



**Item:** CDBG & HOME Grant/Consolidated Plan Community Needs Public Hearing

**From:** Planning and Community Development Department

**Initiated By:** Mike Haynes, AICP, Planning and Community Development Department Director

**Presented By:** Mike Haynes, AICP, Planning and Community Development Department Director

**Action Requested:** Conduct Public Hearing

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**Public Hearing:**

1. Mayor conducts public hearing, calling three times each for opponents and proponents.
2. Mayor closes public hearing.

**Suggested Motion:** No action required.

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**Staff Recommendation:** Staff recommends the City Commission conduct the Consolidated Plan community needs public hearing required for the city Community Development Block Grant (CDBG) and HOME Grant programs and for the state HOME Grant program.

The City Commission set the public hearing on December 4, 2012. Notice of the Public Hearing before the City Commission was published in the Great Falls Tribune and the Consumers Press three times from December 12 through December 16. Press releases were submitted to the media in November to inform the community about this public hearing. Notice about the needs public hearing was distributed to all Housing Authority residents and given to the nine Neighborhood Councils, the local Continuum of Care for Homelessness, the Housing Task Force and 123 local non-profit agencies and government departments. Notice of the hearing has been posted on the city website.

**Background:** CDBG and HOME programs are federal programs administered by US Department of Housing and Urban Development (HUD) to help fund local community development programs including affordable housing, public service, economic development and public infrastructure projects. The primary goal of these programs is to assist low and moderate income (LMI) persons in their respective communities. State and local governments receive funding from HUD based on a formula derived from population and housing statistics.

Over the period of the past two years HOME funding to the City has been reduced by 48%. The Montana Department of Commerce HOME program has been unable to allocate all of its available HUD HOME funding during the past year. The Department is opening applications for State HOME funds to the three entitlement cities: Billings, Great Falls and Missoula for affordable multi-family rental projects. The situation presents an opportunity to compete for State HOME funds. A successful application would help mitigate recent HOME Program funding reductions the city has experienced.

### Significant Impacts

A forum to obtain public input regarding the needs of the community is required by the U.S. Department of Housing & Urban Development in order for the City to secure federal grant dollars. Additionally, the State HOME program requires a public housing needs hearing be held prior to submission of a Montana Department of Commerce (MDOC) HOME grant application by the City.

### Citizen Participation

The Citizen Participation Plan, adopted by the City Commission on January 5, 2010, and reaffirmed in January 2012, stipulates a public hearing be held to allow citizens, especially lower income citizens, the opportunity to address the Commission regarding the needs of the community, and to make recommendations to the City Commission on the use of CDBG and HOME Grant funds.

The MDOC grant states, “Applicants must provide citizens adequate notice and opportunity for involvement in the planning and development of HOME applications.” Each applicant for MDOC HOME funds must hold a minimum of one public hearing prior to submitting a formal proposal to the MDOC and prior to passage of a resolution by the governing body authorizing the submission of the application. The hearing is designed to solicit public comment on community housing needs and priorities and to discuss the HOME program as a potential source of funding.

### Purpose

The purpose of this Action Plan community needs public hearing is to allow citizens, especially low and moderate income citizens of Great Falls, an opportunity to advise the City Commission of the community's housing and supportive services issues. The public is encouraged to share ideas on how federal grant funds can be used to address community revitalization.

This hearing is not meant to be a format for agencies to lobby for their respective Community Development Block Grant or HOME Grant funding applications. Instead, individuals are encouraged to speak to housing and non-housing community development issues in the City, and especially the effect of these issues on low and moderate income persons. CDBG funds can be used for a wide range of community development activities directed toward neighborhood revitalization, economic development, energy conservation and improved community facilities and services. HOME grant funds can be used for affordable homeownership programs including development of homes, loan financing, and affordable multi-family rental housing development. The state HOME grant funds for which the city is considering applying cannot be used for homebuyer assistance and homeowner rehabilitation programs.

### Evaluation and Selection Process

The U. S. Department of Housing and Urban Development requires public input, especially input from lower income citizens and agencies representing them, as to the issues and needs of the community. The Commission will be asked to give consideration to citizen comments received during this public hearing when determining funding priorities for the Community Development Block Grant Program and the HOME Grant Program and for submission of a HOME grant application to the Montana Department of Commerce.

### Conclusion

The public hearing provides citizens an important opportunity to identify community development needs particularly those impacting low to moderate income households in Great Falls.

**Fiscal Impact:** Conducting the public hearing will allow the city to receive CDBG funds, estimated to be \$718,000 and HOME funds, estimated to be \$230,000. The MDOC HOME grant is estimated to be up to \$750,000.

**Alternatives:** The City Commission could decide to not conduct the public hearing and thereby chose to not receive CDBG and HOME funds for FY 2013. In addition, not conducting the public hearing would preclude city staff from applying for state HOME funds. The hearing is required for the City to be awarded 2013-2014 CDBG and HOME funding and to be eligible to submit a HOME grant application to the Montana State Department of Commerce HOME program.

**Attachments/Exhibits:** 2013/2014 CDBG/HOME Allocation Schedule

**2013— 2014 CDBG/HOME Allocation and  
Annual Action Plan Schedule**

<b>City Commission appoints Community Development Council (CDC) members</b>	<b>Wednesday, November 7, 2012</b>
<b>Commission Work Session - Status report on HOME &amp; CDBG</b>	<b>Tuesday, November 20, 2012</b>
<b>Application available on City web site</b>	<b>Monday, December 3, 2012</b>
<b>CDBG/HOME Application Workshop</b>	<b>Thursday, December 6, 2012</b>
<b>Commission conducts "Needs" Public Hearing</b>	<b>Tuesday, December 18, 2012</b>
<b>City Commission sets CDBG funding priorities</b>	<b>Wednesday, January 2, 2013</b>
<b>Pre-deadline review of applications</b>	<b>Friday, January 11, 2013</b>
<b>Funding application deadline (3 pm)</b>	<b>Friday, January 18, 2013</b>
<b>Community Development Council (CDC) Orientation Meeting</b>	<b>Thursday, January 31, 2013</b>
<b>CDC reviews applications &amp; develops funding recommendations for CDBG public service, housing, economic development and public facility project applications</b>	<b>Monday, February 11 – Tuesday, March 5, 2013</b>
<b>CDC presents funding recommendations for CDBG project applications at Commission work session/meeting</b>	<b>Tuesday, March 19, 2013</b>
<b>Staff makes funding recommendations for all other project applications</b>	<b>Tuesday, March 19, 2013</b>
<b>City Commission accepts project application funding recommendations for inclusion in Annual Action Plan &amp; sets date for Public Hearing</b>	<b>Tuesday, March 19, 2013</b>
<b>Proposed Annual Action Plan completed &amp; available for review</b>	<b>Wednesday, March 27, 2013</b>
<b>30 day comment period for Proposed Annual Action Plan</b>	<b>Wednesday, March 27 – Thursday, April 25, 2013</b>
<b>Public Hearing on Proposed Annual Action Plan</b>	<b>Tuesday, April 16, 2013</b>
<b>Commission approves Annual Action Plan</b>	<b>Tuesday, May 7, 2013</b>
<b>Annual Action Plan mailed to HUD (due May 15, 2012)</b>	<b>Wednesday, May 8, 2013</b>

11/13/12