



Economic Transformation, Stabilization, & Workforce Development Advisory Commission

December 21, 2022

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Department of Commerce



Program Updates:

Montana Emergency Rental Assistance 1 & 2

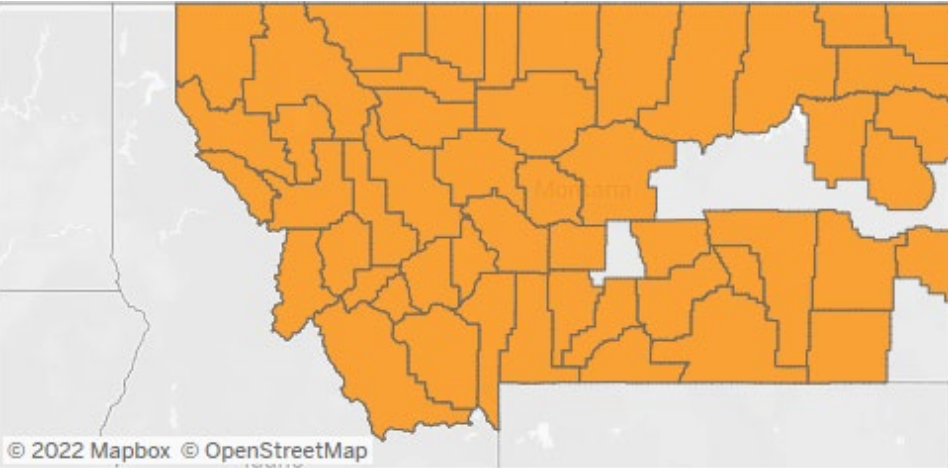
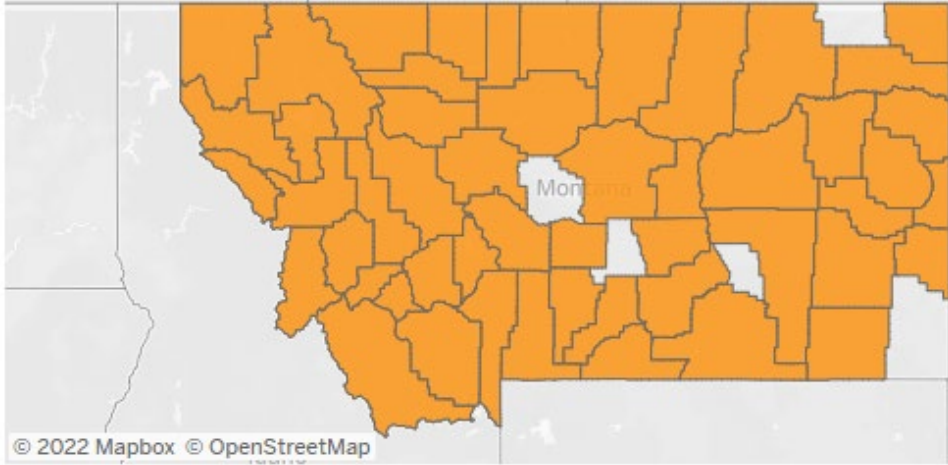
Homeowner Assistance Fund

ARPA Gap Financing for Affordable Housing



MONTANA EMERGENCY RENTAL ASSISTANCE (MERA)

1 & 2



Approximately 12,000 Households
Financially Assisted with over \$100M -
\$8,687 Average Award

2,649 Potentially Fraudulent Applications
Identified

Close to \$47 Million in Potentially
Fraudulent Applications Isolated & Denied
Over 5,000 Households Received Housing
Stability Services through 9/30/22

Over 60 Households Engaged in Eviction
Prevention & Diversion 9/30/22



ERA 2 Allocations and Reallocations

November 22, 2022

The Department was notified that Treasury's Quarter 2 Assessment under the Reallocation Guidance indicated our ERA2 award included excess funds in the amount of \$24,186,950.90.

November 29, 2022

Having met the requirement of obligating at least 75% of Tranche 1 funding, the Department requested our Tranche 2 payment totaling \$34,429,711.50.

December 7, 2022

The Department was notified the Federal Treasury will not conduct the optional Final Undrawn Funds Assessment described in the Guidance until at least June 2023, if ever. The Federal Treasury will, however, carry out the Quarter 2 and Quarter 3 2022 Assessments as planned.

\$10,242,760.60 remains available for Montana to draw down in Tranche 3 funding once obligation requirements are met.



ERA Updates

Policy Updates: Hotel/Motel

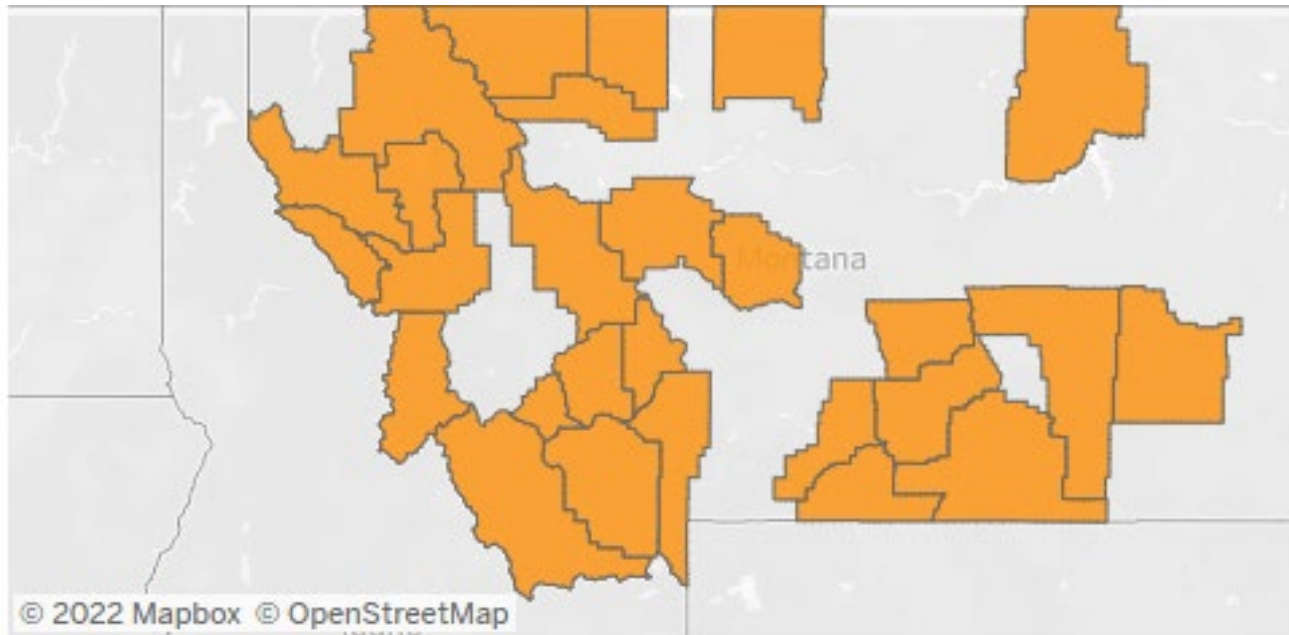
- Because of the urgent, short-term nature of hotel/motel stays, the department is implementing a three-month cap, without the option of continued stays.
- If a hotel/motel is refusing to return funds no longer being utilized by the participant, the hotel/motel will no longer be allowed to participate in the ERA2 program.
- If a participant causes substantial damage to a hotel/motel room, they will no longer be allowed to participate in the ERA2 program.

Governor's Housing Task Force Report - Final Draft – 12/15/22

- At Risk Requirement
 - Allowance for unsafe living conditions
- Eligibility Requirements Flexibilities
 - Flexibilities in place
- Payment Directly to Tenants
 - Direct tenant payments are made when a landlord refuses to participate



Homeowners Assistance Fund Program



Nearly **100** Households Financially Assisted with over **\$1M**

86 Lien Prevention Grant

282 in Mortgage Reinstatements

61 in Utility Assistance

Six Potentially Fraudulent Applications Identified

Close to **\$13,000** in Potentially Fraudulent Applications Isolated & Denied



HOMEOWNER ASSISTANCE FUND

- One to one meetings with servicers
- Software development / testing of features for Federal Treasury reporting completed
- Annual report submitted to the Federal Treasury on XXXXX, 2022
 - <https://housing.mt.gov/Homeownership/HAF-2022-Annual-Report.pdf>
- Statewide marketing campaign to include radio, social media and print publications launched towards the end of September 2022

“The Montana HAF team makes life easier today. Without the diligence and hard-working Montana Government folks like you, this state would not be the best that it is. I have much appreciation and gratitude. Thank you!”

“I am grateful for your thoughtful and dedicated work on behalf of Montana homeowners and myself. You are making a difference in many lives.”



HOMEOWNER ASSISTANCE FUND – Programmatic Changes

- Lien Prevention Grant
 - Contract for Deed
 - Property Taxes, HOA/COA, etc
- Increase Lien Prevention Program cap from \$5,000 to \$10,000

Application STATs

- 66% of our contract for deed applications would be brought current or at least benefit from an increase in household assistance.
- 18% of our lien prevention applications would be brought current or at least benefit from an increase in household assistance.



ARPA Gap Funding

	Number of Units	Completion Status
Big Horn County	43	Must be done by 12/31/23
Flathead County	38	Completed, Leased up
Hill County	32	TBD upon closing
Lake County	24	Completed, Leased up
Missoula County (3)	402	Expected Completion by the end of 2023
Park County	37	Completed, Leased up
Yellowstone County (3)	91	Must be done by 12/31/23
Yellowstone and Carbon Counties	62	Should be done by 12/31/22



ARPA GAP FINANCING

- Second amendments to subaward agreements are executed amending the contracts to reflect Treasury guidance around the use of the funds to fund the full principal amount of certain loans that finance long-term affordable housing investments subject to certain conditions.
- State and Local Fiscal Recovery Funds, Compliance and Reporting Guidance, Sept. 20, 2022
 - Evidence Based Study
 - Evidence Clearinghouse – Results First Clearinghouse Database
 - Low Income Housing Tax Credits are rated second highest

**Low Income Housing Tax
Credits (LIHTCs)**
Clearinghouse: ●

- Potential Partners



FOR MORE INFORMATION



MONTANA HOUSING

Montana Department of Commerce

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HOUSING.MT.GOV

FACEBOOK.COM/MONTANAHOUSING



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