Draft 2026-2027 Annual Action Plan

Substantial Amendment

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The Process

AP-05 Executive Summary – 91.300(c), 91.320(b)

Introduction

The state of Montana's 2026-2027 Annual Action Plan serves as the application to the U.S. Department of Housing and Urban Development for funding of the Community Development Block Grant, HOME Investment Partnerships Program, Emergency Solutions Grant and National Housing Trust Fund for Plan Year 2 of the 2025-2029 Montana Consolidated Plan for Housing and Community Development, referred to as the 2025-2029 Consolidated Plan. The 2026-2027 Annual Action Plan and 2025-2029 Consolidated Plan comprehensively fulfill three basic goals in Montana: provide decent housing, provide suitable living environments and expand economic opportunities.

The 2026-2027 AAP describes to HUD any changes or trends in Montana's housing, homeless populations, special needs populations, community development and economic development needs during the period since the submission of the 2025-2029 Consolidated Plan. The 2026-2027 AAP also summarizes the actions Montana will take to support the strategic goals identified in the Consolidated Plan during Plan Year 2, from April 1, 2026, through March 31, 2027.

This 2026-2027 AAP substantial amendment is solely to insert the 2026 HTF allocation that Commerce received after completing the public input process for the AAP. Through the substantial amendment, Commerce proposes to use its HTF allocation of $3,311,933.19 to address homelessness ($750,000), develop or rehabilitate affordable housing ($2,230,800) and administer the program ($331,133.19). The 2026-2027 AAP substantial amendment will be available for public comment from Aug. 28 to Sept. 29, 2026.

Summarize the Objectives and Outcomes Identified in the Plan

The following list presents the objectives and outcomes of the 2025-2029 Consolidated Plan the State of Montana will pursue over Plan Year 2:

1. Support Montana communities:
    - Target funding toward communities to increase their capacity to respond to health, safety, economic, and other needs; strengthen community revitalization efforts; improve the efficiency of public works investments; and safeguard rural landscapes and natural resources.
    - Encourage appropriate and comprehensive planning, market studies, preliminary architectural reports, flood prevention plans, and other studies or plans that address health, safety, and economic concerns as well as support the sustainability of local communities, affordable housing, public works investments, vital employment centers, and the environment.
    - Enhance the unique and resilient characteristics of all communities by investing in healthy, safe and walkable neighborhoods — rural, urban or suburban.
    - Encourage the rehabilitation of existing rental and owner-occupied homes, particularly for those with special needs and the elderly.
    - 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:
    - Provide funding preference for infrastructure projects that address health and safety concerns.
    - Encourage appropriate and comprehensive predevelopment planning activities for public infrastructure, including asset management, needs analysis, preliminary engineering and/or architectural reports, and other studies or plans.

- Provide funding opportunities to improve the safety and efficiency of public infrastructure; promote healthy, safe and walkable neighborhoods; and safeguard the environment.
- Provide funding opportunities to serve eligible Montanans, particularly special needs and elderly populations, with safe, efficient public infrastructure.

3. Enhance Montana's economic competitiveness:
   - Provide reliable and timely access to educational opportunities, services and other basic needs by workers, as well as expanded business access to markets.
   - Support comprehensive planning for downtown revitalization, business development, and other studies or plans to attract and retain talent in Montana communities.
   - Provide job opportunities to eligible Montanans to strengthen communities within the state.
   - 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.
   - Encourage mixed-use development that contributes to broader revitalization efforts in Montana communities.
   - 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 equitable, affordable housing in Montana:
   - Expand location- and energy-efficient housing choices for people of all ages, incomes, races and ethnicities to increase mobility and lower the combined cost of housing and transportation.
   - Encourage housing activities that incorporate energy-efficient design to help advance solar deployment and other onsite renewable energy installations in affordable housing.

- Encourage activities to acquire and/or construct new affordable housing for homeownership or rent in areas where existing investment in infrastructure, facilities and services leverages multiple economic, environmental and community objectives.
- Encourage appropriate and comprehensive planning, market studies, preliminary architectural reports and other studies or plans in support of the efficient construction of affordable housing.
- 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.
    - Encourage activities that address the housing needs of Montanans who are homeless and/or those at risk of homelessness.
    - Encourage activities that increase the level of assistance programs to homeless Montanans and/or those at risk of homelessness, with the goal of achieving stable and sustainable housing.
    - Encourage the development and rehabilitation of non-rental facilities for the shelter of temporarily homeless Montanans.

Evaluation of Past Performance

The Montana Department of Commerce and Public Health and Human Services have received annual funding for CDBG, HOME, ESG and HTF programs. While regulatory requirements have expanded, including but not limited to: the Build America, Buy America Act, Housing Opportunities through Modernization Act, National Standards for the Physical Inspection of Real Estate, use of the Systematic Alien Verification for Entitlements system to verify eligibility of program participants and radon mitigation, program funding has not kept pace with the increased cost of construction or administration, making it increasingly difficult to address the needs across the state as programs are oversubscribed for funding. Resources available through these programs are vital to organizations serving households at or below 80% of area median income. As demonstrated in past performance reports, these programs have been a critical funding source in planning for unprecedented growth, constructing senior and health facilities in rural areas, developing homeless facilities and affordable housing that provides services and support throughout the state and providing clean water and sanitary sewer to support the growth of vital, resilient communities across Montana.

Commerce evaluates its past performance in Consolidated Annual Performance and Evaluation Reports for each program year. Each CAPER documents the objectives and outcomes identified in each AAP and includes an evaluation of past performance, which compares measurable goals and objectives with actual performance. These documents can be found on Commerce's website at commerce.mt.gov/Infrastructure-Planning/Resources/Consolidated-Plan/Documents.

Summary of Citizen Participation Process and Consultation Process

The AAP process provides citizens an opportunity to provide input in the development of the plan and to evaluate and comment on the proposed plan to improve the effectiveness of its covered programs. Montana followed the standards set forth in its Citizen Participation Plan during development of its 2026-2027 AAP documents and during development of this draft substantial amendment.

Commerce posted the draft substantial amendment to its website at commerce.mt.gov/Infrastructure-Planning/Resources/Consolidated-Plan/Documents, published print advertisements in newspapers across Montana and published information in its weekly emails sent to approximately 5,000 contacts with a link to the substantial amendment.

Documentation of advertisement is provided as Appendix B.

Summary of Public Comments

Written comments regarding the development of the draft 2026-2027 AAP substantial amendment were accepted during the public comment period from Aug. 28, 2026, to Sept. 29, 2026. All comments received were considered and incorporated into the 2026-2027 AAP substantial amendment. A summary of all public comments received during the public comment period for the draft 2026-2027 AAP substantial amendment is provided as Appendix B.

Summary of Comments

All public comments or views received during the public comment period for the draft 2026-2027 AAP substantial amendment will be considered. A summary of public comments or views received that will not be accepted, if any, and the reasons for not accepting them, is provided as Appendix B.

Summary

The 2026-2027 AAP functions as:

- A comprehensive one-year planning document outlining the use of HUD 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 formula grant programs.
- A strategy document to be followed in carrying out HUD's programs in Montana.
- A management tool for assessing state performance in carrying out HUD's programs in Montana.

PR-05 Lead and Responsible Agencies – 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 2026-2027 AAP and its substantial amendment and those responsible for administration of each grant program and funding source.

Table 1 – Responsible Agencies

<table>
<tr><th>Agency Role</th><th>Name</th><th>Department / Agency</th></tr>
<tr><td>Lead Agency</td><td>Marta Bertologio, Director</td><td rowspan="4">Montana Department of Commerce</td></tr>
<tr><td>CDBG Administrator</td><td>Galen Steffens, Division Adminstrator</td></tr>
<tr><td>HOME Administrator</td><td rowspan="2">Cheryl Cohen, Division Administrator</td></tr>
<tr><td>HTF Administrator</td></tr>
<tr><td>ESG Administrator</td><td rowspan="2">Chappell Smith, Division Administrator</td><td rowspan="2">Montana Department of Public Health and Human Services</td></tr>
<tr><td>HOPWA Administrator</td></tr>
</table>

Narrative (optional)

Commerce is the lead agency responsible for developing the 2026-2027 AAP and this substantial amendment. 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 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.

Consolidated Plan Public Contact Information

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AP-10 Consultation – 91.110, 91.300(b), 91.315(l)

I. Introduction

The State of Montana engaged in extensive consultation in the preparation of the 2026-2027 AAP. The process provided a unifying opportunity for units of local government, the State of Montana, members of 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.

In addition to engaging the public as outlined in the Citizen Participation Plan, which is available on our website as Appendix A of the 2025-2029 Consolidated Plan, Commerce and DPHHS continually engage with other state and federal agencies, tribal and local governments, nonprofit organizations and the private sector to prioritize annual program needs and goals.

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(l)).

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 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 2026-2027 AAP, as well as the planning process. Regular updates and information about the programs and the development, preparation and review of the 2026-2027 AAP are sent to this list, especially when soliciting public comment or providing notice of public meetings.

Commerce is collaborating with DPHHS on the approved Healing and Ending Addiction Through Recovery and Treatment waiver, offering Medicaid funded Tenancy Support Services. The HEART workgroup is currently implementing this program, in partnership with current providers of tenancy support services.

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, local governments and state agencies dedicated to planning and coordinating programs to make homelessness rare, brief and one-time only. The MT-CoC was established for the purpose of carrying out the duties of the national Continuum of Care program, as provided in federal statute 24 CFR Part 578. The MT-CoC system is based on community and regionally based continuum of care systems, which form the statewide coalition and continuum of care process. Commerce and DPHHS are involved in

MTCoC meetings and committees. The MTCoC coordinator participated in the development, preparation and review of the 2025-2029 Consolidated Plan.

Funds for permanent supportive housing and rapid rehousing across Montana are available on a competitive basis through the State's MT-CoC process. The 12 regional MT-CoC districts, housed within the state's 10 Human Resource Development Councils, serve the entire state of Montana with homeless assistance funds. Each of these regional MT-CoC districts provides specific services of crisis stabilization and housing support for veterans, unaccompanied youth, families with children and chronically homeless individuals and families.

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 maintains an active and integral role within the MT-CoC. DPHHS collaborates closely with the MT-CoC in coordinating ESG strategies and regularly participates in monthly meetings and planning activities. DPHHS and the MT-CoC have established a joint agreement and policy statement that outlines their shared guidance and coordination regarding the administration and use of ESG funds in Montana. ESG subrecipients are required to utilize the Homeless Management Information System and participate in their local Coordinated Entry System to support effective program operations and service delivery. DPHHS continues to support HMIS development, training, data quality efforts and ongoing system coordination.

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	other government-state	Housing Needs Assessment; Public Housing Needs; Homeless Needs-Chronically Homeless; Homeless Needs-Families with Children; Homelessness 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 meetings to develop plan sections; included on email listserv; participated as public repository; attended public hearing
2	Montana Department of Public Health	other government-state; child	Housing Needs Assessment; Homeless Needs-Chronically Homeless; Homeless Needs-Families with Children; Homelessness Needs-Veterans; Homelessness Needs-Unaccompanied Youth;	Attended meetings to develop plan sections; included on email listserv; participated as public

	and Human Services	welfare agency	Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Lead-Based Paint Strategy; Anti-Poverty Strategy	repository; attended public hearing
3	Ability Montana	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;	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; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv
5	Action for Eastern Montana	regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs-Chronically Homeless;	Participated as public repository

			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	
6	Anaconda Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
7	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
8	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;	Included on email listserv

			Lead-Based Paint Strategy; Anti-Poverty Strategy; Other-Infrastructure	
9	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
10	HomeFront (formerly Housing Authority of Billings)	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
11	Blackfeet Housing	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv

12	Public Housing Authority of Butte	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
13	Butte-Silver Bow Consolidated City-County	other government-local, 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
14	Cascade County	other government-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

15	Chippewa Cree Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
16	City of Billings	other government-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
17	City of Great Falls	other government-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

18	City of Helena	other government-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
19	City of Kalispell	other government-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 Livingston	other government-local	Housing Needs Assessment; Public Housing Needs; Homeless Needs-Chronically Homeless; Homeless Needs-Families with Children;	Included on email listserv

			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	
21	City of Missoula	other government-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	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	Included on email listserv

			Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other-Infrastructure	
23	Community Action Partnership of Northwest Montana 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; participated as public repository
24	Cushing Terrell	business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other-Infrastructure	Included on email listserv
25	Dawson County Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
26	District IV Human Resource	regional organization; services-	Housing Needs Assessment; Public Housing Needs; Homeless Needs-Chronically Homeless; Homeless Needs-Families with Children;	Included on email listserv; participated as public repository

	Development Council in Havre	elderly persons; services-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	
27	District VI Human Resource Development Council 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; participated as public repository
28	District VII Human Resource Development Council 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

29	District IX Human Resource Development Council in Bozeman	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	Participated as a public repository
30	District XI Human Resource Development Council 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; participated as public repository
31	District XII Human Resource Development Council in Butte	regional organization; services-elderly persons;	Housing Needs Assessment; Homeless Needs-Chronically Homeless; Homeless Needs-Families with Children; Homelessness Needs-Veterans; Homelessness Needs-Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special	Included on email listserv

		services-children	Needs; HOPWA Strategy; Lead-Based Paint Strategy; Anti-Poverty Strategy	
32	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
33	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
34	Fort Belknap Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv

35	Fort Peck Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
36	GL Development, LLC	housing	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-Poverty Strategy; Other-Infrastructure	Included on email listserv
37	Glasgow Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
38	Great Falls Public Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
39	Great Northern Development Corporation	regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs-Chronically Homeless; Homeless Needs-Families with Children;	Included on email listserv; participated as public repository

			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	
40	Great West Engineering	business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other-Infrastructure	Included on email listserv
41	Habitat for Humanity of Gallatin Valley	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
42	HAVEN	services-victims of domestic violence	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

43	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
44	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
45	Homeword, Inc.	housing	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

46	Hot Springs Community Association	civic leaders	Housing Needs Assessment; Homelessness Strategy; Non-Homeless Special Needs; Anti-Poverty Strategy; Market Analysis; Economic Development; Other-Infrastructure	Included on email listserv
47	Housing Solutions, LLC	housing	Housing Needs Assessment; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy	Included on email listserv
48	Human Resource Development Council 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; participated as public repository
49	KLJ Engineering	business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other-Infrastructure	Included on email listserv

50	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 Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other-Infrastructure	Included on email listserv
51	Land Solutions, LLC	business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other-Infrastructure	Included on email listserv
52	Lewis & Clark County	other government-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

53	Living Independently for Today and Tomorrow	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
54	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
55	Local Initiatives Support 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;	Included on email listserv

			Lead-Based Paint Strategy; Anti-Poverty Strategy; Other-Infrastructure	
56	Madison County	other government-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
57	Midwest Assistance Program	regional organization	Market Analysis; Economic Development; Anti-Poverty Strategy; Other-Infrastructure	Included on email listserv
58	Miles City Public Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
59	Missoula County	other government-county	Housing Needs Assessment; Public Housing Needs; Homeless Needs-Chronically Homeless; Homeless Needs-Families with Children;	Included on email listserv

			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	
60	Missoula Public Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
61	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
62	Montana Board of Housing	other government-state	Housing Needs Assessment; Public Housing Needs; Homeless Needs-Chronically Homeless; Homeless Needs-Families with Children;	Included on email listserv

			Homelessness Needs-Veterans; Homelessness Needs-Unaccompanied Youth; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Lead-Based Paint Strategy; Anti-Poverty Strategy	
63	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-Infrastructure	Included on email listserv
64	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
65	Montana Continuum of Care Coalition	regional organization;	Housing Needs Assessment; Public Housing Needs; Homeless Needs-Chronically Homeless; Homeless Needs-Families with Children;	Included on email listserv

		services-homeless	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	
66	Montana Department of Environmental Quality	other government-state	Lead-Based Paint Strategy; Other-Infrastructure	Included on email listserv
67	Montana Department of Labor and Industry	other government-state	Market Analysis; Economic Development; Anti-Poverty Strategy	Included on email listserv
68	Montana Department of Natural Resources and Conservation	other government-state	Economic Development; Other-Infrastructure	Included on email listserv

69	Montana Department of Revenue	other government-state	Housing Needs Assessment; Economic Development; Market Analysis	Included on email listserv
70	Montana Department of Transportation	other government-state	Non-Homeless Special Needs; Economic Development; Other-Infrastructure	Included on email listserv
71	Montana Fair Housing	services-fair 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; Lead-Based Paint Strategy; Anti-Poverty Strategy	Participated as public repository
72	Montana Human Rights Bureau	services-fair housing; other government-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

73	Montana Independent Living Project	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
74	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
75	Montana Reentry Initiative Task Force	other - 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

76	Montana State Library	other government-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
77	Montana State University-Local Government Center	other government-state	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Anti-Poverty Strategy; Other-Infrastructure	Included on email listserv
78	Murtagh Municipal Engineering	business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other-Infrastructure	Included on email listserv
79	NeighborWorks Great Falls	housing services-education; 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

			Strategy; Market Analysis; Lead-Based Paint Strategy; Anti-Poverty Strategy	
80	NeighborWorks Montana	housing other-statewide	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
81	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

82	North Fork Development, LLC	housing	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
83	Northern Cheyenne Housing Authority	PHA	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
84	Open Aid Alliance and 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
85	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	Participated as public repository

			Needs; HOPWA Strategy; Lead-Based Paint Strategy; Anti-Poverty Strategy	
86	Poplar (City of) Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
87	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
88	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
89	Richland Economic	regional organization	Housing Needs Assessment; Public Housing Needs; Homeless Needs-Chronically Homeless;	Included on email listserv

	Development Corporation		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	
90	Richland County Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
91	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	Participated as public repository
92	Ronan Housing Authority	regional organization	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv

93	Rural Community Assistance Corporation	regional organization	Market Analysis; Economic Development; Anti-Poverty Strategy; Other-Infrastructure	Included on email listserv
94	Rural Economic Designs	business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other-Infrastructure	Included on email listserv
95	Salish and 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
96	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
97	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-Homeless Special Needs; HOPWA	Included on email listserv

			Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy; Other-Infrastructure	
98	Stahly Engineering and Associates	business leaders	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Economic Development; Other-Infrastructure	Included on email listserv
99	State Bank of Townsend	business leaders	Housing Needs Assessment; Market Analysis; Economic Development	Included on email listserv
100	Summit Housing Group	housing	Housing Needs Assessment; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy	Included on email listserv
101	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 Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy; Anti-Poverty Strategy	Included on email listserv

102	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
103	Tamarack Properties Management Company	housing	Housing Needs Assessment; Homelessness Strategy; Non-Homeless Special Needs; HOPWA Strategy; Market Analysis; Economic Development; Lead-Based Paint Strategy	Included on email listserv
104	The Center for Children and Families	services-children, persons with disabilities, victims of domestic violence, education,	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

		victims; child welfare agency		
105	Town of Ekalaka	other government-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
106	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

107	U.S. Department of Agriculture-Rural Development, Montana Field Office	other government-federal	Housing Needs Assessment; Homelessness Strategy; Non-Homeless Special Needs; Market Analysis; Economic Development; Anti-Poverty Strategy; Other-Infrastructure	Included on email listserv
108	U.S. Department of the Interior – Bureau of Indian Affairs, Indian Health Services	other government-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
109	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

110	Whitefish Housing Authority	PHA	Housing Needs Assessment; Public Housing Needs; Homelessness Strategy; HOPWA Strategy; Lead-Based Paint Strategy	Included on email listserv
111	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

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 2026-2027 AAP. There were many additional agencies, groups, and organizations that participated in the development of the 2025-2029 Consolidated Plan. For a complete list of agencies, groups, and organizations that Commerce contacted regarding the development of the 2025-2029 Consolidated Plan, see Appendix C of the 2025-2029 Consolidated Plan.

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
Joint Policy Statement	Montana Continuum of Care	The MT-CoC provides funding for many of the same activities provided through the HUD-funded programs addressed in the 2025-2029 Consolidated Plan.
2025-2029 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.
2025-2029 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.

Narrative (optional)

Not applicable.

AP-12 Participation – 91.115, 91.300(c)

1. Summary of citizen participation process and efforts made to broaden citizen participation.

Summarize citizen participation process and how it impacted goal setting.

For this draft 2026-2027 AAP substantial amendment, Commerce utilized email and newspaper advertisements to notify the public of the substantial amendment and made the plan available in hardcopy upon request.

The public comment period for the draft 2026-2027 AAP substantial amendment was posted and advertised on Aug. 27, 2026, began on Aug. 28, 2026, and will end on Sept. 29, 2026. Public comments and views submitted during the public comment period will be used in determining the goals and priorities of the amended AAP.

For the 2026-2027 AAP, Commerce developed a list of over 2,000 stakeholders, including; 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 2026-2027 AAP documents, including invitations to attend public meetings and notice of availability of draft documents for review and comment. All meetings were conducted via webinar; 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.

The public comment period for the 2026-2027 AAP was advertised on June 12, 2026, began on June 15, 2026, and ended on July 17, 2026. Commerce and DPHHS held the public hearing on July 9, 2026, to solicit general input, and seeking feedback on the published 2026-2027 AAP. Approximately 10 attendees attended the public hearing. Public comments and views submitted during the public hearing and comment period were used in determining the goals and priorities of the AAP.

Documentation detailing the citizen participation process, along with official transcripts and/or meeting minutes of all meetings held, is available on Commerce's website. Commerce used its website throughout the development of the 2026-2027 AAP to enhance public participation, increase access to information and publish plan documents, Appendix B. Commerce utilized email and newspaper advertisements to notify the public of all plan activities, Appendix B. Furthermore, Commerce made the plan available in hardcopy at various repositories across the state and upon request.

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/	**Summary of response/attendance:** Commerce	N/A

		broad community	announced the development and availability of the draft 2026-2027 AAP by emailing notice to the Consolidated Plan contact list. **Summary of comments received:** No public comments were received regarding the 2026-2027 AAP. **Summary of comments not accepted and reasons:** No public comments were received regarding the 2026-2027 AAP.	
2	Public hearing	Non-targeted/ broad community	**Summary of response/attendance:** Commerce and DPHHS held a public hearing on July 9, 2026 seeking feedback on the published draft 2026-2027 AAP. **Summary of comments received:** No public comments were received regarding the 2026-2027 AAP. **Summary of comments not accepted and reasons:** No public comments were received regarding the 2026-2027 AAP.	commerce.mt.gov/Public-Participation/
3	Newspaper Ad	Non-targeted/ broad community	**Summary of response/attendance:** Commerce announced the development and availability of the draft 2026-2027 AAP by publishing advertisements in newspapers across Montana.	N/A

			Summary of comments received: No public comments were received regarding the 2026-2027 AAP. **Summary of comments not accepted and reasons:** No public comments were received regarding the 2026-2027 AAP.	
4	Internet outreach	Non-targeted/ broad community	**Summary of response/attendance:** Commerce announced the development and availability of the draft 2026-2027 AAP on its website, as well as posted all plan documents for public review. **Summary of comments received:** No public comments were received regarding the 2026-2027 AAP. **Summary of comments not accepted and reasons:** No public comments were received regarding the 2026-2027 AAP.	commerce.mt.gov/Infrastructure-Planning/Resources/Consolidated-Plan
5	Other-public repositories	Non-targeted/ broad community	**Summary of response/attendance:** Commerce provided the public with access to hardcopies of the draft 2026-2027 AAP at over 20 publicly accessible locations across Montana. **Summary of comments received:** No public comments were received regarding the 2026-2027 AAP.	commerce.mt.gov/Infrastructure-Planning/Resources/Consolidated-Plan/List-of-Repositories

			Summary of comments not accepted and reasons: No public comments were received regarding the 2026-2027 AAP.	

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

This section describes the HUD CPD resources expected to be allocated by programs throughout the state of Montana during Plan Year 2 - April 1, 2026, to March 31, 2027.

Allocation Estimates

Table 5 describes the HUD resources to be used across the state to achieve the objectives of each program.

The 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 2, 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 low- and moderate-income or slums and blight national objectives.

HOME Investment Partnerships Program administration allocations are capped at 10% of the annual HOME allocation. The amount of HOME administrative funds will not exceed 10% of the HOME allocation for Year 2. Revenue received during a project's period of affordability is considered program income and will not be used for administration.

Housing Trust Fund administration allocations are capped at 10% of the annual HTF allocation. The amount of HTF administrative funds will not exceed 10% of the HTF allocation for Year 2.

Expected revenues for CDBG include repayments for funding loaned to businesses that create job opportunities for LMI Montanans. Expected revenues for HOME include recaptured funds and program income primarily 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, which can be found in 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 2025-2029 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 draft AAP and would require further steps as identified within the Citizen Participation Plan, found in 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 Community Housing Development Organization 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 three months of a 24-month obligation deadline to meet the HUD requirements.

For Emergency Solutions Grant, DPHHS allocates funds to ensure the provision of ESG services statewide so all Montanans who are homeless or at risk of homelessness have access in or near their communities. 7.5% of ESG funds are allocated to administrative activities, of which DPHHS retains 2.5%, with the remaining 5% distributed to the Human Resource Development Councils 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 Section 53-10-502, Montana Code Annotated, which pertains to the federal Community Services Block Grant. Currently, ESG funds are allocated to 8 of the 10 Human Resource Development Corporations in Montana that cover all 12 poverty districts.

Table 5 – Expected Resources – Priority Table

Program	Source of Funds	Expected Amount Available Year 2				Expected Amount Available Remainder of Con Plan	Narrative Description
		Annual Allocation	Program Income	Prior Year Resources	Total		
CDBG	Public / Federal	$6,175,487	$0	$0	$6,175,487	$18,611,873	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 LMI and Slums and Blight.						
HOME	Public / Federal	$3,000,000	$1,000,000	$0	$4,000,000	$10,500,000	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	$746,790	$0	$0	$746,709	$746,790	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	$3,311,933.19	$0	$0	$3,311,933.19	$9,000,000	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 2 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 100% match for Economic Development loans for for-profit entities. Not for profit entities require a 25% match. 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. At least one-third of the required match funds must be from local sources, not state or federal funds. Commerce will consider a match waiver on a case-by-case basis.

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. Commerce will consider a match waiver on a case-by-case basis.

No match is required for CDBG Affordable Housing Development and Rehabilitation or Housing Stabilization Program grants, but an applicant's 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 to meet the 25% requirement, 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. 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 serving Montanans with incomes below 30% AMI.

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 2026-2027 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, Gov. Greg Gianforte signed House Bill 819, titled "Create Montana Community Reinvestment Act to Fund Workforce Housing." A component of this legislation directs the Montana 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.
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 2 of the 2025-2029 Consolidated Plan.

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**	2026	2027	Affordable housing	Statewide	Affordable housing preservation and construction	CDBG: $1,000,000 HOME: $3,250,000 HTF: $2,561,933.19	Rental units constructed: 12 household housing units Rental units rehabilitated: 18 household housing units

								Homeowner housing added: 2 household housing units Homeowner housing rehabilitated: 5 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 low- and LMI households.						
2	**Plan for communities**	2026	2027	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 LMI persons throughout the state.						
3	**Improve and sustain public infrastructure**	2026	2027	Non-housing community development	Statewide	Improving and sustaining vital public infrastructure	CDBG: $2,790,223	Public Facility or Infrastructure Activities other than LMI Housing Benefit: 1,000 Persons Assisted Public Facility or Infrastructure Activities for LMI Housing Benefit: 20 Households 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 LMI persons throughout the state.						
4	**Revitalize local economies**	2026	2027	Non-housing community development	Statewide	Economic revitalization	CDBG: $1,000,000	Jobs Created/ Retained: 30 Jobs

								Businesses Assisted: 2 Businesses Assisted
		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 LMI persons through the state.						
5	**Reduce homelessness**	2026	2027	Homeless	Statewide	Reducing homelessness	CDBG: $500,000 HOME: $750,000 HTF: $750,000 ESG: $746,790	Tenant-Based Rental Assistance/ Rapid Rehousing: 320 Households Assisted Homeless Person Overnight Shelter:50 Persons Assisted Homeless Prevention: 200 Persons Assisted

								Housing for Homeless Added: 20 Housing Units
		The state of Montana will use CDBG, HOME, HTF, and ESG funds to provide shelter, services, and permanent supportive housing for homeless persons and people at risk of homelessness. Activities may include construction, rehabilitation, and direct assistance to serve this clientele throughout the state.						

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 two 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 five 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 15 households and 10 households experiencing homelessness.

CDBG funds will provide planning opportunities for 12 local governments, as listed in Table 6. CDBG funds will assist 12 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 1,000 people, 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 20 LMI 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 two local small businesses to create new and or retain 30 jobs and revitalize historic downtown businesses. A variety of these activities will primarily support LMI residents.

ESG funds will be used to help families primarily through homeless prevention and rapid rehousing activities. The goal is to assist 200 households in Rapid Rehousing and 120 households in homeless prevention category. Homeless prevention funds can only help families who are considered extremely low-income at or below 30% area median income. ESG Rapid Rehousing is used to help homeless families. Rapid Rehousing 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 Housing Opportunities for People with AIDS 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

Table 7 – Funding Allocation Priorities

Program	**Goal**				
	Preserve and construct affordable housing	Plan for communities	Improve and sustain public infrastructure	Revitalize local economies	Reduce homelessness
CDBG	16%	10%	45%	16%	8%
HOME	75%	N/A	N/A	N/A	25%
HOPWA	N/A				
ESG	N/A	N/A	N/A	N/A	100%
HTF	77%	N/A	N/A	N/A	23%

Reason for Allocation Priorities

The state of Montana identified the allocation priorities set forth above for Plan Year 2 through the 2025-2029 Consolidated Plan Needs Assessment and Market Analysis, past experience administering the CDBG, HOME and HTF programs, and in consultation with local governments, 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 MT-CoC, 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. 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 funding allocations outlined above are designed to specifically address Montana's objectives described in this AAP and draft substantial amendment.

Support 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 of 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 visit-ability 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 sustaining homeownership will also be supported, with coordinated efforts to ensure eligible Montanans, particularly those who are homeless, disabled, elderly or otherwise disadvantaged, have access to safe and affordable homes.

Reduce homelessness in Montana. Through the MT-CoC, Montana and its partners have focused attention on 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 and DPHHS 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 2. 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 2.

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 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 LMI, slums and blight and urgent need.

LMI National Objective

The state of Montana annually certifies that not less than 70% of aggregate CDBG funds received during a three-year period, as identified to HUD, shall be used for activities benefiting LMI people. CDBG funds are distributed throughout the state's non-entitlement areas, outside Billings, Bozeman, Great Falls and Missoula and target activities that serve LMI persons. 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 2026-2027 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. 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 2026-2027 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, found in Appendix A of the 2025-2029 Consolidated Plan. Reallocations may also be made of any remaining balances within any grant category within the last three 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 need of preserving and constructing affordable housing and reducing 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 Pro Forma and Subsidy Review spreadsheet. 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
Geographic diversity and housing needs	100
Capacity of the applicant	200
Affordability and financial feasibility	300
Appropriate design and long-term solution	100
Long-term planning and management	100
Readiness to proceed	200
Total maximum possible points	1,000

If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only):

CDBG-Housing applications, grant application guidelines, project grant administration manual, and other relevant information and resources are available on Commerce's website at commerce.mt.gov/Infrastructure-Planning/Programs-and-Services/Community-Development-Block-Grant/Community-Development-Block-Grant-Housing.

Describe how resources will be allocated among funding categories:

For Plan Year 2, 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. 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:
Ten rental units will be constructed or rehabilitated. In addition, shelter space providing approximately 10 LMI people overnight shelter will be assisted.

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 preserve homeownership with a specific focus on solving health and safety issues and improving the accessibility and energy efficiency of single-family homes for households with incomes at or below 80% AMI. These activities may include acquisition or rehabilitation of housing units made available to LMI persons.

Describe all 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, typically 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 Community Housing Development Organization or other Community Based Development Organization. Once approved for funding, the applicant will remain part of the non-competitive pool for a period of no more than five 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-HSP applications, grant application guidelines, project grant administration manual and other relevant information and resources are available on Commerce's website at commerce.mt.gov/Infrastructure-Planning/Programs-and-Services/Community-Development-Block-Grant/Community-Development-Block-Grant-Housing.

Describe how resources will be allocated among funding categories:
For Plan Year 2, Montana will allocate an estimated $500,000 in CDBG funds to Housing Stabilization Program activities. Funds that are not awarded within the program year may 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 LMI persons. Each housing unit must be inspected by an individual with construction repair expertise and have a budget for rehabilitation based on the inspection report to correct health, safety and accessibility issues.

Anticipated Outcome Measure:
Five 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 need 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 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.

Ranking Criterion	Maximum Possible Points
Community planning	175
Need for project	200
Project concept and technical design	150
Community efforts and citizen participation	150
Need for financial assistance	200
Benefit to LMI persons	150
Implementation and management	175
Total maximum possible points	1,200

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 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 2, Montana will allocate $2,790,223 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 LMI persons. 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 or non-profits for various acquisition, construction, installation, or rehabilitation activities that support economic development (e.g., facilities improvements, equipment purchases and employee trainings).

Describe all 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 or non-profits 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 current 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 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 2, 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 LMI persons 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:
Thirty jobs will be created or retained and two businesses or non-profits 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 planning for resilient communities.

Describe all 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 at least twice a year 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.

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 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 2, 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 LMI persons 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 12 local governments.

HOME Investment Partnerships Program

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 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 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 application guidelines and other relevant information and resources are available on the Commerce website at: commerce.mt.gov/Housing/Community-Housing/HOME-Program.

Describe how resources will be allocated among funding categories:

For Plan Year 2, 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 during Plan Year 2; program income received is typically allocated to HOME Homebuyer Assistance Program activities. With prior approval from Commerce leadership, 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 HUD's published purchase price limits, which are available on HUD's website: https://www.huduser.gov/portal/datasets/home-ownership-value-limits.html#year2025. The down payment and closing cost assistance is structured 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. 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.

Anticipated Outcome Measure:

Ten 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 need 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. Commerce will set aside a minimum of 15% of HOME funds for activities sponsored, developed or owned by Community Housing Development Organizations. Community Housing Development Organization or Community Housing Development Organization-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 the 2025-2029 Consolidated Plan and 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 grant requirements, application, guidelines, administration manual and other relevant information and resources are available on the Commerce website at commerce.mt.gov/Housing/Community-Housing/HOME-Program.

Describe how resources will be allocated among funding categories:

For Plan Year 2, 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. In addition, Commerce anticipates receiving $500,000 in recaptured funds from a previous award that is noncompliant with HOME regulations. Commerce plans to invest the recaptured funds in a proposed project serving a similar population at risk of experiencing homelessness. $300,000 or 10% of Plan Year 2 HOME funds will be used for Commerce's administration of the program. 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:

Seven rental or homeowner units will be constructed; five rental units will be rehabilitated; and five units of permanent housing to reduce homelessness will be constructed or rehabilitated.

Housing Trust Fund

State Program Name: **HTF Program**

Funding Sources: **HTF**

Describe the State Program addressed by the Method of Distribution:

Within the priority need 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 grant requirements, application guidelines, administration manual and other relevant information and resources are available on the Commerce website at commerce.mt.gov/Housing/Community-Housing/Housing-Trust-Fund.

Describe how resources will be allocated among funding categories:

For Plan Year 2, Commerce will allocate $2,230,800 of its HTF resources to preserving and constructing affordable housing. $750,000 of Plan Year 2 HTF funds will be designated for reducing homelessness, while the remaining $331,133.19 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 Pro Forma and Subsidy Review Spreadsheet as part of the application process, available on the Commerce website at commerce.mt.gov/Housing/Community-Housing/Pro-Forma-Subsidy-Review.

Anticipated Outcome Measure:
10 rental units will be constructed or rehabilitated; and five 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 support activities that provide a comprehensive approach to addressing the needs of persons experiencing homelessness or those at risk of homelessness. These activities are designed to prevent and alleviate homelessness, provide temporary and permanent housing solutions, and encourage the development of projects that integrate housing assistance with services that promote housing stability and self-sufficiency.

Montana's Continuum of Care system has been established to help ensure that individuals and families experiencing homelessness, or at risk of homelessness, are able to access emergency shelter, street outreach, homelessness prevention, rapid rehousing and related supportive services throughout the state.

ESG funds are distributed across Montana's 12 poverty districts using a formula allocation methodology based on each district's proportionate share of statewide poverty and population. This distribution process is established in MCA Section 53-10-502, which governs the federal Community Services Block Grant program. Subrecipients are encouraged to establish sub-subrecipient partnerships to expand service delivery capacity and better address local needs. Through these partnerships, agencies that work directly with individuals and families experiencing homelessness, along with collaborating community organizations, may develop work plans that reflect identified service gaps and priorities identified through local needs assessments. All eligible ESG project types may be utilized, depending on community need and local priorities. Currently, eight of Montana's Human Resource Development Councils provide services across the state's 12 poverty districts.

Describe all of the criteria that will be used to select applications and the relative important of these criteria:

Subrecipients conduct local needs assessments and strategic planning activities to ensure that available resources are effectively aligned with the needs of low-income persons within their service areas. Applications are evaluated based on demonstrated community need, the capacity of the applicant to administer ESG-funded activities, and the extent to which proposed activities address identified gaps in services for persons experiencing homelessness or at risk of homelessness.

Collaboration and partnerships with other organizations are considered essential in reducing duplication of services and maximizing the effectiveness of available resources within each community. Applicants are required to submit work plans, budgets and performance reports that clearly identify the eligible ESG activities to be undertaken and the anticipated outcomes.

Applications and supporting documentation are reviewed and evaluated based on their alignment with ESG Program goals and objectives, consistency with local needs assessment findings, coordination with the Montana Continuum of Care and Coordinated Entry System, and the applicant's ability to effectively deliver services and comply with program requirements.

The ESG Program Policy Manual is available on DPHHS's website at https://dphhs.mt.gov/hcsd/EmergencySolutionsGrant/.

Describe how resources will be allocated among funding categories:

For Plan Year 2, Montana will allocate to ESG administration and to ESG Program-specific activities for a total of $746,790 Data: 2024 5-year ACS (2020-2024) These numbers will be updated as new population data is released.

Agency Poverty Levels	Average of Population and Poverty Percent
Action for Eastern Montana	7.66%
District 4 Human Resource Development Center	2.76%
Opportunities, Inc.	12%
District 6 Human Resource Development Council – Lewistown	2.19%
Human Resource Development Council District 7 – Billings	17.76%
Rocky Mountain Development Council	7.83%
District 9 Human Resource Development Council	11.71%
Community Action Partnership of Northwest Montana	16.41%
District XI Human Resource Council	14.98%
Action, Inc.	6.7%
Total	100%

Describe threshold factors and grant size limits.

ESG funds are distributed based on a formula allocation, reflecting poverty and population as set forth in 53-10-502, MCA, 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. If a subrecipient is unable to spend its full allocation, unspent funds will be redistributed to agencies with higher needs based on proportional share.

Anticipated Outcome Measure:

Five-hundred individuals in 320 households will be served with rental assistance and housing relocation and stabilization services either through rapid rehousing or homeless prevention programs; 50 persons will be assisted with overnight shelter.

State Program Name*:* **HOPWA Program**

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. The HOPWA Program components are described in more detail in the competitive application proposal.

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 2 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	2026 HOME Housing Development
2	2026 HOME Homebuyer Assistance
3	2026 CDBG Affordable Housing Development and Rehabilitation
4	2026 CDBG Housing Stabilization
5	2026 CDBG Public and Community Facilities
6	2026 CDBG Economic Development
7	2026 CDBG Planning
8	2026 HTF Program
9	2026 HOME Administration
10	2026 CDBG Administration and Technical Assistance
11	2026 HTF Administration
12	ESG26 Montana

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

1	**Project name**	2026 HOME Housing Development
	Target area	Statewide
	Goals supported	Preserve and construct affordable housing
	Needs addressed	Affordable housing preservation and construction
	Funding	HOME: $3,000,000, including $500,000 in recaptured funds
	Description	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 eligible applicants. Commerce will set aside a minimum of 15% of HOME funds for activities sponsored, developed, or owned by Community Housing Development Organizations. Community Housing Development Organization or Community Housing Development Organization-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.
	Estimate the number and type of families that will benefit from the proposed activities	Twelve 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**	2026 HOME Homebuyer Assistance
	Target area	Statewide
	Goals supported	Preserve and construct affordable housing
	Needs addressed	Affordable housing preservation and construction
	Funding	HOME: $700,000, including $500,000 in HOME Program Income
	Description	Within the Priority Need to Preserve and Construct Affordable Housing, HOME funds will be awarded to eligible applicants 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.
	Estimate the number and type of families that will benefit from the proposed activities	Ten homebuyers
	Location description	Statewide
	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**	2026 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
	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	March 31, 2027
	Estimate the number and type of families that will benefit from the proposed activities	Ten LMI households Ten 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 Pro Forma and Subsidy Review Uniform Application for housing-related loan, grant and tax credit programs.
4	**Project name**	2026 CDBG Housing Stabilization

	Target area	Statewide
	Goals supported	Preserve and Construct Affordable Housing
	Needs addressed	Affordable Housing Preservation and Construction
	Funding	CDBG: $500,000
	Description	Within the Priority Need to Preserve and Construct Affordable Housing, CDBG funds are utilized for activities to 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	March 31, 2027
	Estimate the number and type of families that will benefit from the proposed activities	Five homeowner households
	Location description	Statewide
	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 typically in collaboration with a community nonprofit organization. Applicants who are not working

		with a Community Housing Development Organization must receive approval by Commerce. If new construction of homes is in the scope of work for a community, it will partner with a Community Housing Development Organization or another Community Based Development Organization. Once approved for funding, the applicant will remain part of the non-competitive pool for a period of no more than five years to accomplish the goals established in its application and will gain access to the set-aside for this funding category.
5	**Project name**	2026 CDBG Public and Community Facilities
	Target area	Statewide
	Goals supported	Improve and Sustain Public Infrastructure
	Needs addressed	Improve and Sustain Vital Public Infrastructure
	Funding	CDBG: $2,790,223
	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.

	Estimate the number and type of families that will benefit from the proposed activities	1,000 LMI households
	Target date	March 31, 2027
	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 Water, Wastewater and Solid Waste Action Coordinating Team's Uniform Application and associated application materials. CDBG Public and Community 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**	2026 CDBG Economic Development
	Target area	Statewide
	Goals supported	Revitalize Local Economies
	Needs addressed	Economic Revitalization
	Funding	CDBG: $1,000,000

	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).
	Estimate the number and type of families that will benefit from the proposed activities	30 jobs created and/or retained and 2 businesses assisted
	Target Date	March 31, 2027
	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**	2026 CDBG Planning
	Target area	Statewide
	Goals supported	Plan for Communities

	Needs addressed	Community Planning
	Funding	CDBG: $600,000
	Description	Within the Priority Need to Plan for Communities, CDBG funds are utilized to engage in comprehensive planning, downtown master planning, economic development planning, market study development, preliminary architectural reports, needs analysis, preliminary engineering, capital improvement plans, and other studies or plans that support resilient communities through affordable housing development, public works investments, and vital employment centers.
	Estimate the number and type of families that will benefit from the proposed activities	Assistance will be provided to at least 12 local governments
	Target Date	March 31, 2027
	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.
8	**Project name**	2026 HTF Program

	Target area	Statewide
	Goals supported	Preserve and Construct Affordable Housing Reduce Homelessness
	Needs addressed	Affordable Housing Preservation and Construction Reduce Homelessness
	Funding	HTF: $2,980,800
	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.
	Estimate the number and type of families that will benefit from the proposed activities	Ten rental units will be constructed or rehabilitated; and five 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**	2026 HOME Administration
	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
	Description	10% of the 2026 HOME allocation will be used to administer the program
	Target date	March 31, 2027
	Estimate the number and type of families that will benefit from the proposed activities	Administration funds. No direct benefit.
	Location description	Statewide
	Planned activities	HOME administration
10	**Project name**	2026 CDBG Administration and Technical Assistance
	Target area	Statewide

	Goals supported	Preserve and Construct Affordable Housing Reduce Homelessness Plan for Communities Revitalize Local Economies Improve and Sustain Public Infrastructure
	Needs addressed	Affordable Housing Preservation and Construction Reduce Homelessness Community Planning Revitalize Local Economies Improve and Sustain Public Infrastructure
	Funding	CDBG: $285,264
	Description	This project includes $100,000 plus 2% for admin and 1% of the allocation for technical assistance.
	Estimate the number and type of families that will benefit from the proposed activities	Administration funds. No direct benefit.
	Location description	Statewide
	Planned activities	CDBG administration
11	**Project name**	2026 HTF Administration

	Target area	Statewide
	Goals supported	Preserve and Construct Affordable Housing Reduce Homelessness
	Needs addressed	Affordable Housing Preservation and Construction Reduce Homelessness
	Funding	HTF: $331,133.19
	Description	10% of the 2026 HTF allocation will be used to administer the program
	Target date	March 31, 2027
	Estimate the number and type of families that will benefit from the proposed activities	HTF Administration funds. No direct benefits.
	Location description	Statewide
	Planned activities	HTF administration
12	Project name	ESG26 Montana
	Target area	Statewide
	Goals supported	Reduce Homelessness
	Needs addressed	Reduce Homelessness
	Funding	ESG: $746,790

	Description	Montana will use $746,790 in ESG funds for the ESG Program. This includes $690,780 for activities and $56,010 for administration. Detailed information on this program is available on DPHHS' website: https://dphhs.mt.gov/hcsd/EmergencySolutionsGrant/
	Estimate the number and type of families that will benefit from the proposed activities	Five-hundred individuals in 320 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	Within the Priority Need to Reduce Homelessness, ESG funds will support a coordinated and comprehensive approach to addressing the needs of individuals and families experiencing homelessness or at risk of homelessness. Funded activities are designed to prevent and reduce homelessness, expand access to temporary and permanent housing solutions, and promote projects that integrate housing assistance with supportive services that foster long-term stability and self-sufficiency. Montana's Continuum of Care system helps ensure statewide access to critical homeless assistance services, including emergency shelter, street outreach, homelessness prevention, rapid rehousing, and coordinated entry services. Through collaboration among state and local partners,

		ESG-funded programs work to strengthen the homeless response system and improve housing outcomes for vulnerable populations across Montana.

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. 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 – One-Year Goals for Affordable Housing by Support Requirement

One-Year Goals for the Number of Households to be Supported	
Homeless	220
Non-Homeless	157
Special-Needs	10
Total	387

Table 12 – One-Year Goals for Affordable Housing by Support Type

One-Year Goals for the Number of Households to be Supported	
Rental assistance	320
The production of new units	27
Rehabilitation of existing units	30
Acquisition of existing units	10
Total	387

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 MT 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 MT Division does administer numerous federal rental assistance programs across the state, including the Housing Choice Voucher Program. The Rental Assistance Bureau contracts with field agency partners, including HRDCs and other PHAs, on local administration of the HCV, Veterans Affairs Supportive Housing, Mainstream and Moderate Rehabilitation Programs. The Commerce statewide PHA directly administers Project Based VASH and Project Based Voucher 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. Commerce’s Housing MT Division collaborates with local PHAs on the physical condition and rehabilitation needs of local PHA public housing stock. Multiple Montana PHAs have or are now undertaking substantial rehabilitations of their public housing stock under the Rental Assistance Demonstration program and other mechanisms available to PHAs. Support can range from issuance of tax-exempt bonds under the state’s Unified Volume Bond Cap (Private

Activity Bonds), which leverage the federal 4% housing credit, and or allocation of federal 9% housing credits under a competitive process. Local PHAs are also eligible applicants for Montana Board of Housing's various revolving loan programs.

To address challenges with low Fair Market Rents in Montana, Commerce collaborated with DPHHS on a statewide fair market rent reevaluation study in late 2024. This initiative, funded by House Bill 872, which passed during the 68th Legislative session in 2023, and the Behavioral Health for Future Generations Commission with DPHHS, 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 Dec. 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 Jan. 8, 2025, along with a request for reevaluation of the HUD FY2025 On March 28, 2025, the Federal Register was updated with Montana's new Fair Market Rent amounts. The average Fair Market Rent increase across the state was 16%, In some more rural areas, the increase was more than 30%. Montana is the first geographically large state to submit and be approved for a statewide Fair Market Rent increase.

Commerce staff and contracted field agency partners worked together, and from July 1 through Dec. 31, 2025, Commerce and its partners pulled approximately 3,400 families from our waiting list and screened all of them for program eligibility. By the end of the year, Commerce was able to increase nearly 700 rental assistance vouchers to eligible Montanans, helping them secure a rental home on the private market.

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 specific summary information is available on the actions planned for the PHAs in Montana. Local public housing authorities throughout the state encourage public housing residents to become more involved in management and participate in the HCV homeownership program, where offered.

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 underlying mental or physical health conditions, substance abuse disorder, and/or a lack of affordable housing options. However, market rent increases and an overall insufficient supply of rental homes accessible to very-low and extremely-low households appear to be a primary driving factor in recent rises in homelessness. The Commerce Research and Information Services Bureau publishes and updates a Montana Housing Situation Report. In its most recent update, leveraging

American Community Survey one-year estimates from 2021-2023, severely housing cost-burdened households are concentrated amongst households with incomes less than $35,000 per year. This equates to nearly 30,000 Montana households, or 23% of Montana renter households, experiencing severe housing cost-burdens paying more than 50% of their household income on housing costs. 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, people 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 jurisdiction's 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 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 MT-CoC 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 people in Montana participate in Coordinated Entry Systems, 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 Coordinated Entry Systems, 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 people 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 MT-CoC 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 MT-CoC districts. DPHHS and subgrantees of ESG funding participate in MT-CoC strategic planning discussions and attend working meetings.

The MT-CoC prioritizes and ranks homeless projects each year and prepares a consolidated, statewide Continuum of Care application in response to the HUD Notice of Funding Opportunity. 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 MT-CoC 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; and assistance to limited shelter activities. 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 community's 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 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.

In Plan Year 2, 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.

- 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. It has provided recommendations in written reports to the governor (October 2022, December 2022 and June 2024) As a result of the Task Force recommendations, several new laws designed to boost housing development were passed during the 2023 legislative session and were 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 sources, reflects bipartisan, innovative efforts to confront Montana's housing crisis head-on.

- Land use legislation, specifically, Senate Bill 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 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 development, as well as revise the local subdivision review process.
  - Senate Bill 245 mandates that cities with a population size over 5,000 allow multiple units, 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.
  - Senate Bill 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.
  - Senate Bill 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 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 five 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 Senate Bill 406, which prohibits local governments from adopting building codes stricter than state codes.
  - Tax relief legislation amounted to $470 million. House Bill 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, 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 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 in August 2024. The report can be found at budget.mt.gov/About/PropertyTaxTaskForce. From this report, House Bill 231 was developed and was subsequently passed during the 2025 Montana State Legislature.

HB 231 establishes tiered tax rates for residential, commercial and agricultural properties. Lower rates are applied to lower-valued properties, while higher rates affect more valuable or non-principal homes. The bill includes provisions for rebates on property taxes for principal residences, aiming to alleviate the tax burden on homeowners. These changes are set to take effect in 2025 and 2026, impacting how property taxes are assessed and collected in Montana.

Additionally, during the 2025 legislative session, House Bill 924 was passed, creating the Montana Growth and Opportunity Trust and establishing the Montana Housing Trust. The Montana Housing Trust is comprised of three programs all administered by the Montana Board of Housing: The housing Montana fund, the Montana veterans' home loan mortgage program and a program which provides loans for the development and preservation of homes and apartments to assist eligible low-income and moderate-income applicants. This legislation provides for the direct appropriation of state funds for affordable housing use in Montana's state history.

Montana's housing crisis is not unique, but the state's flurry of legislative activity over the 2023 and 2025 legislative sessions to reckon with it stands apart in the nation.

While this AAP 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. 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 Montana Department of Revenue 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 the 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 and 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. While mortgage rates have declined slightly, 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 mortgage, down payment assistance,

and special loan set-aside programs, including set-asides paired with the HOME Homebuyer Assistance Program, which offer below-market interest rate alternatives to conventional loan products for income-eligible and predominately first-time homebuyers.

AP-85 Other Actions – 91.320(j)

Introduction

The following are actions planned for Plan Year 2 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 AAP, 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 under the age of 6 participating in federal housing programs are safe from lead-based paint 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, the Lead Safe Disclosure 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 and/or lead abatement activities that disturb LBP in homes and childcare facilities built before 1978 is certified and follows specific work practices to prevent lead contamination. In addition to complying with Title X, LSHR or NSPIRE inspections are performed on all homes (renter or owner-occupied) assisted with CDBG, HTF, HOME, Housing Choice Voucher and other public funds.

In May of 2026, Montana's National Association of Housing and Redevelopment Officials hosted a lead-based paint hazard training for staff members at PHAs operating across the state. This training included presentations from subject matter experts at the HUD Office of Lead Hazard Control and Healthy Homes, the HUD Office of Inspector General, and HUD Region 8 Office of Public and Indian Housing.

NSPIRE inspections, as applicable, are also conducted on all homes purchased with HOME assistance prior to the commitment of HOME funds. State staff conducting 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 and the Infrastructure Investment and Jobs Act of 2021, the state engaged in cross-agency efforts to reduce lead in schools and public drinking water systems. Commerce deployed ARPA funding in partnership with the Montana Department of Natural Resources and Conservation, and the Montana Department of Environmental Quality, by providing 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 used IIJA funding and worked 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, LMI 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 LMI Montanans, 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 LMI Montanans, 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 2, 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 MT-CoC partners to ensure that efficient and effective coordination of services exists between affordable housing and social services.

Commerce participates in the MT-CoC 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 2, 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. 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 92.353 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
    - 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

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 LMI persons	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 LMI persons. Specify the years covered that include this AAP.

3-year period: 70%

2026, 2027, and 2028 are the years covered in this AAP.

HOME Investment Partnership Program

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 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 carry out 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)(i), 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)(5) 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 $25,000	5 years
$25,000-$50,000	10 years
More than $50,000	15 years

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 which 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).

- 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 as measured by the Federal Housing Finance Agency. The change in the Housing Price Index 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(a)(5)(ii) 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

Reference 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)

The ESG Program is administered by the DPHHS Intergovernmental Human Services Bureau as part of the state's coordinated strategy to prevent and end homelessness in Montana.

DPHHS distributes approximately 97.5% of ESG funds to subrecipients for direct program activities and retains approximately 2.5% for administrative costs, along with a limited allocation to support Homeless Management Information System activities.

The ESG Program is designed to support a comprehensive, statewide response to homelessness with the following overarching goals and priorities:

- Address the housing and service needs of individuals and families who are homeless or at risk of homelessness, as defined in 24 CFR 576.2.
- Increase housing stability through Homelessness Prevention and Rapid Rehousing assistance.
- Provide case management, referrals, and supportive services that promote long-term housing stability and self-sufficiency.
- Strengthen coordination among housing and supportive service providers to improve outcomes for vulnerable populations.

ESG funds are used to meet local needs through eligible program components that include Homelessness Prevention, Rapid Rehousing, HMIS, and limited Emergency Shelter and Street Outreach activities. Eligible activities may include rental assistance, housing relocation and stabilization services, rental application fees, security and utility deposits, housing search and placement services, case management, referrals to mainstream resources, shelter operations and essential services and support for hotline and referral services for victims and survivors of domestic violence and other individuals and families experiencing homelessness.

Subrecipients are required to submit work plans, budgets and performance reports that identify local priorities and describe the eligible ESG activities to be implemented within their service areas. Activities are developed based on local needs assessments and coordinated planning efforts.

DPHHS works collaboratively with the MT-CoC to coordinate resources and strengthen the statewide homeless response system. DPHHS aligns its homelessness reduction strategies with the MT-CoC structure and participates in ongoing strategic planning and working meetings with ESG subrecipients and community partners. This collaborative framework promotes consistency and coordination across ESG-funded activities and other housing and homelessness assistance programs.

Through this coordinated approach, the ESG Program seeks to:

- Standardize eligibility determinations and service delivery practices.
- Prevent and reduce homelessness through targeted funding of critical services and housing interventions.
- Improve coordination and integration with mainstream and community-based services.
- Reduce the length and recurrence of homelessness.
- Enhance coordination among local homeless assistance providers and related service systems.
- Improve targeting of resources to individuals and families with the greatest need.
- Strengthen data collection, HMIS participation, and performance measurement practices.
- Allow communities flexibility to tailor services to local conditions and priorities.
- Maximize the effective use of available resources through collaboration and system coordination.

Specific written standards, policies, procedures, and eligibility requirements governing the administration of ESG-funded activities are outlined in the Montana ESG Policy Manual.

The ESG Program Policy Manual is available on the DPHHS website at: dphhs.mt.gov/hcsd/EmergencySolutionsGrant/.

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, 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. 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.

120 households avoided eviction or losing their primary residence.200 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. 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, Community Housing Development Councils, Human Resource Development Councils 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:

- Geographic Diversity and Housing Needs
- Capacity of the Applicant
- Affordability and Financial Feasibility
- Appropriate Design and Long-Term Solution
- Long-term Planning and Management
- 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
- 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 nine months of award and assesses whether projects can be completed and occupied within four 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 Pro Forma and Subsidy Review Uniform Application Form for Montana’s housing programs available on the Commerce website.

Applicants must submit this information through the Pro Forma and Subsidy Review 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:

- The need for any request for HTF Operating Assistance funds; and/or
- 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, visit-ability, 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. The current limits became effective on May 11, 2026 and are subject to change based on HUD's annually published bases.

Table AP-5 – HOME and HTF Maximum Per Unit Subsidies

Bedrooms	Base	Total Subsidy
0	$78,191	$187,658
1	$89,634	$215,121
2	$108,998	$261,595
3	$141,008	$338,419
4+	$154,782	$371,476

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 visit-ability 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.