homeowners (more than \$120 million over several years) by establishing the state special revenue school equalization and property tax reduction account and directing a portion of revenues from school equalization local tax levies or "95 mills" to the account, buying down local permissive mills. Additionally, the

governor secured up to \$1,350 in property tax rebates for Montana homeowners for their primary residence in 2023 and 2024. The Property Tax Assistance Program (PTAP), which in 2023 extended relief to Montanans who own properties with a market value up to \$350,000, is open to individuals who meet certain criteria for homeownership, occupancy, and income. The Montana Disabled Veterans (MDV) Property Tax Assistance Program, which in 2023 expanded to serve higher income levels, reduces the property tax burden for resident veterans who are disabled or the surviving, unmarried spouses of deceased veterans who were disabled. Eligibility under MDV is based on homeownership, occupancy, military disability, and income.

- In January 2024, the Governor created the Property Tax Task Force and charged its appointed members with providing recommendations to reform the property tax system and reduce the burden of property taxes on Montana taxpayers. The bipartisan task force provided its recommendations in a written report to the Governor (August 2024). The report can be found at https://budget.mt.gov/About/PropertyTaxTaskForce_FINALREPORT_OF_THE_GOVERNORS_PROPERTY_TAX_TASK_FORCE.pdf. From this report, House Bill 231 was developed and is currently before the Montana State Legislature.

Montana's housing crisis is not unique, but the state's flurry of legislative activity to reckon with it stands apart in the nation. And although some of Montana's laws have been met with legal challenges, they have elevated the conversation around affordable housing and residential investment. Conversely, other states have been met with political impasse as they've struggled to build political coalitions strong enough to proportionally respond to their post-pandemic-era-boom housing shortages.

While this Annual Action Plan must consider the effects of public policies, it should be noted that local jurisdictions and the State Legislature, not the public agencies who administer this plan, determine ordinances, policies, and laws that impact affordable

housing. As they have historically done, Commerce and DPHHS encourage local jurisdictions and the State Legislature to consider possible impacts to affordable housing and community assets when updating policy and enacting laws.

Respondents to the 2024 Fair Housing Survey found that the biggest barriers to developing housing in the state were, in fact, the cost of land, labor, and materials, more than the barriers of zoning or local policies. While Commerce seeks to mitigate these with subsidized housing, limited resources remain one of the primary barriers to the development of affordable housing alongside other obstacles.

Although Commerce and DPHHS do not oversee state or local policy and law, they provide funding and technical assistance to communities seeking to navigate the affordable housing landscape. Through investments in planning activities, for example, the state “tools up” communities, giving them the resources they need to consider policy and law as they seek to make informed, strategic, and locally designed decisions addressing community housing needs. Commerce requires its CDBG, HOME, or HTF grantees to develop an Affirmatively Fair Housing Marketing Plan (AFHMP). An approved AFHMP is one element of the special conditions of Commerce’s contracts with grantees and staff monitor for compliance during CDBG, HOME, and HTF project visits.

A comprehensive discussion of barriers to affordable housing, and additional information on specific strategies identified to remove or ameliorate such barriers, can be found in Section AP-75 Barriers to Affordable Housing of this Annual Action Plan.

Additional considerations related to the amelioration of barriers are listed as follows:

Cost of land: According to DOR Biennial Reports, the statewide market value of residential property has increased each biennium since 2015. From 2019 to 2024, the residential improvements market value increased 80.5% while the residential land market value increased 87.3%. This level of increase over a 5-year period was

unprecedented and will likely not continue at this rate for the foreseeable future.

Cost of materials: According to Bureau of Labor Statistics producer price index, raw building material prices have largely stabilized since the rapid increase in prices in 2021 and 2022. However, these stabilized prices remain far higher than in 2019 and early 2020 (between 20% and 40% higher depending on the material and specific measure).

Cost of labor: According to the Montana Department of Labor & Industry, Montana’s construction industry reached record employment in August 2024 with 42,800 employees. That number represents an annual change of just over 10% since 2023. Construction in Montana has been among the faster growing industries in Montana since 2019, adding nearly 10,000 new jobs. Construction industry jobs within Montana are projected to increase by about 8,000 jobs by 2031 (an increase of more than 20%). Like nearly all other industries, construction labor costs have also risen significantly since 2019.

Financing Barriers: Since 2021, mortgage rates have more than doubled from 2.5% to 3% in 2020 and 2021, to rates exceeding 7% in 2023. At the end of 2024, mortgage rates have declined slightly to roughly 6.5%. While not historically high, these higher rates combined with out-of-reach housing prices within Montana have “frozen” the homeownership market. Many existing homeowners who would otherwise move or sell their home, see little incentive in giving up their lower interest rates to purchase a different or new home. Renters who may prefer to own a home have far less purchasing power because of these higher interest rates. Thus, these higher interest rates have slowed the churn of the real estate market which may have impacts on new construction in the short-term. In an effort to ameliorate financing barriers, the Montana Board of Housing administers loan and mortgage programs that offer alternatives to conventional loan products.

AP-85 Other Actions – 91.320(j)

Introduction

The following are actions planned for Plan Year 1 of the 5-year Consolidated Plan period.

Actions planned to address obstacles to meeting underserved needs

All activities funded under the state's CDBG, HOME, HTF, and ESG programs will address obstacles to meeting underserved needs. The state will identify and respond to underserved needs as they arise from self-evaluation and citizen participation. In addition, the state continually provides technical assistance and planning resources to help communities engage in comprehensive planning, downtown master planning, business development planning, market studies, preliminary architectural reports, asset management, needs analysis, preliminary engineering, disaster planning, and other studies or plans that support the sustainability of local communities.

Actions planned to foster and maintain affordable housing

The state has identified Preserving and Constructing Affordable Housing as one of its high priority needs. As set forth in this Annual Action Plan, actions planned to foster and maintain affordable housing include developing additional and rehabilitating existing rental housing, developing additional homeownership units, providing down payment assistance, providing owner-occupied rehabilitation, and supporting other housing activities. These actions will be funded through the HOME, CDBG, and HTF programs, as set forth above.

Actions planned to reduce lead-based paint hazards

The state will continue to diligently undertake rehabilitation and construction activities to ensure that households, particularly those with children, benefitting from federal housing programs are safe from lead-based paint (LBP) hazards and comply with current requirements of Title X of the Residential Lead Based Paint Hazard Reduction Act of

1992, HUD's Lead Safe Housing Rule and other applicable federal laws and regulations. Both Commerce and DPHHS provide education and information on LBP hazards to parents, families, healthcare providers, grant recipients, and contractors. Commerce requires that any contractor or subcontractor engaged in renovation, repair, and painting activities that disturb LBP in homes and childcare facilities built before 1978 is certified and follows specific work practices to prevent lead contamination. In addition to complying with Title X, UPCS, LSHR, or NSPIRE inspections are performed on all homes (renter or owner-occupied) assisted with CDBG, HTF, HOME, Housing Choice Voucher, and other public funds.

UPCS or NSPIRE inspections, as applicable, are also conducted on all homes purchased with HOME assistance prior to the commitment of HOME funds. State staff conducting UPCS or NSPIRE inspections complete relevant trainings 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 planned to reduce lead in drinking water

With federal funding from the American Rescue Plan Act of 2021 (ARPA) and the Infrastructure Investment and Jobs Act of 2021 (IIJA), the state is engaging in cross-agency efforts to reduce lead in schools and public drinking water systems. Commerce is using ARPA funding and working with the Montana Department of Natural Resources and Conservation (DNRC) and the Montana Department of Environmental Quality (DEQ) to provide technical assistance to schools to identify the presence of lead in facility plumbing and identify and obtain funding for its permanent removal or treatment. In addition, Commerce is using IIJA funding and working with DEQ to perform inventories of the presence of lead in the drinking water service lines that connect residential properties to public drinking water systems to prepare communities to apply for IIJA funding to replace lead service lines, permanently eliminating one of the most complicated remaining sources of lead in drinking water. Though the presence of lead

in drinking water is ubiquitous across Montana communities, Low- to –Moderate-Income persons are disproportionately affected by continued exposure and have fewer resources for its removal.

As required per 24 CFR 93.301(f)(xiii), before completion of HTF-assisted properties, property owners must provide documentation from a licensed architect that no lead pipes or solder were used in the project activities.

Actions planned to reduce the number of poverty-level families

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 this 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.

Actions planned to develop institutional structure

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 those who are homeless, disabled, elderly, or otherwise disadvantaged. 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 1, the

state will actively engage state agencies and the public and private sectors in broad discussions and educational opportunities regarding the economic, social, environmental, and health benefits of creating walkable, resilient communities with increased opportunities and access to affordable housing, community services, existing public infrastructure efficiencies, and jobs.

Actions planned to enhance coordination between public and private housing and social service agencies

The state, through its CDBG, HOME, HTF, and ESG programs, will continue to coordinate with public and private partners to discuss current projects and methods to better coordinate efforts throughout the state, including the following initiatives:

- DPHHS is represented on various social service state advisory groups to ensure housing services are coordinated with 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 participates in the MTCoC and collaborates with DPHHS on efforts to provide tenancy support services for HEART Medicaid waiver recipients.

Discussion

The State of Montana is committed to addressing critical needs, and to this end, during Plan Year 1, will undertake the actions outlined above.

Anti-Displacement and Relocation Assistance Plan

To further the goals and objectives of the Montana CDBG, HOME, and HTF programs, the Anti-displacement and Relocation Assistance Plan is included with this AAP.

- 1) The Montana Department of Commerce (Commerce) encourages applicants to design their projects to temporarily relocate or displace as few persons as necessary to meet the goals and objectives of the state CDBG, HTF, and HOME programs and critical local community development needs.
- 2) Commerce will carefully consider any proposed relocation and/or displacement activities during application ranking.
- 3) When a proposed CDBG, HTF, or HOME project could result in direct or indirect involuntary displacement of community residents (including businesses), the applicant must prepare a plan which describes the actions to be taken to assist such persons to remain in their neighborhoods as required by 24 CFR 570.606, 24 CFR 93.352 and 24 CFR 82.353 for CDBG, HTF, and HOME, respectively. To provide equal opportunity and reasonable assistance to those persons who will be involuntarily and permanently displaced, the plan must include relocation assistance as required in 24 CFR 42.350. The adequacy of any displacement mitigation plan will be assessed by the Commerce on the basis of:
 - Its responsiveness to temporarily relocated and displaced persons;
 - The timeliness of the remedy; and
 - The reasonableness of projected costs, including safeguards that will be established to assure prudent use of scarce public resources.
- 4) Award recipients must replace on a one-for-one basis all occupied and vacant habitable LMI dwelling units demolished or converted to a use other than as LMI housing. The one-for-one replacement requirement will not apply if HUD finds there is an adequate supply of available and vacant LMI dwelling units in standard condition in the area.
- 5) Commerce will require CDBG, HTF, and HOME recipients to provide benefits to any person involuntarily and permanently displaced as a result of CDBG, HTF, or

HOME activities in accordance with the Uniform Relocation Assistance and Real Property Act.

- 6) Commerce will require all CDBG, HTF, and HOME recipients to certify that they will comply with both this and their own residential anti-displacement and relocation assistance plan.

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction

This section of the AAP outlines specific requirements of Montana’s CDBG, HOME, ESG, and HTF programs.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	\$0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee’s strategic plan	\$0
3. The amount of surplus funds from urban renewal settlements	\$0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	\$0

5. The amount of income from float-funded activities	\$0
Total Program Income:	\$0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of Low- and Moderate- Income	Minimum 70%

Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of Low- and Moderate- Income. Specify the years covered that include this Annual Action Plan.

3-year period: 70%

2023, 2024, and 2025 are the years covered in this AAP.

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.320(k)(2)

The jurisdiction must describe activities planned with HOME funds expected to be available during the year. All such activities should be included in the Projects screen. In addition, the following information should be supplied:

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

Commerce will not use HOME funds beyond eligible uses identified in 24 CFR Section 92.205.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

State recipients and subrecipients are eligible entities to carryout HOME-assisted homebuyer activities. Whether Commerce’s grantees use recapture or resale provisions for their homebuyer activities depends on the type of activity as well as the structure of the program. Down payment and closing cost assistance programs that provide HOME funds directly to homebuyers are required to use recapture provisions unless the grantee will add the assisted home to a community land trust. If long-term affordability will be ensured through a land trust, resale provisions will be used. Commerce may consider use of resale provisions for non-land trust programs on a case-by-case basis. The HOME-assisted homebuyer subsidy can be structured through 0% interest or low interest loans, grants, deferred payment loans, or interest rate subsidies.

When Commerce provides HOME assistance as development subsidy only, it will follow the resale provisions detailed below, in accordance with 24 CFR 92.254(a)(5)(ii)(A)(5), which states “If the HOME assistance is only used for the development subsidy and therefore not subject to recapture, the Resale option must be used.”

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Requirement for Homebuyer Assistance

Recapture provisions will only be used for direct assistance to the homebuyer and resale provisions will be used for all development subsidy and for homebuyer assistance when homes will be placed in a community land trust. Any of the entities who have elected to provide homebuyer assistance under this program are required to specify their recapture or resale provisions as applicable for the period of affordability. Written agreements for homebuyer assistance activities funded by Commerce will

include the appropriate provisions to ensure the period of affordability, principal residency requirements, and any other recapture or resale terms and conditions to comply with HOME regulations.

Principal Residency

The initial homebuyer must reside in the home as their principal residence for the duration of the period of affordability (see **Table AP-4**). If the home is transferred within the period of affordability, the applicable resale or recapture provisions will be enforced.

Period of Affordability

The recapture and resale provisions are in effect for a period of affordability based on the total amount of HOME funds provided directly to the homebuyer that enabled the homebuyer to purchase the home or the amount of HOME funds invested in the development of the home. Any HOME program income used to assist the homebuyer or development is included when determining the period of affordability under recapture or resale provisions, as well as when underwriting and conducting the subsidy layering review.

The minimum affordability periods for recapture and resale provisions are outlined in **Table AP-4**.

Table AP-4 – HOME Affordability Periods

HOME Assistance to Buyer	Period of Affordability
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
More than \$40,000	15 years

Note these amounts may increase if HUD’s 2024 HOME final rule takes effect.

Written agreement and enforcement mechanisms

Whether using recapture or resale, entities must establish and enforce provisions through a written agreement with the homebuyers that accurately reflects the resale or recapture provisions, before or at the time of sale. Commerce will use deed restrictions, and trust indentures to retain the authority to ensure the provisions being used are in accordance with those stated in the written agreement with the entities.

During grant monitoring of the HOME Program entities, Commerce will review the deed restrictions, trust indenture, covenants running with the land, mortgages, or other similar mechanisms placed on the HOME-assisted property to ensure the provisions being used are in accordance with those stated in the written agreement with the entities. During the period of affordability, the entities must complete an annual compliance check to ensure that the initial homebuyer still resides in the property as their principal residence. The most current utility statement, proof of paid taxes, or certificate of homeowner's insurance are acceptable documentation.

If a homeowner voluntarily or involuntarily transfers their property (e.g., through sale or foreclosure) during the period of affordability, the appropriate recapture or resale provisions will go into effect. Commerce must be notified of a voluntary or involuntary sale or transaction changing ownership, and the applicable recapture or resale provisions must be employed.

Triggering resale or recapture provisions

Noncompliance occurs when the homeowner does not comply with the terms and conditions of the written agreement during the period of affordability, which includes when the homeowner does not occupy the unit as their principal residence, or when the home is voluntarily or involuntarily transferred in a transaction changing ownership without proper notice and the appropriate provisions were not enforced. In the event of noncompliance, the appropriate recapture or resale provisions will go into effect, and the homeowner is subject to repayment of all HOME assistance invested in the housing

unit. This is based on the amount of HOME subsidy invested in the property (subsidy includes any program income or HOME funds invested). The repayment amount is not subject to any reductions that might otherwise apply under the recapture or resale provisions listed in this document.

1. Resale Provisions

Resale provisions will be used when 1) HOME assistance is used as development subsidy and therefore is not subject to recapture and 2) if homebuyer assistance is provided for a home that will be put into a community land trust. The resale option is typically used in areas with predominantly high home sales prices, areas subject to rapidly appreciating housing costs, areas with a shortage of affordable homes for sale and no available land to build new homes.

Commerce has adopted the following provisions for resale requirements as specified in the HOME rule at CFR 92.254(a)(5)(i). Under these resale provisions, Commerce will ensure that when a HOME-assisted homebuyer sells his or her property, either voluntarily or involuntarily, during the period of affordability, the following will apply:

- The property is sold to an eligible low-income household who will use the property as his or her principal residence through the period of affordability;
- The original homebuyer receives a fair return on investment, (i.e., the homebuyer's down payment (if any is made at the time of purchase) plus capital improvements made to the house); and
- The property is sold at a price that is "affordable to a reasonable range of low-income buyers."

Ensuring Long Term Affordability

If the housing is transferred, voluntarily or otherwise, during the period of affordability, it must be made available for subsequent purchase only to another buyer whose household qualifies as low income and will use the property as its principal residence. To qualify as low-income, a household's income must be below 80% AMI. An

organization awarded HOME funds for housing development must enforce these affordability requirements.

Fair Return on Investment

If a home is sold during the period of affordability, the price at resale must provide the original HOME-assisted homebuyer a fair return on investment. Net proceeds (after senior debt and sales costs) to the seller shall not exceed the sum of:

- The reimbursement of the original owner's down payment and/or closing costs made at the time of initial purchase, if any;
- The principal paid on the senior debt during the period of ownership;
- The investment in eligible capital improvements defined as any individual improvement made specifically to the structure or major system of the HOME-assisted housing unit in which the cost was more than \$3,000 and where applicable, the work was properly permitted, inspected locally, and the actual cost has been documented with third party receipts.

The value of the owner's investment (the sum of 1-3 above) will be adjusted by using the Housing Price Index (HPI) as measured by the Federal Housing Finance Agency. The change in the HPI from the original purchase to the time of sale will be applied to the value of the owner's investment, so that the value of the investments is increased or decreased by the amount of increase or decrease in the housing market overall.

Continued Affordability

In addition to ensuring that the HOME-assisted homebuyer receives a fair return on investment, the entities will ensure that the housing under a resale provision will remain affordable to a reasonable range of low-income homebuyers. The sales price may not exceed a price that is affordable to households with incomes at or below 80% AMI. To be affordable, a household would be expected to pay no more than 32% of its monthly income for mortgage principal and interest, property taxes, and insurance. And in no

case could the price exceed the HOME Program purchase price limits as defined by HUD and provided on Commerce's website.

2. Recapture Provisions

Direct HOME Subsidy/Amount Subject to Recapture

Commerce has adopted the following provisions for recapture as specified by 24 CFR 92.254 and in HUD's CPD Notice 12-003. Homebuyers assisted under HOME will be required to adhere to recapture guidelines applied to their home. An organization awarded HOME funds (the "subrecipient") for homebuyer assistance will be instructed to use the recapture method and must submit their policy for the applicable recapture method for Commerce approval. Commerce or an entity can never recapture more than the amount of available net proceeds upon voluntary or involuntary sale or transaction changing ownership, unless noncompliance has occurred. Net proceeds is defined as the sale price of the home minus the superior loan repayment (not including HOME loans) and any closing costs. If the amount to be recaptured is more than the net proceeds due to foreclosure or declining housing markets, the seller would only be required to repay the balance of the net proceeds, which could be less than the original HOME direct subsidy.

Recapture of the Entire Direct HOME Subsidy

The following are the conditions under which Commerce will enforce the use of recapture of the entire direct HOME subsidy as a recapture provision. In this recapture provision, Commerce or the entity recaptures the entire amount of HOME subsidy provided to the homebuyer before the household receives proceeds from the sale of the property. This recapture is limited to the net proceeds available from the voluntary or involuntary sale or transaction changing ownership during the period of affordability.

This recapture provision will be enforced in the event of a voluntary or involuntary sale or transaction changing ownership that occurs during the period of affordability, as

applicable in **Table AP-4**. This will be enforced through the written agreement with the household.

As an example, if the assisted unit received \$12,000 in HOME assistance and the unit is voluntarily or involuntarily sold or a transaction changing ownership has occurred during year 4, the entire direct HOME subsidy (\$12,000) would need to be repaid according to the net proceeds calculation.

Owner Investment Returned First

The following are the conditions under which Commerce will enforce the use of owner investment is returned first as a recapture provision. In this recapture provision, Commerce or the entity recaptures all or a portion of the HOME subsidy provided to the homebuyer but allows the homebuyer to recover their entire investment (down payment and capital improvements made by the owner since the purchase) before recapturing the HOME investment. This recapture includes the net proceeds available from the voluntary or involuntary sale or transaction changing ownership during the period of affordability. However, if net proceeds are insufficient, the homebuyer may not receive their entire investment back, and Commerce or the entity may not be able to recapture the full amount due from the net proceeds available.

Eligible capital improvements include permanent property improvements that improve or enhance the basic livability or utility of the property but are not normal or recurring maintenance items. The value of capital improvements will be based on the actual costs of the improvements as documented by the homeowner's receipts.

This recapture provision will be enforced in the event of a voluntary or involuntary sale or transaction changing ownership that occurs during the period of affordability per **Table AP-4** to include that the owner investment is returned first. This will be enforced through the written agreement with the household.

As an example, if the assisted unit received \$40,000 and the unit is voluntarily or involuntarily sold or a transaction changing ownership has occurred during year 10, the

homebuyer's investment would be calculated based on the documented capital improvements made during the period of affordability and any investment made during the original sale. This amount would be deducted from the amount to be repaid according to the net proceeds calculation that would be paid to homeowner and Commerce or the entity.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

Not applicable.

Emergency Solutions Grant (ESG)

Reference 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)

ESG is administered by DPHHS, Intergovernmental Human Services Bureau (IHSB) as part of a statewide plan for ending homelessness in Montana.

Subrecipients receive 92.5% of the grant funds. DPHHS retains 2.5% for administrative costs. 5% of the grant is retained for HMIS costs.

Overarching Goals and targeting include:

- Addressing the housing needs of families and individuals “at risk” of homelessness or who meet the “homeless” definition in Subsection 24 CFR 576.2 (Homeless Prevention);

- Increasing the level of assistance programs to families and individuals who are homeless so that they may achieve stable and sustainable housing (Rapid Rehousing); and
- Providing case management and referral services to families and individuals so they have access to supportive stabilization systems.

ESG funds are used to meet the needs of the homeless or those at risk of homelessness at the local level. Program components include Homeless Prevention, Rapid Rehousing, HMIS, and limited Emergency Shelter and Street Outreach assistance. Eligible activities include rental assistance, financial assistance for rental application fees, security and utility deposit payments, case management, housing search, support for toll free telephone referral hotlines for victims and survivors of domestic abuse and other homeless individuals and families, referrals to mainstream resources, essential services and shelter maintenance assistance to shelters for the homeless and victims of domestic and sexual violence. All subrecipients submit work plans based on local need and priorities, budgets, and reports outlining which of the allowable activities will be undertaken.

DPHHS works with the MTCoC to leverage resources and provide increased and coordinated services to homeless Montanans across the state. DPHHS aligns its strategy for reducing and ending homelessness with the MTCoC districts. DPHHS and subgrantees of ESG funding participate in MTCoC strategic planning discussions and attend working meetings. The MTCoC prioritizes and ranks homeless projects each year and prepares a consolidated, statewide continuum of care application in response to the HUD NOFO. Projects originate from local community continuums of care or a state agency. Project approvals are based on performance and capacity criteria as well as local needs and HUD priorities.

In this way, the ESG Program requirements are aligned with other formula programs and rental assistance programs to increase efficiency and coordination among the

different programs. This framework will maximize community-wide planning and strategic use of resources to:

- Standardize eligibility determinations;
- Prevent and end homelessness through direct funding of the most critical services to help people achieve long-term housing stability and avoid becoming homeless again;
- Improve coordination and integration with mainstream services and focus on shortening periods of homelessness;
- Improve coordination within each community's homeless services including services funded by other programs targeted to homeless people;
- Improve targeting of those most in need;
- Improve data collection and performance measurement;
- Allow each community to tailor its program to the particular strengths and challenges within the community; and
- Marshal available resources capitalizing on existing strength and increased efficiency.

The specific standards and eligibility guidelines by which subgrantees implement the ESG Program are set forth in Montana's ESG Policy Manual.

The ESG Program Policy Manual is available on the DPHHS website at:

<https://dphhs.mt.gov/assets/hcsd/esgpolicymanual.pdf>

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

Implementation of Montana's coordinate assessment system, known locally as the Coordinated Entry System (CES), occurred simultaneously with the rollout of a new HMIS; both launched in earnest in September 2018. Earlier versions of CES were largely paper-based; these were fully integrated into the new HMIS including a custom built By-Name-List. The MTCoc board designated the new HMIS Vendor and Lead

(Pathways MISI) to also be the statewide CES Lead. While the MTCoC is structured around 12 districts, CES focuses on hubs, which are the largest cities or towns in each district. New statewide CES Standard Operating Procedures were adopted in August 2018, and while each district is required to comply with the CES Policies and Procedures, they are free to organize their own front doors and can implement more detailed prioritization policies and case conferencing processes. Monthly local CES Leader Roundtables are conducted to facilitate peer learning, and to continue trouble shooting and system improvement. Data dashboards track inflows, outflows, and destinations by state and community. The HMIS/CES Lead conducts monthly CES data quality reports and provides onsite visits as well as one-on-one consultations.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

All subrecipients must submit work plans, budgets, and reports outlining which of the allowable activities will be undertaken for approval, 8 HRDCs representing districts 1-12 have subaward agreements with DPHHS to conduct ESG activities. ESG funds are allocated based on a formula allocation for the state's 12 poverty districts, reflecting areas of poverty and general population, as set forth in Section 53-10-502, MCA, pertaining to the federal Community Services Block Grant (CSBG). Each allocation of funds is based on poverty levels and general population in each service area, relative to the poverty and general population of the entire state.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

Not applicable.

5. Describe performance standards for evaluating ESG.

100 households avoided eviction or losing their primary residence.

100 unhoused households were placed in housing.

50 households were provided with a shelter bed.

Reporting of services and outcomes are submitted annually through the CAPER and reported to Congress as part of the CSBG Program. DPHHS provides onsite monitoring of the ESG Program via regularly scheduled monitoring visits by program staff, using a monitoring tool and reviewing a selection of case files. Staff reviews the matching requirements, budget, and performance (both financial and operational) against contracted activities in the approved ESG work plans, and reviews fiscal accountability and timeliness of report submission. This monitoring is part of a comprehensive annual review of all programs funded by the Intergovernmental Human Services Bureau.

Housing Trust Fund (HTF)

Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

Applications submitted by eligible recipients

Subgrantees that are State Agencies

Subgrantees that are HUD-CPD entitlement grantees

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter “N/A”.

Montana does not distribute HTF funds through grants to subgrantees.

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

HTF recipients include developers and nonprofit organizations. HTF recipients are eligible to apply for HTF funding, alone or in partnership. Nonprofit organizations must have an Internal Revenue Service 501(c)(3) or 501(c)(4) nonprofit designation to be an eligible recipient of HTF funds. Partner organizations may include for-profit entities, other nonprofit organizations, CHDOs, HRDCs, and PHAs.

b. Describe the grantee’s application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Eligible applicants must complete an application adhering to the requirements outlined in the HTF application guidelines. Commerce will review applications and award funds to those projects most closely aligned with the goals and objectives of the program.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Eligible applicants must provide responses in the application to the following ranking priorities.

- a. Geographic Diversity and Housing Needs
- b. Capacity of the Applicant
- c. Affordability and Financial Feasibility
- d. Appropriate Design and Long-Term Solution
- e. Long-term Planning and Management
- f. Readiness to Proceed

Eligible applicants must also provide signed certifications, supporting documentation, budget, implementation schedule, management plan, market analysis, and other documents that may include a Preliminary Architectural Report or Capital Needs Assessment to demonstrate the project’s ability to meet the HTF Program guidelines. Commerce will use the HTF allocation to increase and preserve the supply of rental housing for Extremely Low-Income families.

Eligible project activities can generally be any of the following that result in units that can be occupied by income-eligible households at the completion of the HTF-funded project:

- Construction of new rental housing units;
- Rehabilitation of existing substandard rental housing that is suitable for rehabilitation;
- Conversion of existing non-housing structures into housing units; and/or
- Reconstruction of an existing rental housing project
- Demolition of existing substandard housing that is not suitable for rehabilitation, or of non-residential structures that are not suitable for conversion to housing units;

- Site improvements, such as landscaping, paving, sidewalks, curbs and gutters, onsite utilities, etc., related to rehabilitation or new construction of rental housing.

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Commerce does consider geographic distribution across the state when awarding HTF funds and awards additional points for projects in under-resourced areas of the state.

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Commerce considers in the Readiness to Proceed Priority the project's ability to obligate HTF funds and undertake eligible activities within 9 months of award and assesses whether projects can be completed and occupied within 4 years of award.

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to Extremely Low-Income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

All HTF units will remain affordable as HTF units for a minimum of 30 years by demonstrating a supported cash flow through the HTF 30-year period of affordability, achieved through a request for HTF Operating Assistance and/or with the documented availability of federal, state, or local project-based rental subsidy.

All funded HTF activities must meet HTF requirements, including the HOME Program's maximum per-unit development subsidy limit for housing assisted with HTF funds. The state has elected to use maximum per-unit subsidy limits for the HOME Program (24 CFR 93.300(a)), which are calculated using the Uniform Application Form for Montana's housing programs available on the Commerce website.

Applicants must submit this information through the Uniform Application for Montana's housing programs to describe and document how the project will maintain a positive cash flow through the minimum, required 30-year period of affordability. As part of that demonstration, the applicant will be required to describe and document:

- a. The need for any request for HTF Operating Assistance funds; and/or
- b. The applicant's ability to provide federal, state, or local project-based rental subsidy.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The HTF application requires projects to have at least a 30-year period of affordability, during which the property must meet income-eligibility and rent limit requirements. During the period of affordability, the recipient will need to provide a certification of compliance. Additionally, the Affordability and Financial Feasibility Priority includes additional questions regarding the financial viability of the proposed project to ensure that:

- The HTF award will only be an amount necessary to provide quality affordable housing that is financially viable for at least the statutorily required period of affordability; and
- The sources and uses of funds (including any operating cost assistance and reserves) for the project are reasonable and will not provide undue benefit to the developer or owner(s).

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Appropriate Design and Long-Term Solution Priority requires the applicant to respond to questions to determine the extent to which an applicant demonstrates that the project aligns with and will contribute to the achievement of the Consolidated Plan goals and objectives as well as other factors, including but not limited to, broadband internet connectivity, walkability, visitability, energy efficiency and conservation, smoke-free, and accessibility.

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

While no match is required for the use of HTF funds, Commerce will carefully consider applications that leverage other funding sources to achieve the project activities. Affordability and Financial Feasibility Priority requires the applicant to respond to questions to determine the extent to which the applicant demonstrates that the HTF award will only be an amount necessary to provide quality affordable housing that is financially viable for at least the statutorily required period of affordability and that the sources and uses of funds (including any operating cost assistance and reserves) for the project are reasonable and will not provide an undue benefit.

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

No

N/A

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

No

N/A

6. Performance Goals and Benchmarks.

The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

No

7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.

Enter or attach the grantee’s maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME’s maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

Commerce uses the HOME maximum per-unity subsidy amounts for the HTF Program. The HOME and HTF subsidy limits are presented in **Table AP-5**. These limits were effective February 13, 2024, and subject to change based on HUD’s annually published bases.

Table AP-5 – HOME and HTF Maximum per Unit Subsidies

Bedrooms	Base⁶¹	Total Subsidy
0	\$75,620 X 240%	\$181,488
1	\$86,687 X 240%	\$208,048
2	\$105,414 X 240%	\$252,993
3	\$136,372 X 240%	\$327,292
4+	\$149,693 X 240%	\$359,263

⁶¹ <https://www.hudexchange.info/news/hud-publishes-limits-for-home-maximum-per-unit-subsidies/>

8. Rehabilitation Standards.

The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).

Commerce established rehabilitation standards for all housing units rehabilitated with HTF funds.

The recipient and subgrantee will be required to follow all rehabilitation standards as set forth in 24 CFR 93.301(b) and Appendix E of the 2025-2029 Consolidated Plan, which include but are not limited to:

- Applicants are strongly encouraged, to the maximum extent possible, to adopt smoke-free requirements in all housing units and include the three basic visitability features that increase access to friends and family for individuals with disabilities (a zero-step entrance, doors with 32 inches of clear passage space, and a wheelchair-accessible half-bathroom on the main floor).
- Substandard not suitable for rehabilitation means any housing unit or a building containing housing units where the estimated cost of making the needed replacements and repairs is greater than or equal to 75% of the estimated cost of new construction of a comparable unit or units.

- Substandard suitable for rehabilitation means any housing unit or a building containing housing units where the estimated cost of making necessary replacements and repairs is less than 75% of the estimated cost of new construction of a comparable unit or units.

Rehabilitation standards for housing units rehabilitated with HTF funds will be updated to comply with NSPIRE according to HUD's requirements and established timelines.

9. Resale or Recapture Guidelines.

Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

N/A

10. HTF Affordable Homeownership Limits.

If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95% of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

[] The grantee will use the HUD issued affordable homeownership limits.

[] The grantee has determined its own affordable homeownership limits using the methodology described in §93.305(a)(2) and the limits are attached.

N/A

11. Grantee Limited Beneficiaries or Preferences.

Describe how the grantee will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the grantee will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter “N/A.”

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

The Geographic Diversity and Housing Needs Priority requires the applicant to respond to questions to determine the extent to which the applicant demonstrates that the HTF award will consider the extent to which the applicant will produce affordable housing to complement existing federal, state, and local efforts to increase the supply of decent, safe, and sanitary affordable housing for extremely low-income families, particularly those who are homeless, disabled, elderly, or otherwise disadvantaged.

12. Refinancing of Existing Debt.

Enter or attach the grantee’s refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee’s refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter “N/A.”

N/A

Discussion

Not applicable.