



Item: 2013/2014 Community Development Block Grant (CDBG) Policies, Citizen Participation Plan, and Funding Priorities

From: Planning and Community Development Department

Initiated By: Wendy Thomas, AICP, Deputy Director of Planning and Community Development

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

Action Requested: The City Commission adopt the Community Development Block Grant (CDBG) Policies, adopt the Citizen Participation Plan and set the 2013/2014 CDBG Funding Priorities

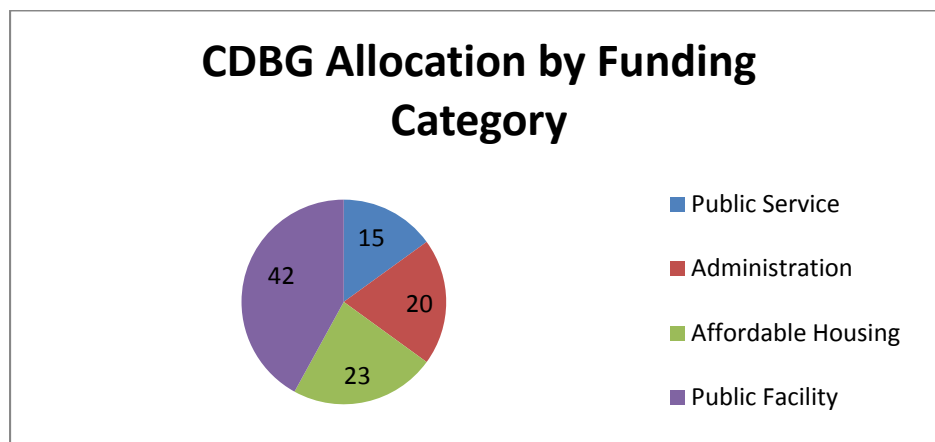
Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (adopt/not adopt) the Community Development Block Grant Policies and the Citizen Participation Plan, and set the 2013/2014 CDBG Funding Priorities.”

2. Mayor calls for a second, discussion, public comment, and calls the vote.

Staff Recommendation: Staff recommends the City Commission adopt the Community Development Block Grant Policies and the Citizen Participation Plan and set the 2013/2014 CDBG Funding Priorities as shown on the attached exhibit and summarized below.



Recommendation Summary:

Staff prepares the funding recommendation based on the Department of Housing and Urban Development (HUD) funding categories. What activity falls into a specific funding area is not always intuitive or readily understandable; therefore we have outlined below some specific projects by funding category. For comparison, the funding allocation percentages for 2012/2013 are attached to this agenda report for your use.

Declining funding amounts from HUD has caused staff to re-examine the allocation process. After careful consideration and research, staff is advocating for a revised allocation standard where funds are used to provide the maximum benefit for the greatest number of city residents. As a result, staff recommends that funds are allocated to the following projects and programs:

- Public Service
 - As recommended by Community Development Council (CDC)

- Affordable Housing
 - High School/Great Falls College Houses
 - Programs Focused on Neighborhood Revitalization
 - Code Enforcement Officer
 - Revolving Loan Fund Specialist
 - Redevelopment Studies for Downtown

- Public Facilities
 - Community Recreation Center bathroom improvements
 - Verde Park Handicap Accessible Park Equipment
 - Sidewalk Reconstruction for LMI residents
 - Handicap Sidewalk Ramps
 - Pearson Addition SID payments for LMI residents or
 - Street Improvements on 4th Ave N.

Public Service is a very competitive grant area and community needs are great. Staff recommends the full 15% of funds, the maximum allowed by HUD, be used for the Public Service priority. Public Service funds provide money for services that include meals for elderly and disabled, day care and parenting education for young parents, summer and after school programs for lower income children and youth, and legal services for abused or abandoned children. Staff values the evaluation process conducted by the CDC and encourages the City Commission to have the council evaluate and recommend grants for funding. For more information on the selection process and the Community Development Council, please see the Evaluation and Selection Process portion of the agenda report found on page 4. The percentage allocation for last year was 15%.

Last year the *Affordable Housing* allocation included funding the City Community Development Rehabilitation Specialist's position, a portion of the Code Enforcement Officer's position, and a NeighborWorks Great Falls revolving loan fund used for rehabilitation or new construction of housing for purchase by low to moderate income first-time homebuyer families. Staff recommends that these programs are funded this year as well. In addition, staff recommends that

\$75,000 in unprogrammed funds be allocated to affordable housing for this cycle. The additional funding will ensure that important activities in this area will continue to benefit the community. With the addition of \$75,000 in unprogrammed funds, Affordable Housing will account for 31% of the CDBG funding for FY2013/2014. The percentage allocation for last year was 26%.

Economic Development has historically not been a competitive grant area with GFDA being the only applicant and recipient in recent years. Based on input from the community during public outreach, staff is recommending that funds be allocated this year to support redevelopment of the downtown through a continuation of the financial redevelopment analysis Technical Assistance Program started last year. The program provided studies on five underutilized or vacant buildings in downtown. Four of the five buildings analyzed have produced active development teams including the group currently working on the 114 3rd Street South. This type of program is considered by HUD to be a Housing activity. The percentage allocation for last year was 3%; however, based on a funding recommendation by the CDC the City Commission did not fund any economic development projects/programs last year.

The recommended allocation for *Public Facility Improvements/Handicap Accessibility* category has increased as a percentage of the overall funding allocation for the FY 2013/2014 funding cycle. The public facility category was extremely competitive last year; however, because of the reduction in the allocation of funds this year and new HUD restrictions on qualifying projects, staff recommends that this year the funding be used to fund projects by Public Works and the Parks & Recreation Departments. Staff recommends that no applications from nonprofit organizations be accepted for capital projects this year. At this time, Parks & Recreation has indicated that they would like to use funding to improve the bathrooms at the Community Recreation Center and to install playground equipment at Verde Park. The Public Works Department anticipates using funding for sidewalk repairs and payment of special improvement district fees for street improvements for low income residents in the Pearson Addition Subdivision located off of Lower River Road or reconstruction of 4th Avenue N between 9th and 12th Streets. The percentage allocation for last year was 36%.

Staff customarily advertises the Needs Public Hearing with an estimate of CDBG funding based on the prior year's funding amount. This year the staff advertized an estimated funding amount of \$720,000. For the purposes of this agenda report staff has given a cautious estimation of funding as \$660,056. If additional funding is provided by HUD, the percentage allocations will remain and the funding amounts will be adjusted accordingly.

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, anti-poverty, public service and community 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 statistics.

HUD rules require that larger cities and urban counties or "Entitlement Communities" submit a five year Consolidated Plan and an Annual Action Plan that establishes community goals for the use of CBDG funds, and hold public meetings to determine community needs and establish funding priorities.

Significant Impacts

Funding priorities will lay out the base for the Annual Action Plan required by HUD as part of the five year Consolidated Plan. The grant funds pumped an estimated \$972,359 into the local economy during the previous funding cycle.

Citizen Participation

Attached are Community Needs Public Hearing Comments Summary from the December 18, 2012, City Commission meeting.

Purpose

CDBG policies, adopted in previous years and most recently amended in December 2005 by the City Commission. Staff is proposing that the CDBG policies be amended to include language stating revolving loan fund repayments (program income) will be used for loans and not for the purpose program administration. In addition, staff is requesting an amendment to instruct the CDC to review only Public Service grant applications.

The Citizen Participation Plan is updated to meet HUD standards. The modifications include adding e-mail and the city web page as outreach tools, adding text to address outreach efforts to female head of households, giving prominence to the Consolidated Annual Performance Evaluation Report (CAPER), Community Development Council recruitment, and updating the lead-based paint program process. The Plan is attached for your review.

Staff is asking acceptance of the CDBG policies and the Citizen Participation Plan for use in the 2012/2013 CDBG allocation process.

Based on testimony given at the Community Needs Public Hearing held by the City Commission on December 18, 2012, and knowledge of the range of applications expected for CDBG funding this year, staff is recommending the attached priorities. Proposed projects must meet the National CDBG Program objectives to be eligible. At least 70% of the funds must serve low to moderate income persons. As always, there will be competing interests for the available funds. In recommending funding percentages, staff balances the percentage distribution of the funds based on proposed projects, and as a result, the funding percentages change somewhat year to year.

HUD has not released budget levels as of the time of the drafting of this report. Budget projections for the FY 2013/2014 year in CDBG and HOME include decreases of 8% for both programs. Based on the projection, the CDBG allocation is anticipated to be \$660,056. Staff is recommending that a portion of the CDBG unprogrammed funds be used to supplement the annual funding allocation. By utilizing \$75,000 of these funds for Affordable Housing, the City will be able to more fully fund worthy programs and projects that would otherwise be neglected, abandoned or underfunded.

Evaluation and Selection Process

Staff conducts a preliminary review of applications to ensure compliance with HUD regulations. If applications are deemed compliant, they are distributed to the Community Development Council (CDC) for review and scoring. This ten-member board, having staggered three year terms, is appointed by the City Commission to make funding recommendations for CDBG project applications. CDC members often make site visits to aid in their assessment of the application. Staff will explain the objectives, requirements, and policies of the CDBG program to the CDC to

assist the CDC in ranking the projects in each priority area and recommending funding amounts for the projects.

The CDC invites applicants to make a 15-minute presentation regarding each application. CDC members have the opportunity to question applicants about their proposed projects. The CDC members score each project on a fairly complex matrix designed to highlight the need, community benefit, agency sustainability and capacity, and budget and leveraging. The matrix scores are tallied by staff and averaged for each project. The projects are prioritized for funding by score. The CDC meets a final evening to determine the funding recommendations. Staff and CDC will meet with the City Commission in a work session to recommend funding for the CDBG and HOME projects.

The 2013/2014 Annual Action Plan must be submitted to HUD by May 15, 2013; therefore the schedule for setting funding priorities, reviewing applications and approving funding recommendations is determined and maintained accordingly.

The Community Development Council (CDC) will present their funding recommendations to the City Commission on March 19, 2013. A public hearing on the proposed 2013/2014 CDBG funding will be held on April 16, 2013, with final approval by the City Commission scheduled for May 7, 2013.

Conclusion

The majority of the current CDBG policies were adopted by the City Commission during the block grant allocation process in 1994. The policies were amended in 2005, and have been reaffirmed annually. Staff is recommending that the Commission amend the policies to add text that states that program income will not be used to fund administrative costs associated with the CDBG program and to not accept not-for-profit applications for Public Facility grants.

The Citizen Participation Plan is being amended in order to meet HUD requirements. Acceptance of CDBG policies and a Citizen Participation Plan for use in the 2013/2014 CDBG allocation process is required by HUD.

Funding priorities will lay out the base for the Annual Action Plan required by HUD as part of the Consolidated Plan. Projects will be considered that fall into the guidelines established by these funding priorities and meet national CDBG objectives making them eligible for use of CDBG funds.

Fiscal Impact: Meeting HUD requirements for receipt of CDBG funding will bring an estimated \$735,056 to the City to benefit low/moderate income citizens and families.

Alternatives: The Commission could change the funding priorities, CDBG City Commission policies or the Great Falls Citizen Participation Plan.

Attachments/Exhibits:

- CDBG Policies
- 2013/2014 CDBG Funding Priorities
- 2012/2013 CDBG Funding Priorities
- Community Needs Public Hearing Comments Summary
- Citizen Participation Plan
- CDBG/HOME Annual Action Plan Schedule

**City of Great Falls
Community Development Block Grant
City Commission Policies
January 2, 2013**

1. City Commission will determine the allocation of all CDBG projects.
2. The City Commission will conduct a Community Needs Public Hearing to allow citizens (especially low/moderate income persons) and city staff the opportunity to express their opinion as to the needs of the community that should be addressed with block grant funding.
3. The City Commission will determine priorities and allocate funding percentages to priority categories following the Community Needs public hearing.
4. The Community Development Department will make recommendations to the City Commission for any grant proposal applications not reviewed by the Community Development Council.
5. **The City Commission will not accept applications for Public Facility Improvements/Handicap Accessibility funding from not-for-profit (501c3) organizations.** ~~The Community Development Council will review and make funding recommendations for grant proposal applications, as directed by the City Commission.~~
6. The Community Development Council will review, prioritize, and make funding recommendations to the City Commission for all public service grant applications based on solicitation for proposals in an amount to be approximately 15% of the grant entitlement amount. The minimum grant request will be for \$5,000.
7. The City Commission will not fund proposals from agencies/departments whose last fiscal year or older CDBG funded projects will not be 75% complete by March 31st of the current year, unless a special public purpose exists for waiving the policy.

8. Private non-profit agencies will not be funded for staff salaries, benefits, office consumables, and rent payments for agency office space or utility costs.
9. City Commission will fund activities to further fair housing as a part of block grant administration.
10. Projects that leverage and/or match the CDBG funds will be given priority consideration for funding.
11. Handicap accessible projects that serve the largest number of the public will be given priority consideration for funding.
12. **Revolving Loan Fund repayments will be used for revolving loans to qualifying applicants and will not be used to pay CDBG program administrative costs.**

City of Great Falls Community Development Block Grant
2013/2014 Funding Priorities (staff recommendation)

We are estimating the annual CDBG allocation to be \$660,056. We are recommending that \$75,000 of CDBG unprogrammed funds be utilized this year. The total CDBG budget would be \$735,056.

| <u>2013/14 CDBG Priorities</u> | <u>Funding Percentage</u> | <u>2013/14 Funding Amount</u> |
|--|---------------------------|-------------------------------|
| Public Facility Improvements/ Handicap Accessibility (Includes Infrastructure, Park Facilities, Public Building Rehab) | ±42% | \$276,045 |
| Affordable Housing (Housing for low/moderate income Families: Rehab Services, New Construction, Rehabilitation including Historic Preservation) | ±23% | \$153,000 |
| Public Service Activities (maximum) (Benefiting low/moderate income persons) | ±15% | \$ 99,000 |
| Administration (maximum) (Includes CDBG Grant Administration, Environmental review, City Housing RLF) | ±20% | \$ 132,011 |
| Total Allocation from HUD | 100% | \$660,056 |
| Unprogrammed Funds: Supplement to Affordable Housing | | \$ <u>75,000</u> |
| TOTAL | | \$735,056 |

City of Great Falls Community Development Block Grant
2012/2013 Funding Priorities (staff recommendation)

We are estimating the annual CDBG allocation to be \$720,929, which is a 15% cut from last year. We are recommending that \$251,430 of CDBG funds reported to be available in the revised HUD Integrated Disbursement System be utilized this year. The total CDBG budget would be \$972,359.

| <u>2012/13 CDBG Priorities</u> | <u>Funding Percentage</u> | <u>2012/13 Funding Amount</u> |
|---|---------------------------|-------------------------------|
| Public Facility Improvements/ Handicap Accessibility (Includes Infrastructure, Park Facilities, Public Building Rehab) | ±36% | \$354,225 |
| Affordable Housing (Housing for low/moderate income Families: Rehab Services, New Construction, Rehabilitation including Historic Preservation) | ±26% | \$253,400 |
| Economic Development (Resulting in Job Creation for low/moderate income persons) | ±3% | \$25,000 |
| Public Service Activities (maximum) (Benefiting low/moderate income persons) | ±15% | \$145,334 |
| Administration (maximum) (Includes CDBG Grant Administration, Environmental review, City Housing RLF) | ±20% | \$194,400 |
| Total Budget | 100% | \$972,359 |

Community Needs Public Meeting Comments Summary
City Commission Meeting
December 18, 2012

A public meeting was held as part of the regular City Commission meeting on December 18, 2012, in the Commission Chambers at the Civic Center. Michael Haynes, director of Planning and Community Development Department, advised the City Commission the meeting was being held to provide an opportunity for applicants to share with the City Commission the needs of the community which could be funded with Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) funds.

Mr. Haynes related to the City Commission that staff held a workshop for potential applicants on December 6, 2012, and the application deadline is 3 pm, January 18, 2013. He noted Wendy Thomas provided information to the City Commission at the work session on November 20, 2012, regarding challenges to the program given anticipated funding levels and opportunities to streamline the program.

At the January 2, 2013, meeting the City Commission will be asked to set funding percentage recommendations to provide the Community Development Council (CDC) with parameters for funding before the CDC hears specific funding requests from applicants in February and March. The City Commission will consider recommendations from the CDC in March and April 2013. Mr. Haynes noted no action was required by the City Commission until the January 3, 2013, meeting when they will be asked to give formal direction on funding allocations.

One written comment regarding needs was received via mail prior to the public hearing .

The following listing is a summary of the comments related to needs which were expressed in the public hearing. Many individuals provided information unrelated to needs, including detailed descriptions of their agencies services and programs, and these types of comments were not summarized in the listing below.

Tracy Houck, member of Neighborhood Council and executive director of Paris Gibson Square. Ms. Houck related she wants CDBG funds to go to local non-profits to disperse. She questioned what would happen in the community if those funds weren't received by agencies and gave a listing of numerous non-profit agencies in the downtown area that have been given CDBG funds in the past. Ms. Houck described how Paris Gibson Square serves many people, including artists and low-income and handicapped people who have been able to go to classes because of past CDBG assistance. She thanked the City Commission for past CDBG funding and requested they continue to provide funding in the future. Ms. Houck noted that as federal funding becomes harder to access, if the City is able to help non-profit agencies continue to access CDBG funds, those agencies will multiply the value of the grant funds.

Shyla Pattera, North Central Independent Living. Ms. Patera spoke in support of community organizations and non-profit agencies that apply for CDBG and HOME funding. She asked the City Commission to particularly consider needs for homeless people and housing needs for low income and disabled citizens. Ms. Patera requested the City look at various other grant programs (such as HUD Shelter Plus Care and VASH), as well as other private grants, to help all citizens with disabilities maintain a home. Ms. Patera works with people who have disabilities who are looking for housing and new housing stock is desperately needed.

Nichole Emerson, executive director of Young Parents Education Center. Ms. Emerson reported Young Parents Education Center assists teen parents to get through school and go onto college or a career. The agency has received CDBG funding in the past to help pay for child care for those teen parents who do not qualify for other child care scholarship programs. These young people cannot afford day care and would drop out of high school if it is not provided to them. CDBG funds have also been used to help emancipated teen parents who are employed to move into their own homes and continue to work and go to school. Ms. Emerson requested the CDBG money be distributed to non-profit agencies.

Stephanie Schneider, executive director of Habitat for Humanity. Ms. Schneider related that Habitat for Humanity builds two to three houses a year for low income families who would not otherwise be able to own homes. The agency has used CDBG funding in the past for infrastructure needs. Ms. Schneider indicated that if the funding allocation proportions change her agency would request funding under the housing section.

Tom Kotynski, supervisor of career & technical education, Great Falls Public Schools. Mr. Kotynski reported he oversees teachers who teach construction classes at the high schools. These classes build two high school houses each year and these houses are sold to low income people. The classes are made possible because of collaboration with Neighbor Works Great Falls (NWGF) and that agency's affordable housing program. He noted that any threat to that program is a threat to the classes. Mr. Kotynski described the far-reaching extent of the classes and noted it is a meaningful experience for students. He stated the School District supports NWGF request and provided a letter of support from School District to the City Commission.

Pete Pace, teacher at Great Falls High School. Mr. Pace related how he sees the significant impact of NWGF and the public schools on his students on a daily basis. He indicated the high school house program is an amazing program which could not be done without NWGF's support. He asked the City Commission to continue to support NWGF.

Lynda Adams, citizen. Ms. Adams noted the senior population is increasing and there continues to be a need for affordable housing for seniors. She spoke in support of using HOME funds for the Voyageur Apartment complex being proposed by Accessible Space.

Kris Kleinschmidt, North Central Independent Living Services. Ms. Kleinschmidt thanked the City Commission for their past support and related there continues to be a need in the community for more accessible housing. She spoke in support of HOME funds being used

in general to provide accessible affordable housing and specifically to be used for the Voyageur Apartments being built by Accessible Space.

Mike Dalton, Sunburst Unlimited, Inc. Mr. Dalton described how for the past two years he has been collaborating with the Great Falls Food Bank and Montana Farmers Union to develop a program to reduce food insecurity in our community. He noted this program will include development of gardens, orchards and greenhouses that will provide food for the Food Bank. Unemployed veterans and single parents would be hired and trained to work in the gardens and orchards and a licensed community kitchen and processing plant would be developed. Mr. Dalton indicated the agency would be applying for money to support start-up of the projects he had described.

Ginger King, Family Connections Montana. Ms. King related there is a need for child care scholarship funding in Great Falls. She indicated there is a population in need of scholarships because they fall above the 150% poverty level and are, therefore, do not meet requirements for state scholarship funding. Ms. King indicated if Family Connections could get local support by using CDBG funding they could make child care available to the people who do not qualify for state assistance.

Susan Wolff, dean at Great Falls College MSU. Ms. Wolf spoke on behalf of NWGF's programs and the joint construction project they are doing with the College. She related how not only are the students learning on the job skills, project management skills and work place skills, most importantly, they are learning civic engagement – to give back to their community. Ms. Wolf indicated that if the community wants to attract people and grow the local economy, presentable housing is necessary and NWGF can provide that housing.

Karla Seaman, Opportunities, Inc. Ms. Seaman discussed the need for non-profit agencies to have facilities where they can provide services for individuals in need and coordinate services with other non-profit agencies. She noted Opportunities, Inc., has not applied for CDBG funds for a long time but they intend to do so now as they have a need to upgrade the heating system in their building. She described how the CDBG funds would be put to use so the agency could have a facility where they can provide intake and coordinate services with other non-profit agencies.

Joe Kleinschmidt, citizen. Mr. Kleinschmidt related how he has worked with and for Accessible Space in the past. He described the agency as a quality managerial and building organization for low income affordable housing. He noted how Accessible Space currently has three buildings in Great Falls. He indicated that the agency's proposed Voyageur complex would be a well-built, well-managed building just as the other three already in existence are.

Heidi Gibson, Center for Mental Health. Ms. Gibson spoke in support of CDBG funding going toward both non-profit agencies and community needs. She related how the mental health needs of the community are very strong and gave the statistic of how one in four people will be diagnosed with a mental illness in their lifetime. Ms. Gibson related the Center for Mental Health serves 2,500 people in Great Falls and 5,000 through central

Montana. She indicated 85% of the agency's budget is from Medicaid which reflects how they serve a very poor population. She went on to note that 60% of the cost of an appointment is paid by Medicaid and the agency has to make up the other 40%. Without CDBG funding, the agency would not be able to do things like repair roofs and parking lots. Ms. Gibson related they agency was given CDBG assistance with infrastructure at the New Directions Center where people with severe mental illness are served. Ms. Gibson asked that CDBG funding be used to fund non-profit agencies so they can continue to provide services.

Robin Rimmel Baker, Neighborhood Council. Ms. Rimmel Baker described projects NWGF has done in her Council's neighborhood and noted the money spent to do the projects comes back to the City through an increased tax base. She requested the City Commission continue to support NWGF.

Cheryl Crowley, superintendent of Great Falls Public Schools. Ms. Crowley indicated the School District partners with a number of organizations who receive CDBG funds and she urged the City Commission to continue funding these organizations, especially NWGF.

Carlie Boland, House District #23. Ms. Boland spoke in support of NWGF and described how NWGF activities help the people she represents. She noted such things as adding to the tax base, a program for high school students to build houses and partnering in the Neighborhood Watch and Business Watch programs. She described many of the programs NWGF has done in the past and continues to do in the present. Ms. Boland strongly supported the City Commission funding NWGF and stated the organization is an essential and vital partner in community.

Jason Lehmar, citizen. Mr. Lehmar reported he is able to live in his own house because of NWGF and is paying less for housing than he did when he rented. He noted NWGF gave him a second mortgage so he could afford his house payment. Mr. Lehmar indicated the money given to NWGF comes back into the community.

Linda Daggett, volunteer and board member with NWGF. Ms. Daggett reported she lives in the original townsite of Great Falls and has seen her neighborhood stabilized and become viable. She noted NWGF leverages the funding they get and the grant funds come back to the city in both monetary and social ways. Ms. Daggett encouraged the City Commission to provide funding to NWGF.

Joan Redeen, Business Improvement District. Ms. Redeen related she understood the newly formed downtown partnership would be applying for CDBG funding to put toward continuing the feasibility study program which the City had begun. To date, five studies have been completed on downtown buildings and three downtown revitalization projects are in the works. She asked the City Commission to consider a request for funding to continue the feasibility studies as this has already proven its worth.

Sheila Rice, executive director of NeighborWorks Great Falls. Ms. Rice thanked those who had spoken in support of NWGF. She noted it is a very difficult time because of decreasing

financial resources. Ms. Rice provided maps which portrayed the conditions of neighborhoods before and after NWGF's neighborhood revitalization activities. She also provided a second map which showed where down payment loans, new construction and rehabilitation and homeownership assistance were provided in one specific area. Ms. Rice noted NWGF has been able to leverage home ownership in every part of the city. She described the importance of affordable housing, the close working relationship between NWGF and Habit for Humanity and the importance of having a very strong community development organization. Ms. Rice described how having a strong partnership between NWGF and the City Community Development made it possible to take advantage of the situation when Congress gave Neighborhood Stability Program funds to the State of Montana. She noted how 17 houses that were abandoned because of foreclosure in Great Falls were able to be renovated and sold. Ms. Rice described how NWGF recognizes the problem of the shortage of rental housing and potential homelessness and has adopted a rental strategy. She spoke in support of funding the application for State HOME funds and related there is a great need for affordable rental housing, especially for seniors. Lastly, Ms. Rice wished to clarify to the City Commission that HOME funding would be an inadequate substitute for CDBG funding. She noted that both NWGF and Habitat for Humanity need CDBG funding and requested the allocation be raised from 15% to 17%.

John Hubbard, citizen. Mr. Hubbard indicated there are many problems in the downtown area, as well as the rest of the city. He proposed a plan (reading a letter on behalf of Edward P. Buckle) which involved covering the downtown area and dedicating the space to gambling.

Bethany Solomon, works as Americorp Vista at NWGF. Ms. Solomon requested the City Commission consider funding for continued feasibility studies in the downtown area. She noted these studies have helped with historic preservation and revitalization, increased tax base and brought more business to the area. She distributed a pamphlet regarding how to use CDBG for historic preservation.

**City of Great Falls, Montana
Citizen Participation Plan
for the
Consolidated Plan and
Consolidated Annual Performance Evaluation Report
January 2013**

PURPOSE OF CITIZEN PARTICIPATION IN DEVELOPING THE CONSOLIDATED PLAN AND CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT

The City of Great Falls (City) must develop a Consolidated Plan to be eligible to receive Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) federal grant funds from the Department of Housing and Urban Development. A key component in creating the Consolidated Plan is citizen participation in all steps of the planning development process. Additionally, citizen participation is an integral component of the Consolidated Annual Performance Evaluation Report (CAPER) which is also required by HUD to receive federal grant funds. To ensure citizens in Great Falls have the opportunity to take part in creating the Consolidated Plan, the Annual Action Plan and the CAPER, the City has developed and commits to implement the following elements of the Citizen Participation Plan.

THE CITIZEN PARTICIPATION PLAN

Participation: The City will provide for, and encourage, citizen participation emphasizing the involvement of low to moderate income residents in areas where housing and community development funds may be spent. The City will also inform and offer opportunities for comment to residents of low to moderate income neighborhoods. The City will encourage the participation of the Great Falls Housing Authority public and assisted housing residents and Opportunities, Inc., assisted housing residents in Great Falls.

The City will make reasonable efforts to consult with other public, private and non-profit agencies that provide housing, health service, and social services. In particular, agencies to be consulted will be those that focus on services to children, elderly persons, persons with disabilities (including physical, mental and developmental disabilities), as well as other persons in need of services. In addition, low income residents who are female heads of households are encouraged to participate. The City will encourage input and solicit information from each of the nine Neighborhood Councils and will notify the Councils about public hearings, the Consolidated Plan or the Annual Action Plan development process and solicit comments.

When preparing the portion of the Consolidated Plan or Annual Action Plan regarding lead-based paint hazards, the City will consult with the City and Great Falls Housing Authority certified lead-based paint risk assessors to define what specific activities will be undertaken to mitigate and abate lead-based paint in housing units subsidized to be affordable for low to moderate income households. Activities required for lead-based paint hazards will also be addressed in non-profit facilities which receive CDBG grant funds as sub-recipients of the City where children spend the amount of time which meets the minimum threshold criteria.

The City Commission appoints ten citizens who reside within the city limits of Great Falls to a voluntary advisory board that reviews applications submitted for CDBG funding. This advisory board, the Community Development Council (CDC), recommends project funding to the City Commission under all categories of the CDBG funding except for administration. CDC members serve staggered three year terms with approximately three seats open each year. Lower income, minority, and disabled citizens or their representatives will be encouraged to apply for a position on the CDC. Advance notice of CDC openings will be undertaken. Information about CDC openings will be distributed through notifications on the City internet site, newspaper articles and display ads published in the Great Falls Tribune (the only local daily newspaper) at least three weeks before the CDC application is due to the City manager's office. Solicitation for members is made at the annual CDBG application workshop, as well as throughout the year by City staff.

Access to Meetings: The City will provide adequate, timely notification of meetings so all citizens can attend public hearings. This will include publishing at least two display advertisements not less than six days apart in the Great Falls Tribune, press releases, public service announcements, notifications on the City internet site and emailing directly to all individuals, agencies and government departments which have expressed an interest in or have received CDBG or HOME grant funds in previous years. Notices will be emailed a second time to all agencies serving minorities and individuals with disabilities requesting they encourage their clients to participate. The City will provide reasonable accommodations for persons with disabilities to all public hearings and meetings. Reasonable accommodations include but are not limited to holding meetings in handicapped accessible buildings and providing for language interpreters, when requested.

Access to Information: The City will provide citizens, public agencies and other interested parties with reasonable and timely access to information and records relating to the Consolidated Plan, Annual Action Plan and all of its components and the City's planned use of financial assistance received under the relevant federal programs during the upcoming year. The public will have the opportunity to receive information, review and submit comments on any proposed submission, including the Consolidated Plan adoption by the City Commissioners and any plan amendments. Information on the required 30 day comment period on any proposed submission, adoption of the

Consolidated Plan or Annual Action Plan submission and any plan amendments will be available. Information will also be available on the range of programs, the amount of assistance the City expects to receive, the amount of funds available and the estimated amount proposed to benefit low to moderate income residents. These groups will have access to the City's plans to minimize displacement of residents and businesses and assist those displaced because of these activities. The City will also provide citizens, public agencies and other interested parties with reasonable and timely access to information and records relating to all processes associated with the CAPER.

Information and public records will be available during regular business hours in the City Planning & Community Development Department. Special arrangements will be available to accommodate access to information for persons with disabilities.

The final version of the current Consolidated Plan and current Annual Action Plan will be available on the City website on an ongoing basis.

Technical Assistance: The City will provide appropriate technical assistance to all groups that request assistance in developing proposals for financial assistance under any of the programs covered by the Consolidated Plan. An annual application workshop will be held at least six weeks prior to the application deadline to provide applicants as a group with information on how to complete application forms.

Public Hearings: The City will hold two public hearings to obtain citizens opinions. The City program year begins July 1 and ends June 30. Public hearings will address and respond to proposals and comments on:

1. Housing and community development needs
2. Development of proposed activities
3. Review of proposed uses for funding
4. Review of program performance

The City will hold public hearings that are conveniently timed for people who are likely to benefit from program funds, accessible to people with disabilities and adequately publicized with sufficient information about the subject of the hearing to encourage informed comment. The public hearings will occur on a weekday evening in the Civic Center which is centrally located, easily accessible with adequate parking and handicap accessible.

Throughout the year, citizens may attend City Commission meetings and public hearings to provide input as to the distribution of federal funds into the City. There will be two public hearings conducted by the City Commission annually. The first public hearing will give citizens the opportunity to comment and provide input on the following:

- Any housing and non-housing community development needs they have identified
- How funding proposals may meet community development needs in Great Falls
- Performance of the City in administering and distributing federal funds
- Citizens may comment on the adoption of the Citizens Participation Plan every five years or any time the Citizen Participation Plan has substantial revisions or has been re-written. Prior to adopting the Citizen Participation Plan, the City will distribute the plan for review and comment for a 15 day period.

The second public hearing will offer the opportunity for the citizens to comment on the following:

- Adoption of the Consolidated Plan or Annual Action Plan
- Use of federal funds
- Performance of the administration and implementation of funded projects

Timely Response: The City will consider any comments or views of citizens, agencies, units of general local government or other interested parties concerning the Consolidated Plan or Annual Action Plan, any amendments to these plans and the CAPER. The Planning & Community Development Department will address any complaints with written responses to written complaints within 15 working days, where practical. Depending on the nature of the complaint, staff may refer the issue to the City Manager or the City Commission if the response from staff is unsatisfactory to the complainant. As appropriate, an attachment of summary of comments and responses to complaints to the final submission of the Consolidated Plan, Consolidated Plan amendments, Annual Action Plan and the CAPER will occur.

Non-English Speaking Residents: In the event that a significant number of non-English speaking residents can reasonably be expected to participate, the City will provide accommodations for non-English speaking residents at public hearings, if such accommodations are available.

Substantial Amendments: Substantial changes in the City's planned or actual activities will require an amendment to the Consolidated Plan or Annual Action Plan. The following criterion determines substantial change and governs Consolidated Plan or Annual Action Plan amendments:

1. If a new project that has not previously received funding is being created with unprogrammed funds or created from financial changes from other funded projects.
2. If there is a change in the project site location or the project affects an area, an amendment will be required if the project location changes to a different census tract.
3. If there is a change in project purpose or beneficiaries, such as a project

- eliminates or reduces by over 50% the proposed impact on the original beneficiaries, and/or if less than 51% of the beneficiaries are determined to have low to moderate incomes, an amendment will be required. The CDBG administrator will determine on a case-by-case basis if an amendment is required when the beneficiaries change from one targeted group to another.
4. If the project changes in scope of activity from the original proposal.
 5. If a project budget increases by twice the total allocation and the increase exceeds 10% of the City's total current CDBG allocation.

The City will advertise a notice in the Great Falls Tribune and have notifications on the City internet site and make available any amendments to the Consolidated Plan for citizen comment for a 30 day period.

Consolidated Annual Performance Evaluation Report: The Proposed CAPER will be available to all citizens for review and comment on the City internet site and at the Great Falls Public Library and the City Planning & Community Development Department for a 15 day comment period. Notice of availability of the report is accomplished through two display advertisements in the Great Falls Tribune appearing at least six days apart, notification on the City internet site and a direct email to all individuals on the CDBG distribution list . All comments received regarding the CAPER will be considered and a summary of all comments will be attached to the report. The final version of the current CAPER will be available on the City website on an ongoing basis.

SOLICITATION OF CITIZEN COMMENTS ON THE CITIZEN PARTICIPATION PLAN:

Prior to its adoption and approval by the City Commission, the City will publish two display advertisements not less than six days apart in the Great Falls Tribune and Consumer's Press (local free weekly publication). Notices of the Citizen Participation Plan and/or any amendments to this plan will be available for a 15 day comment period and will designate the sites where a citizen may obtain a copy of the plan. These sites will include the City internet site, the Great Falls Public Library and the City Planning & Community Development Department.

SOLICITATION OF CITIZEN COMMENTS IN PREPARING THE CONSOLIDATED PLAN OR THE ANNUAL ACTION PLAN:

1. The City will contact local affordable housing and public service agencies, the Great Falls Housing Authority and the Neighborhood Councils to obtain information and comments to make citizens aware of the Consolidated Plan or Annual Action Plan process.
2. The proposed Consolidated Plan or Annual Action Plan will be available to all citizens on the City internet site and at the Great Falls Public Library and the City Planning & Community Development Department. Citizens will be informed about the availability of the proposed Consolidated Plan or Annual Action Plan by

notifications on the City website, publishing display advertisements in the Great Falls Tribune and the Consumers Press and emailing notices to a wide variety of public service agencies. Notices will be emailed a second time to all agencies serving minorities and individuals with disabilities requesting they encourage their clients to participate. Notification will describe the availability of the plan and the 30 day period to receive public comment.

3. The City Commission will conduct two public hearings requesting input from citizens and representatives of low to moderate income level people as to the needs of the community, including but not limited to housing, community development, infrastructure, economic development and homeless assistance. A second public hearing will be conducted to receive citizen comments on the proposed Consolidated Plan or Annual Action Plan.

The City will provide a reasonable number of free copies of the Consolidated Plan or Annual action Plan to citizens and groups upon request.

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

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

11/13/12