



**Item:** CDBG and HOME Program Proposed Use of Funds and Public Hearing Date for HUD Required 2013/2014 Annual Action Plan

**From:** Mike Haynes, AICP, Director, Planning and Community Development

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

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

**Action Requested:** Accept proposed use of CDBG and HOME funds and Set Public Hearing for the 2013/2014 Annual Action Plan for April 16, 2013

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**Suggested Motion:**

1. Commissioner moves:

“I move to accept the proposed use of funds for the 2013/2014 Community Development Block Grant Program and HOME Program for inclusion in the Annual Action Plan and set the public hearing for April 16, 2013.”

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

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**Staff Recommendation:**

Staff recommends the City Commission (1) accept recommendations for funding the 2013/2014 Community Development Block Grant projects; (2) accept funding recommendations for the 2013/2014 HOME program projects; and, (3) set a public hearing date for the proposed Annual Action Plan on April 16, 2013.

**Background:**

CDBG and HOME programs are federal programs administered by the 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.

In order to receive HUD funding, a jurisdiction must submit a five year Consolidated Plan that is updated annually with an Action Plan containing the proposed use of Community Development Block Grant (CDBG) and HOME Program (HOME) funds. On May 4, 2010, the City

Commission approved the 2010-2015 HUD Consolidated Plan. The Annual Action Plan is developed taking into consideration community needs and funding priority percentages as set by the City Commission. Information regarding community needs is garnered from a HUD required annual Community Needs Hearing which was most recently held by the Commission on December 18, 2012.

#### Citizen Participation

The Proposed Annual Action Plan will be made available to the citizens of Great Falls for review and comment for a 30 day period from March 27, 2013 - April 25, 2013. The public hearing on April 16, 2013 is a forum to allow the citizens of Great Falls the opportunity to express their views on the proposed Action Plan and the proposed use of Federal CDBG and HOME Program dollars and on each program's policies and performance.

#### Workload Impacts

Administrative responsibilities will result from the acceptance and use of the CDBG and HOME funds.

#### Purpose

HUD requires that a public hearing be held regarding the proposed use of CDBG and HOME funds presented in the 2013/2014 Annual Action Plan for the upcoming funding year.

#### Evaluation and Selection Process

The 2013/2014 Annual Action Plan outlines the schedule for setting funding priorities, reviewing applications and approving funding recommendations. In order to receive 2013/2014 CDBG and HOME funds, the City Commission must officially adopt the Annual Action Plan and submit it to HUD by May 15, 2013.

Community Development Block Grant applications were received by Staff on or before January 18, 2013. The applications were reviewed by Staff for compliance with HUD regulations and City Commission adopted policies for the allocation of CDBG funds. If the applications passed these thresholds they were compiled and sent on to the Community Development Council (CDC) for scoring.

The Community Development Council (CDC) is a 10-member citizen advisory board appointed by the City Commission to review CDBG applications and to present funding recommendations to the City Commission. The CDC met on February 19 and 20 to hear oral presentations by the applicants. On February 26, 2013, the CDC formulated its public service funding allocation recommendations which are attached to this report. The CDC follows the City Commission funding allocation percentages approved at the Needs Public Hearing. It is important to note, this year the CDC only reviewed public service grant applications. The other allocation areas, public facility improvements and affordable housing, were not open for grant submittals. The change in policy was set by the City Commission after the Needs Public Hearing in January 2013, based on the reduction in Federal funding for the CDBG program. The funding allocation was based on an estimated CDBG allocation of \$660,056. Federal regulations limit the amount of CDBG funding that can be used for public service grants to 15% of the total grant amount. Based on this limitation, the CDC made recommendations on grant requests totaling \$99,000. If the CDBG allocation is more than the estimate, the CDC recommends that the additional funds

(estimated to be \$7,500) be granted to Rural Dynamics. This recommendation is shown on page 3 of the Proposed Use Exhibit.

The HOME Program project proposal was also received on January 18, 2013. The only request for HOME funds was from Neighborhood Housing Services, Inc. (NHS) for \$240,000. On January 15, 2013 the City Commission adopted Resolution 10007 authorizing submission of a State HOME grant application for funding to supplement Accessible Space, Inc., to support the construction of a 38 unit apartment complex at 1700 Division Road. Therefore, the Proposed Use of Funds list indicates that the request by NHS will only be funding if the Accessible Space project does not move forward. Staff anticipates the State HOME grant process will be complete by the time the City Commission will make final funding decisions on the HOME and the CDBG proposals at the May 7, 2013, City Commission meeting.

The schedule for 2013 is as follows:

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

### Conclusion

The public hearing provides the citizens of Great Falls an important opportunity to comment on the proposed HUD 2013/2014 Annual Action Plan including projects recommended for funding during the 2013/2014 program year.

**Concurrences:** Not applicable

**Fiscal Impact:** Conducting the Annual Action Plan public hearing is a pre-condition for the City receiving its annual allocation of HUD CDBG and HOME grant funds.

**Alternatives:** The hearing is a required for the City to be awarded 2013/2014 CDBG and HOME funding.

### **Attachments/Exhibits:**

CDBG and HOME Program Proposed Use of Funds  
 CDC Meeting Minutes (draft) of February 26, 2013

**2013/2014 USE OF FEDERAL GRANT FUNDS  
COMMUNITY DEVELOPMENT BLOCK GRANT**

***Affordable Housing***

	<u>Requested</u>	<u>Recommended</u>
<p><b>DOWNTOWN DEVELOPMENT PARTNERSHIP OF GREAT FALLS, INC.</b> Undertake feasibility studies for preservation and re-use of historic commercial buildings in the downtown area, including providing housing units in the upper floors, organization located at #15 5<sup>th</sup> Street North</p>	\$50,000	\$50,000
<p><b>GREAT FALLS CITY PLANNING &amp; COMMUNITY DEVELOPMENT- CODE ENFORCEMENT</b> Provide services to preserve and enhance public health and safety and reduce slums and blight by enforcing city codes related to maintenance of property and buildings</p>	\$31,652	\$31,652
<p><b>GREAT FALLS CITY PLANNING &amp; COMMUNITY DEVELOPMENT- REHABILITATION SPECIALIST</b> Provide rehab counseling, loan processing, inspections and construction monitoring for all CDBG-funded City revolving loan housing programs for low income people</p>	\$65,500	\$65,500
<p><b>NEIGHBORHOOD HOUSING SERVICES, INC.</b> Revolving loan fund to provide down payment assistance, new construction/purchase and rehabilitation of houses and other activities addressing neighborhood revitalization activities in their CBDO-designated neighborhoods; will also provide 17% of funds received to Habitat for Humanity for purchase of a lot, address to be determined</p>	\$120,000	\$75,000

***Public Facility Improvements***

<p><b>GREAT FALLS CITY PARK &amp; RECREATION – COMMUNITY RECREATION CENTER</b> Purchase and install mobility platform lift and construct handicap accessible restroom on second floor of community recreation center located at 801 2<sup>nd</sup> Avenue North</p>	\$60,000	\$60,000
<p><b>GREAT FALLS CITY PARK &amp; RECREATION – VERDE PARK</b> Purchase and install handicap accessible play structure and play area border at Verde Park located at Upper River Road between 16<sup>th</sup> and 19<sup>th</sup> Avenue South</p>	\$37,500	\$37,500

	<u>Requested</u>	<u>Recommended</u>
<p><b>GREAT FALLS CITY PUBLIC WORKS – 4<sup>th</sup> AVENUE NORTH</b>  Reconstruct 4<sup>th</sup> Avenue North from 8<sup>th</sup> Street to 10<sup>th</sup> Street, including replacement of asphalt, curb and gutter, sidewalks and installing handicap ramps</p>	\$150,000	\$150,000
<p><b>GREAT FALLS CITY PUBLIC WORKS – SIDEWALK REPLACEMENT</b>  Grant program to provide assistance to low income homeowners to remove and replace hazardous sidewalks in portions of Census Tract 4 and 5 (boundaries of 8<sup>th</sup> Avenue North to 2<sup>nd</sup> Avenue South and Park Drive to 15<sup>th</sup> Street) and other areas at request of low income homeowners</p>	\$30,000	\$30,000
<b><i>Public Service Activities</i></b>		
<p><b>ALLIANCE FOR YOUTH, INC.</b>  Provide substance abuse treatment services to non-violent felony offenders with a substance abuse or dependency diagnosis as part of adult drug treatment program administered by Alliance for Youth, agency located at 5305 3<sup>rd</sup> Avenue South</p>	\$50,000	\$12,500
<p><b>AREA VIII AGENCY ON AGING</b>  Purchase food for Meals on Wheels, a citywide home delivery meal program for low/moderate income elderly who are handicapped or unable to prepare meals</p>	\$25,000	\$25,000
<p><b>BOYS &amp; GIRLS CLUB OF CASCADE COUNTY</b>  Provide scholarships for summer day camps for children from low income families, programs located at Great Falls Housing Authority (1722 Chowen Springs Loop) and Boys &amp; Girls Club (600 1<sup>st</sup> Avenue Southwest)</p>	\$30,000	\$25,000
<p><b>CHILDREN’S MUSEUM OF MONTANA</b>  Provide scholarships for children from low income families to participate in play-to-learn exhibits at children’s museum located at 22 Railroad Square</p>	\$5,000	\$5,000
<p><b>FAMILY CONNECTIONS</b>  (aka Child Care Solutions Montana)  Provide child care scholarships for children from low income families, agency located at 202 2<sup>nd</sup> Avenue South</p>	\$15,200	\$0

	<u>Requested</u>	<u>Recommended</u>
<p><b>GREAT FALLS CITY PARK &amp; RECREATION— MORONY NATATORIUM &amp; COMMUNITY RECREATION CENTER</b>            Provide scholarships for disabled adults to participate in special needs water activities at community indoor pool facility located at 111 12<sup>th</sup> Street North; provide scholarships for children from low income families for after school and summer camp programs at community center located at 801 2<sup>nd</sup> Avenue North</p>	\$7,500	\$7,500
<p><b>GREAT FALLS CITY PARK &amp; RECREATION—EAGLE FALLS PARAMOBILE</b>            Purchase paramobile adaptive golf cart to be used at Eagle Falls community golf course located at 1025 25<sup>th</sup> Street North  <b>Application withdrawn by agency as unable to secure matching grant as planned</b></p>	\$10,000	\$0
<p><b>GREAT FALLS SENIOR CITIZENS CENTER</b>            Purchase food for on-site meal program for the elderly administered in elderly facility located at 1004 Central Avenue</p>	\$10,000	\$0
<p><b>QUALITY LIFE CONCEPTS, INC.</b>            Purchase and install ceiling tracking system, lift and slings to provide mobility assistance to bathrooms in group home for develop-mentally disabled adults located at 3233 5<sup>th</sup> Avenue South  <b>Fund lift, slings and bathroom track</b></p>	\$11,349	\$7,500
<p><b>RURAL DYNAMICS, INC.</b>            Provide scholarships for case management services through a family financial stability program; provide scholarships for family memberships for Prosperity Club for low to moderate income people, agency located at 2022 Central Avenue  <b>Fund only if total funding for Public Services exceeds \$99,000</b></p>	\$27,000	\$7,500*
<p><b>SUNBURST UNLIMITED, INC.</b>            Purchase gardening tools, equipment and materials to develop programs to raise food for community food bank and teach low income people how to grow and prepare their own food, programs located at 410 16<sup>th</sup> Street Southwest and 1801 Benefis Court  <b>Fund purchase of gardening tools</b></p>	\$14,658	\$5,000
<p><b>YOUNG PARENTS EDUCATION CENTER</b>            Provide day care scholarships and emergency housing scholarships for very low to low income teen or young adult parents completing high school or GED programs, programs located at alternative high school at 2400 Central Avenue</p>	\$25,000	\$12,000

## ***Administration***

	<u>Requested</u>	<u>Recommended</u>
<b>CDBG PROGRAM ADMINISTRATION</b>	\$132,011	\$132,011
General oversight, promotion, financial accountability, monitoring, reporting, and coordination of the CDBG program including activities to further fair housing and the Continuum of Care for Homelessness		
<b>TOTAL 2013/2014 CDBG FUNDING REQUESTED</b>	<b>\$907,370</b>	
<b>TOTAL 2013/2014 CDBG FUNDING RECOMMENDATION</b>		<b>\$731,163</b>
<b>TOTAL ANTICIPATED 2013/2014 CDBG GRANT</b>		<b>\$660,056</b>
<b>TOTAL CDBG FUNDING AVAILABLE FROM PREVIOUS YEARS</b>		<b>\$75,000</b>
<b>TOTAL AVAILABLE CDBG GRANT FUNDS</b>		<b>\$735,056</b>

\* Amount not included in total funding recommendations as will be funded only if Public Service funding exceeds \$99,000

**2013/2014 USE OF FEDERAL GRANT FUNDS  
HOME INVESTMENT PARTNERSHIP PROGRAM**

	<u>Requested</u>	<u>Recommended</u>
<b>ACCESSIBLE SPACE, INC.</b>		
New construction of a 38 unit apartment complex to provide accessible, affordable rental housing for low income and frail elderly to be located at 1700 Division Road <b>For review only, project previously funded</b>		
<b>NEIGHBORHOOD HOUSING SERVICES, INC.</b>	\$240,000	\$0
Owners in Partnership XXI—construct and rehabilitate single family houses and provide down payment and closing cost assistance for low income home buyers on citywide basis <b>To be considered only if ASI project not undertaken</b>		
<b>HOME PROGRAM ADMINISTRATION</b>	\$23,040	\$23,040
General oversight, management, promotion, financial accountability, monitoring and coordination of the HOME program		
<b>TOTAL 2013/2014 HOME FUNDING REQUESTED</b>	<b>\$263,040</b>	
<b>TOTAL HOME FUNDING RECOMMENDATION</b>		<b>\$23,040</b>
<b>TOTAL ANTICIPATED 2013/2014 HOME GRANT</b>		<b>\$230,000</b>
<b>TOTAL HOME FUNDING NEEDED TO FUND PREVIOUS YEAR ALLOCATIONS</b>		<b>\$202,000</b>
<b>TOTAL AVAILABLE HOME FUNDS</b>		<b>\$28,000</b>





## Community Development Council (CDC)

### Meeting Minutes

February 26, 2013

Great Falls Civic Center, Gibson Room

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Susan McCord called the meeting to order at 5:30 p.m. and took roll call.

Roll Call	
Community Development Council Members:	
<input checked="" type="checkbox"/>	Scott Anderson
<input checked="" type="checkbox"/>	Jolene Bach
<input checked="" type="checkbox"/>	Joshua Campbell
<input checked="" type="checkbox"/>	Keith Cron
<input checked="" type="checkbox"/>	Dave Fink
<input checked="" type="checkbox"/>	Anita Fisher
<input checked="" type="checkbox"/>	Carrie Kopyy
<input checked="" type="checkbox"/>	Susan McCord
<input checked="" type="checkbox"/>	Dave Sutinen
<input checked="" type="checkbox"/>	Sandie Wright

#### Others Present:

Chris Imhoff, City of Great Falls (City) Planning & Community Development Department, CDBG/HOME grant administrator

Melanie Lattin, City Planning & Community Development department, grant assistant

Mike Haynes, City Planning & Community Development Department, director

#### A. Approval of Previous Meeting Minutes

Minutes from the February 20, 2013, CDC meeting were unanimously approved as written on a motion made by Scott Anderson and seconded by Joshua Campbell.

#### B. Public Comment (agenda items)

No members of the public were present.

#### C. CDC Discussion Regarding CDBG Public Service Allocation Recommendations

Chris Imhoff explained Congress will likely pass a Continuing Resolution for Fiscal Year 2013 federal funding with a 5% across the board decrease due to "sequestration." This scenario would result in the highest level of funding possible for 2013/2014 public service projects to be \$107,000. The City anticipates the most likely amount to be received will be \$99,000; however, the CDC will determine funding recommendations which include the additional \$8,000 in case it is received.

Initially, while discussing the two highest ranking projects, CDC members started to formally vote on the funding amount; however, after a brief discussion the members agreed they would discuss each application, determine funding amounts for each, and then vote on the funding recommendations once all had been determined.

Children's Museum – The CDC unanimously agreed to fully fund at \$5,000.

Area VIII Agency on Aging – The CDC unanimously agreed to fully fund at \$25,000.

Boys & Girls Club – It was noted the agency serves a large number of children from low/moderate income families and also serves at-risk children. The CDC unanimously agreed to fund at \$20,000.

Sunburst Unlimited – Questions were raised about whether the organization could get some of the tools, equipment and materials through donations or other funding resources. The CDC agreed to tentatively fund at \$10,000.

City Park & Recreation Department-CRC & Morony Natatorium – It was noted it was difficult to tell how many people would be served from the application. The CDC agreed to tentatively fully fund at \$7,500.

Young Parents Education Center – This application was viewed as having a low cost benefit and not demonstrating a need for funding as other funding sources are available. The CDC agreed to fund at \$12,000.

Rural Dynamics – It was noted the total amount requested is \$27,000 rather than the \$23,700 listed on one section of the first page of the application. Lengthy discussion ensued about what services would actually be provided because of an inconsistency between what was written in the application and information provided at the presentation. The source of the outcome statistics was also questioned. The CDC agreed to table the discussion at that point, not fund at any level and return to it later.

Alliance for Youth – It was noted it was hard to determine the cost benefit ratio as the agency cannot quantify how much it costs to serve each person because individuals require different types of services for different lengths of time. The CDC agreed to fund at \$12,500.

Quality Life Concepts – Lengthy discussion included whether the tracking system is a luxury or a necessity and how many people would benefit from the project. Dave Sutinen who also works at Quality Life did not join in the discussion but was questioned whether the project could be done if it were not fully funded. Dave responded the agency could find other money and prioritized funding the portable lift and slings. The CDC agreed to fund at \$7,500 and fund the lift, slings and bathroom tracking only.

Family Connections – The CDC agreed to not fund at any level because of its low ranking.

Senior Citizens Center - The CDC agreed to not fund at any level because of its low ranking.

After discussing each application from highest ranking to lowest ranking and determining initial funding levels, the CDC further discussed Alliance for Youth,

Sunburst Unlimited and Rural Dynamics applications. The CDC agreed to keep the funding for Alliance for Youth at \$12,500. Ultimately, the CDC saw the need for Boys & Girls services as more pressing than the Sunburst Unlimited project and agreed to increase the funding for Boys & Girls Club to \$25,000 and fund Sunburst Unlimited at \$5,000 for tools only. The CDC also agreed to fund Rural Dynamics at \$7,500, with the provision that if the funding for public services is \$99,000 rather than \$107,000, the \$7,500 would not be given to Rural Dynamics.

Chris Imhoff indicated the CDC would be reconvened if the final funding amount was less than \$99,000. Keith Cron volunteered to arrange a conference call to hold a meeting to approve the minutes from this meeting once they have been written.

Anita Fisher made a motion to recommend funding for all projects as discussed and as listed below. Scott Anderson seconded the motion and it was carried unanimously.

Children's Museum of Montana	\$5,000
Area VIII Agency on Aging	\$25,000
Boys & Girls Club	\$25,000
Sunburst Unlimited	\$5,000 (tools only)
City P&R CRC & Morony	\$7,500
Young Parents Education Center	\$12,000
Alliance for Youth	\$12,500
Quality Life Concepts	\$7,500 (portable lift, slings, bathroom tracking)
Rural Dynamics	\$7,500 (if PS funding level more than \$99,000)
Family Connections	\$0
Senior Citizens Center	\$0

**D. Public Comment** (any public matter not on agenda but within agency jurisdiction)

No members of the public were present.

**E. Adjournment**

The meeting was adjourned at 6:45 p.m.

Minutes Approved: