



CITY OF BILLINGS

Annual Action Plan

DRAFT

FY2018-2019

Community Development Division
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Billings, Montana 59101
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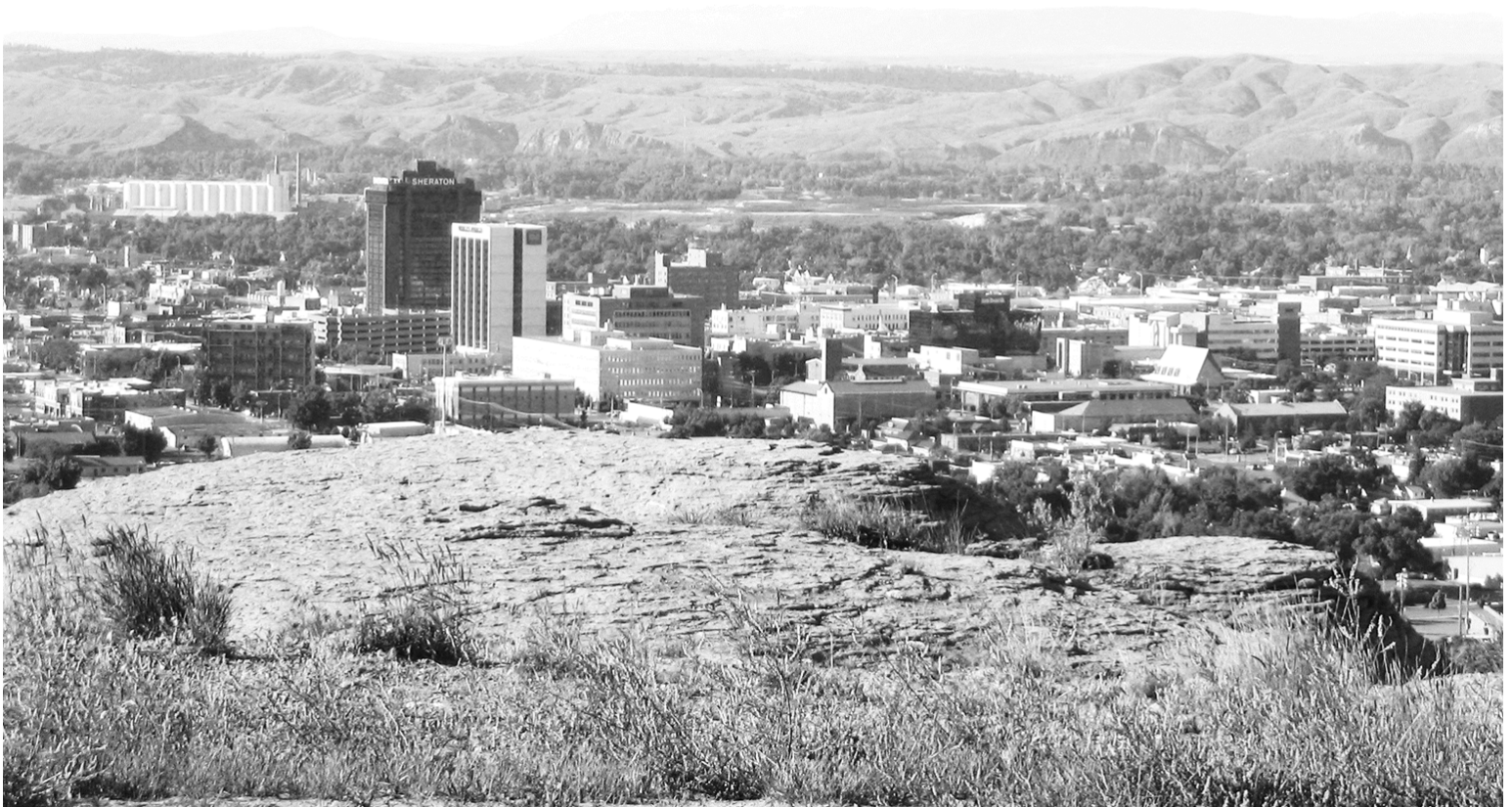


Table of Contents

Section I: Executive Summary	3
AP-05: Executive Summary.....	3
Section II: The Process	13
PR-05: Lead & Responsible Agencies.....	13
AP-10: Consultation.....	13
AP-12: Participation.....	20
Section III: Annual Action Plan	22
AP-15: Expected Resources	22
AP-20: Annual Goals and Objectives	24
AP-35: Projects	25
AP-38: Project Summary.....	27
AP-50: Geographic Distribution.....	28
AP-55: Affordable Housing	29
AP-60: Public Housing.....	30
AP-65: Homeless and Other Special Needs Activities.....	32
AP-75: Barriers to Affordable Housing	36
AP-85: Other Actions	38
AP-90: Program Specific Requirements.....	41
Section IV: Appendix	44
<i>A. CDBG Application for Federal Assistance (SF-424)</i>	44
<i>B. HOME Application for Federal Assistance (SF-424)</i>	47
<i>C. Local Government Certifications</i>	50
<i>D. Citizen Participation Plan</i>	53
<i>E. Public Notices</i>	58
<i>F. Public Comments</i>	60

Section I: Executive Summary

Introduction

Five-year Consolidated Plans and one-year action plans are required by the United States Department of Housing and Urban Development (HUD) for the City of Billings to receive funding through the Community Development Block Grant (CDBG) and HOME Investment Partnerships programs (HOME). The City's five-year Consolidated Plan for FY2015-2019 identifies activities to be carried out from July 1, 2015 through June 30, 2020 to address priority needs in the community and serves as a guiding document for the use of the City's CDBG and HOME funding.

This one-year Annual Action Plan addresses priority needs and outlines the use of the City's CDBG and HOME funding for activities to be carried out from July 1, 2018 to June 30, 2019. Plans should be submitted to HUD 45 days prior to the start of the City's year start date; July 1.

Focused on CDBG and HOME activities, the Consolidated and Annual Action Plans combine the planning and application requirements for the CDBG and HOME programs. Consolidation of the submission requirements for the CDBG and HOME programs allows program planning and citizen participation to take place in a comprehensive context covering both programs. The CDBG and HOME programs covered by the Consolidated Plan have three basic goals:

- **To provide decent housing**, including: maintaining the affordable housing stock in the community; increasing the availability of permanent housing that is affordable to low income households without discrimination; increasing support of housing which enables persons with special needs to live independently; and assisting homeless persons to obtain affordable housing.
- **To provide a suitable living environment**, which includes: improving the safety and livability of neighborhoods; increasing access to quality facilities and services; reducing the isolation of low income households within areas by de-concentrating housing opportunities and revitalizing deteriorating neighborhoods; restoring and preserving natural and physical features of special value for historic, architectural, or aesthetic reasons; and conserving energy resources.
- **To expand economic opportunities**, including: creating jobs accessible to low income individuals; providing access to credit for community development activities which promote long-term economic and social viability; and empowering low income persons living in public and federally assisted housing to achieve self-sufficiency.

All activities undertaken by the City utilizing CDBG and HOME funding must primarily benefit low income persons. The strategies described in the Consolidated and Annual Action Plans outline a specific course of action for the community's housing and community development activities. The plan builds on local assets to meet the needs of the community and sets forth goals, objectives, and performance measures to ensure progress in achieving the strategies described herein.

The purpose of the Consolidated Plan is to identify the housing and community development needs of low income households in Billings and develop strategies for addressing those needs in a comprehensive, coordinated fashion utilizing available federal and nonfederal resources. The City must also report on the performance of activities funded via the Comprehensive Annual Performance Evaluation Report (CAPER) in September of each year. All of the City's documents can be found online at www.CityofBillings.net/CDreports.

The FY2015-2019 Consolidated Plan was developed following a process which integrated priorities identified via Needs Assessment, Market Analysis and the most current Analysis of Impediments to Fair Housing Choice. The development process also included input from neighborhood groups and a public hearing on housing and community development needs, relative to findings from all three research sources.

The FY2018-2019 Annual Action Plan was open for public comment extending from March 24 to April 23, 2018. A public hearing was held on April 23, 2018 during the Billings City Council meeting to accept public comments on the Annual Action Plan and to take action on proposed Community Development Board recommendations for funding allocation. The plan was approved by the Billings City Council on April 23, 2018.

Fair Housing / Equal Opportunity Planning: Historically, the five year cycle utilized for the Billings Analysis of Impediments to Fair Housing Choice has not coincided with the City's five year Consolidated Planning cycle. This schedule was implemented primarily due to the expense of conducting both fair housing and housing needs / market analyses in the same fiscal year. While HUD has recommended regional collaboration to affirmatively further fair housing and equal opportunity, the City's fair housing analyses have been limited to the City of Billings limits.

Therefore, the City of Billings is proposing to reconcile the timing of the fair housing assessment process with the City's five year Consolidated Plan cycle in order to heighten conformity to HUD's recommendations. Further, the City is committed to regional planning efforts along with other entitlement communities and the State of Montana.

In early 2017, the City of Billings started collaborating with entities across Montana to construct a regional 2020 fair housing analysis utilizing data and formatting recently made available through HUD's [Assessment of Fair Housing](#) initiative. This collaboration includes partnerships with the State of Montana's Department of Commerce (MDOC), the City of Missoula, and the City of Great Falls. Seven full-year AmeriCorps Volunteers in Service to America (VISTA) members have been placed to assist with this fair housing / equal opportunity initiative:

- **Montana Department of Commerce, Helena:** One member began in July 2017 and one additional member began in January 2018.
- **City of Billings:** One member began service in August 2017 in the Community Development Division. Two members began service in the Planning Division in January 2018.
- **Cities of Great Falls and Missoula:** One VISTA member was placed in each of these jurisdictions in January 2018.

In order to bridge the gap between the City's most recent fair housing study and the 2020 regional fair housing analysis, the City will continue to utilize language contained in the Analysis of Impediments to Fair Housing Choice for Annual Action Plan purposes.

Summary of the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

Key Findings of the 2015 Needs Assessment: The City of Billings has been experiencing a rapid increase in population over the past several years. Historically, the City's population grew at a 1.5% annual rate and over the past several years, the population has grown by two percent each year.

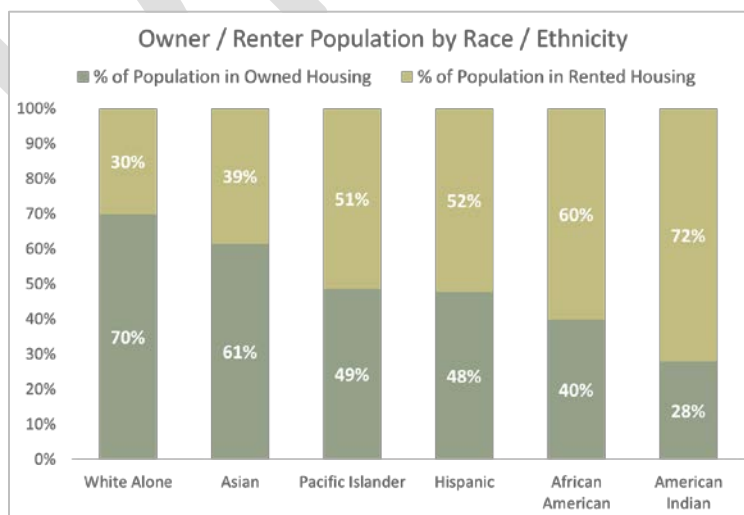
The two largest low income groups in the City are:

- Small family households (two to four members) with incomes from zero to 80% of the Area Median Income (AMI). For reference, the 2015 HOME income limits (the year the Assessment was completed) for a two person household at 80% AMI was \$41,100 and for a four person household the limit was \$51,350.
- Households with members aged at least 75 years with incomes from 30% to 80% AMI.

The most severe housing problem the City's residents experience is paying over 30% of their household income for housing expenses. This is a particularly acute issue for extremely low income households who are either small family or elderly households. Millennials and the elderly account for at least 40% of the City's population and these groups are also the fastest growing populations in Billings.

The need for the development of smaller rentals has reached critical levels; over 1,200 households are waiting for one-bedroom housing units, as per the Housing Authority of Billings (2015). Low vacancy rates and the higher costs of housing have created a tight rental market, particularly for those seeking housing with the assistance of a voucher. Over half of voucher holders in Billings have not been able to secure housing, either due to high rent costs or poor unit conditions.

The City's Analysis of Impediments to Fair Housing Choice identified the beginnings of segregated neighborhoods and lending discrimination for Hispanic Americans in Billings. There appears to be a dual housing market; one for Whites and Asians and one for American Indians, Hispanics and African Americans. Differences between actual and expected racial / ethnic census tract composition are likely due to housing discrimination. The probability of a dual, discriminative market exacerbates access to local housing, particularly for minorities and special populations. The percentage of Whites who own homes is also significantly higher than that of minorities. Most minority households are renters.



2010 Census - Chart not uploaded into IDIS

The needs of special populations and those experiencing poverty continue to be a concern, including great needs relative to food security, healthcare, and the capacity of nonprofit organizations to provide resources to meet the needs of special populations. Homelessness is also on the rise; from 600 average people participating in an annual count survey (from 2005 to 2008) to 711 respondents on average from 2006 to 2014. The number of families experiencing homelessness has also increased; from an average of 80 families to 122 families.

As a result of findings discovered in the Needs Assessment and Market Analysis contained in the Consolidated Plan, priority needs for the Billings community are as follows:

- Affordable Housing Preservation
- New Affordable Housing Opportunity
- Housing Choice
- Poverty Impact

Strategies and Objectives (*IDIS text box*): The City's Consolidated Plan priorities have been distilled into the following strategies and objectives to meet priority needs:

- A: Preserve existing affordable housing supply, particularly in older neighborhoods, to support the stability of the current affordable housing stock.
 - A1: Provide direct, affordable financing and assistance to low income homeowners for the completion of needed repairs citywide.
 - A2: Revitalize low income neighborhoods through foreclosure remediation, redevelopment and infill development.
- B: Create affordable housing opportunities to further improve access to, and quality of, affordable housing stock.
 - B1: Provide affordable financing and support to promote homeownership opportunities citywide.
 - B2: Provide homebuyer education to all households utilizing acquisition programs.
 - B3: Encourage the citywide development of new affordable single-family, multi-family and special needs housing in the community through private developers and nonprofit organizations.
- C: Expand housing choice options for existing and potential new residents to foster stable, socio-economically diverse neighborhoods citywide.
 - C1: Ensure equal opportunity and housing choice with all programs and activities citywide.
 - C2: Ensure core programs are implemented citywide to promote desegregation and inclusive neighborhoods.
- D: Support housing and community development specific to lower income and special needs households through poverty-impact initiatives.
 - D1: Encourage collaboration to better address needs and to respond to opportunities for special needs populations.

HUD Objectives and Outcomes

Added text box in IDIS

HUD has developed specific performance measurements for each activity undertaken utilizing CDBG and / or HOME funding. The City's application process for funding through these programs includes identification of HUD objectives and outcomes to ensure compliance with activity requirements.

HUD PERFORMANCE MEASUREMENTS	
Objectives	Outcomes
Suitable Living Environment	Availability or Accessibility
Decent Housing	Affordability
Economic Opportunities	Sustainability

Chart not uploaded into IDIS

HUD Objectives

- **Suitable Living Environment:** Activity benefits communities, families, or individuals by addressing issues in their living environment.
- **Decent Housing:** Housing activity that meets individual or community needs. This objective should not be used for activities where housing is an element of a larger effort.
- **Economic Opportunities:** Activity relates to economic development, commercial revitalization, and job creation.

HUD Outcomes

- **Availability / Accessibility:** Activity makes services, infrastructure, or shelter available and accessible. Please note: accessibility does not refer only to physical barriers.
- **Affordability:** Activity provides affordability in a variety of ways including: creation / maintenance of affordable housing; infrastructure hookups; services such as transportation / daycare.
- **Sustainability:** Activity provides livable / viable communities / neighborhoods by providing services or by removing slums / blight.

The chart on the following page illustrates the relationship between identified strategies, objectives, planned programs / activities, outcomes and funding sources. The City's Consolidated Plan noted projects, performance goals and allocations are managed on a close- and shovel-ready basis in order to facilitate rapid funding usage for high-demand programs.

Staff is proposing the following change to a FY2015-2019 Consolidated Planning Goal.

- **Preserving Affordable Housing Supply:** Lower the five year goal from 25 to 20.

CONSOLIDATED AND ANNUAL ACTION PLAN GOALS

Strategy	Objective	Activity	Outcome Type	Five Year Goal	One Year Goal	HUD Objective	HUD Outcome	Funding Source**
A: Preserve existing affordable housing supply, particularly in older neighborhoods, to support the stability of the current affordable housing stock.	A1: Provide direct, affordable financing and assistance to low income homeowners for the completion of needed repairs citywide.	Housing Rehabilitation	Housing Units	25* / 20 [□]	4	Suitable Living Environment	Affordability	CDBG
		Manufactured Home Repair		1*	0			CDBG NSP
	A2: Revitalize low income neighborhoods through foreclosure remediation, redevelopment and infill development.	Foreclosure Acquisition / Rehabilitation		5	1			CDBG HOME
		Affordable Housing Development		4* Homeowner Units ⁺	0			CDBG HOME
B: Create affordable housing opportunities to further improve access to and the quality of affordable housing stock.	B1: Provide affordable financing and support to promote homeownership opportunities citywide.	First Time Homebuyer	Housing Units	175	20	Decent Housing	Affordability	CDBG HOME
	B2: Provide homebuyer education to all households utilizing acquisition programs.		Households	175	20			
	B3: Encourage the citywide development of new affordable single-family, multi-family and special needs housing in the community through private developers and nonprofit organizations.	Affordable Housing Development Program	Housing Units	See Above				
C: Expand housing choice options for existing and potential new residents to foster stable, socio-economically diverse neighborhoods citywide.	C1: Ensure equal opportunity and housing choice with all programs and activities citywide.	All Programs	-	-	Suitable Living Environment	Availability / Accessibility	Admin	
		Billings Home Center	Clients	-				-
	C2: Ensure core programs are implemented citywide to promote desegregation and inclusive neighborhoods.	All Programs	-	-				
D: Support housing and community development specific to lower income and special needs households through poverty-impact initiatives.	D1: Encourage collaboration to better address needs and to respond to opportunities for special needs populations.	Billings Metro VISTA Project	Clients	1,000 / 2,000 ⁺	200	Suitable Living Environment	Affordability	CDBG CNCS
		Billings Home Center	Clients	-	-		Availability / Accessibility	Admin
<p style="font-size: small; color: green;">*Five Year Goals Updated during FY16-17 Annual Action Plan ⁺FY17-18 Update [□]FY18-19 Proposed Change <i>Projects in blue not included in IDIS as no funding attached to activity</i></p> <p style="font-size: x-small; color: gray;">**Community Development Block Grant (CDBG) Neighborhood Stabilization Program (NSP) HOME Investment Partnerships Program (HOME) CDBG or HOME Administration (Admin) AmeriCorps Volunteers in Service to America (VISTA) Corporation for National and Community Service (CNCS) Uploaded JPEG in IDIS</p>								

Evaluation of past performance

An evaluation of past performance that help the City choose goals or projects.

The City of Billings has been receiving CDBG funds since the 1970s and began receiving HOME funds in the mid-1990s. Performance on past goals and projects has been adequate, given declining federal resources. In 2001, the City received over \$1.4 million in new CDBG and HOME allocations. In FY2018-2019, the City's allocation is estimated at \$875,000. This represents a nearly 40% decline in entitlement resources.

As a result, City staff have consolidated smaller programs focused on meeting priority needs, including affordable housing preservation and the provision of new housing opportunities. In 2012, stakeholders recommended prioritizing loan programs to maximize sustainability of community development programs in order to continue funding programs in the future. The City Council set loan-making as a policy the same year. Historically low funding levels have greatly reduced the number of funding opportunities available to local nonprofit organizations and many Community Development programs have also been discontinued.

All of the City's proposed programs, funding allocations and goals for the Consolidated Plan and Annual Action Plan are managed on a close- and shovel-ready basis in order to facilitate rapid funding usage for high-demand programs. Therefore, funding allocated and goals set may fluctuate by year's end.

Activity	Performance Analysis & Recommendations
Housing Rehabilitation	<p>The City was only able to assist six households in FY15-16 and scaled back performance goals due to demand. In FY16-17, City staff greatly increased marketing efforts to seek applicants and new contractors. Although the number of applications significantly increased, only two households closed on loans in FY16-17. Thus far in FY17-18, two households have closed on loans and several additional households are near closing.</p> <p>Staff recommends lowering the one year goal to four for FY18-19. Continued low usage also necessitates a decrease in the City's five year goal from 25 to 20.</p> <p>Contractor responsiveness and availability are current issues: registration with www.sam.gov continues to be difficult; and Billings currently has a very low unemployment rate, creating a competitive employment market.</p>
Manufactured Home Repair	<p>The City only several applicants over the past two years. While the activity has not had have a funding allocations, previous year's funding was set-aside for use in the program.</p> <p>Recent changes to the program from grant to loan status, requiring equity in the homes prior to securing liens and owner reluctance to agree to a secondary lien are contributing factors.</p> <p>The program has also been ranked as a lower priority through the City's public outreach and priority surveying efforts. This program may be discontinued in the future.</p>
Foreclosure Acquisition / Rehabilitation	<p>No changes recommended to this program or performance goal. The City has purchased nine homes and is in the process of purchasing a tenth home at the time of draft publication in February 2018.</p> <p>Eight total properties have been purchased and sold since 2012 and one additional home is pending sale at the time of draft publication in February 2018.</p>
Affordable Housing Development	<p>In FY15-16, the City received one project proposal for a twin home that was completed during the summer of 2017. The City also received another proposal for a second twin home in January 2017 for the FY17-18 funding cycle. Construction on this project is slated to begin in March 2018.</p> <p>Staff recommends setting a goal for zero units for the FY18-19 Action Plan, as the actual date of Certificate of Occupancy issuance may occur in FY19-20.</p>
First Time Home Buyer	<p>No changes recommended to this program. The City anticipates assisting 20 households this fiscal year given funding allocations. This goal has been reduced primarily due to former and projected recaptured funds receipts.</p>
Billings Home Center	<p>No changes recommended to this program or performance goal. It cannot be entered into IDIS as there is no CDBG or HOME funding allocated to the activity.</p>
Billings Metro VISTA Project	<p>In FY15-16, the City was able to assist 1,156 low income individuals through the Billings Metro VISTA Project, greatly exceeding the five year goal set at 1,000. Therefore, City staff increased five year goal to 2,000 as per HUD staff recommendation. The FY18-19 goal will be set to 200.</p>

Summary from citizen participation section of plan.

A number of organizations in the community are involved in affordable housing and community development-related activities in Billings and are asked to comment on the Consolidated and Annual Action Plans. The continued cooperation of these organizations in pursuing affordable housing for the community is required to meet the Consolidated and Annual Action Plan goals. Consultations include review of the plan with public and private agencies that provide health care, social services and fair housing education. Populations targeted for consultation include agencies that provide services for children, single-headed households, the elderly, the disabled, minorities, persons with HIV / AIDS and their families, and homeless individuals and families.

The Consolidated and Annual Action Plan is distributed widely during the public comment period and interested persons can attend a number of staff-facilitated, regularly scheduled meetings to find out more about Community Development initiatives. Routine meetings are facilitated through staff for the Community Development Board and the Adjacent Neighborhood Committee, which is comprised of Neighborhood Task Force officers, several of which represent low income and high minority concentration areas. Additional information regarding these groups can be found throughout the Consolidated and Annual Action Plan.

The City of Billings has adopted a *Citizen Participation Plan* which is implemented during Consolidated Plan processes in order to ensure active participation by residents and affiliate organizations. The City has also adopted a *Language Assistance Plan* to ensure meaningful access to program information and equal opportunity for persons with hearing impairment and limited English proficiency. Both plans can be found online at www.CityofBillings.net/CDreports.

The City's Citizen Participation Plan is designed to ensure citizen involvement in the planning and reporting of programs covered under the HUD Consolidated and Annual Action Plan requirements. The purpose of the Citizen Participation Plan is to ensure that citizens, nonprofit organizations, and other interested parties are afforded adequate opportunity to review and comment on plans, programs, activities and reports regarding the City's housing and community development programs.

The primary objectives of the City's Consolidated, Annual Action and Citizen Participation Plans are to:

- Encourage citizen participation in the development of the Consolidated / Annual Action Plan and the CAPER with emphasis on participation from individuals and households identified as low to moderate income, residents of blighted areas, minorities, those with limited English proficiency, the disabled, single-headed households and those residing in areas where funding will be utilized.
- Provide citizens with reasonable and timely access to meetings, information and records relating to the City's plan for utilizing funding in addition to allowing reasonable opportunity to comment on the Consolidated / Annual Action Plan, the Citizen Participation Plan and the CAPER.
- Finalize consultation with the Housing Authority of Billings on the development and implementation of the Consolidated Plan through the Annual Action Plan, which includes input from residents of public and assisted housing.
- Provide public hearings to obtain citizen views and to respond to proposals and questions at all stages of the process. All hearings and meetings shall be provided in areas where accommodations for the disabled can be provided.

Public Hearings (*IDIS additional text box*): The City holds two public hearings each year regarding housing and community development activities. The first public hearing is held by the City Council in April to provide nonprofit agencies, organizations, and individuals with an opportunity to provide input on the Consolidated / Annual Action Plan and the allocation of CDBG and HOME funds in the community.

The second public hearing is held by the City Council in September to gather public input on the City's performance and progress in meeting the strategies included in the City's five-year Consolidated Plan and Annual Action Plan for the previous fiscal year ending on June 30. Each public hearing is accessible to disabled individuals, publicized as required by State law and allow for accommodation of individuals with hearing, visual, or mobility impairments.

Report / Plan Availability: The availability of the reports and plans required under the Consolidated Plan are published in the local newspaper with complete copies available on the internet at www.CityofBillings.net/CDreports and hard copies are available at the City's Community Development Division office. The public notice describes the contents and purpose of each document including the location at which documents can be examined. A summary of the plan development process and public comments received during this process will be included in final version of the Consolidated Plan, Annual Action Plans, and CAPER submitted to HUD.

Public Comments: The City must provide opportunities for public comment at least 30 days prior to Consolidated / Annual Action Plan submission, as required by HUD. City staff considers all written comments by citizens, public agencies and other interested parties prior to submission of its final Consolidated Plan and related reports to HUD and includes a summary of each comment to the final submission. If written comments are not accepted for inclusion in the Plan, the City will provide written explanation of why those comments were not accepted.

Criteria for amending the Consolidated / Annual Action Plans: 24 CFR part 91.105(c) of the Final Rule requires grantees of CDBG and HOME programs make public the criteria the City will use for determining what changes in planned or actual activities constitute a substantial amendment to the five-year Consolidated Plan and the one-year Annual Action Plan. An amendment to the approved plan will occur when City staff recommends:

- Not carrying out a project or activity described in the plan.
- To carry out a project not previously described.
- Substantially change the purpose or scope of a project.

Prior to the submission of any substantial change in the proposed use of federal housing and community development funds, the City will hold a public hearing to allow citizens reasonable notice of, and opportunity to comment on, proposed amendments. Public comment periods will not be less than thirty (30) days. *Substantial changes are defined as the creation of any new program or project to be funded under the City's HOME and CDBG programs.*

Routine revenues including program income, recaptured / repaid funds, and re-programmed monies will be utilized for existing and previously approved programs as it is received during each fiscal year, which does not require a substantial amendment to the Consolidated Plan. Routine revenues are allocated on a close- and shovel-ready basis to programs identified in the Consolidated and Annual Action Plans to ensure timely commitment and expenditure of both entitlement, repayment and program income funds.

Summary of public comments

Brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Public Comment & Hearing: The FY2018-2019 Annual Action Plan was open for public comment extending from March 24 to April 23, 2018. A public hearing was held on April 23, 2018 during the Billings City Council meeting to accept public comments on the Consolidated and Annual Action Plans, and Community Development Board recommendations for funding allocation. These plans were adopted by the Billings City Council on April 23, 2018. Public comments are included in the Appendix.

Neighborhood Task Force Meetings: City staff attended an Adjacent Neighborhood Task Force officer's training event in February in order to review Consolidated / Annual Action Plan goals, gather input on proposed projects and gather feedback on community needs. A total of ten Neighborhood Task Forces were represented at this meeting.

Summary of comments or views not accepted and the reasons for not accepting them

All comments were taken into consideration during the development of the Annual Action Plan.

Summary

Comments received supported the adoption and implementation of the Annual Action Plan.

DRAFT

Section II: The Process

PR-05 Lead & Responsible Agencies

24 CFR 91.200(b)

Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The City of Billings - Community Development Division staff is responsible for preparing the Consolidated Plan and administration of CDBG and HOME grant programs.

Agency Role	Name	Department/Agency
CDBG Administrator	City of Billings	Community Development Division
HOME Administrator	Brenda Beckett, Division Manager	

Table 1 – Responsible Agencies

Consolidated Plan Public Contact Information

Brenda Beckett, Community Development Manager
Community Development Division, 2825 3rd Avenue North, Billings, MT
Phone: 406-657-8286
Email: beckettb@ci.billings.mt.us
Web: www.CityofBillings.net/comdev

AP-10 Consultation

91.100, 91.200(b), 91.215(l)

Introduction

A number of organizations in the community are involved in affordable housing and community development-related activities in Billings and are asked to comment on the Consolidated and Annual Action Plans. The continued cooperation of these organizations in pursuing affordable housing for the community is required to meet the Consolidated Plan goals. Consultations include review of the plan with public and private agencies that provide health care, social services and fair housing education. Populations targeted for consultation include agencies that provide services for children, the elderly, the disabled, minorities, single-headed households, persons with HIV / AIDS and their families, and homeless individuals and families.

The Consolidated and Annual Action Plans are distributed widely during the public comment period and interested persons were invited to attend a number of staff-facilitated, regularly scheduled meetings to find out more about Community Development initiatives. Routine meetings were facilitated through staff for the Community Development Board; six of the nine total members represent and reside in low income neighborhoods.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).

Public Housing: The Housing Authority of Billings is primarily responsible for administration of the public housing and Section 8 Programs for the community. City staff enjoy a cooperative and collaborative relationship with Housing Authority, including participation in task forces, committees, and affordable housing development. *91.100(c)*

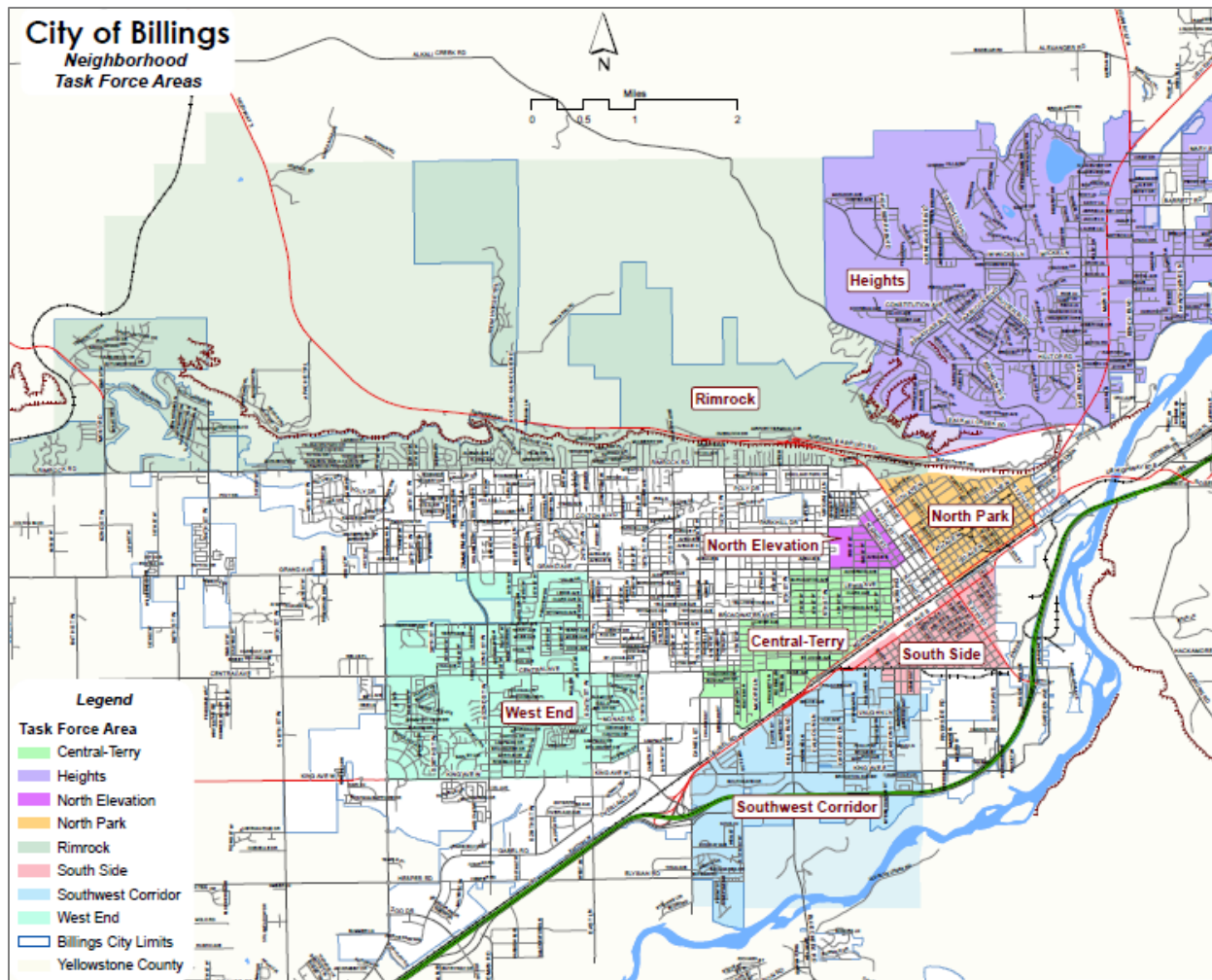
Homeless Strategy and Housing Opportunities for Persons with AIDS: Local organizations providing housing, health services, and social services have been intricately involved in planning processes for the homeless and chronically homeless. The City does not receive Housing Opportunities for Persons with AIDS (HOPWA) funding directly, but collaborates with RiverStone Health to support HOPWA funding. *91.100(a)(2) & 91.100(b)*

Adjacent Governments: Communication regarding non-housing community development needs is conducted via collaboration through homeless initiatives and agencies serving the disabled, minorities, victims of domestic violence, the elderly, those with mental health / addiction issues and other vulnerable populations. *91.100(a)(4)*

Metropolitan Planning: The Planning and Community Services Department includes Community Development, Code Enforcement, Planning / Transportation, and Building Divisions and collectively implement the Growth and Infill Policies, and Transportation / Neighborhood Plans. All City-assisted projects are reviewed for residential access to public transportation. *91.100(a)(5)*

Local Governments: The **Community Development Board** is comprised of nine community members and six of the members must reside in and represent low income neighborhoods. The Board makes recommendations to the City Council regarding funding recommendations, the Consolidated / Annual Action Plans, and the CAPER. The **Billings City Council** is the governmental policy body that takes action on the Consolidated and Annual Action Plans. After receipt and consideration of public comments, the City Council approves the Consolidated / Annual Action Plans and funding allocations.

Neighborhood Task Forces: The City has continued to work with neighborhood task forces representing low income areas to encourage citizen participation in the Consolidated / Annual Action Planning process. Neighborhood Task Forces having high concentrations of minorities and low income households include North Park, South Side, North Elevation, Southwest Corridor and Central Terry.



The City will also continue to support the **Adjacent Neighborhood Committee** comprised of Task Force officers who meet quarterly to collaborate. The City also seeks input from Task Force participants on housing and neighborhood activities for the annual allocation process.

Additional Minority Outreach: Actions taken to establish and oversee a minority outreach program to ensure inclusion of minorities and women, entities owned by minorities and women, is accomplished by the following:

- Annual advertisement for contractor opportunities in construction are published in print media and distributed to low income and minority households.
- Maintaining a current email distribution list for the lending community and the real estate community at large in the Billings area.
- Opportunities for contracts are distributed to:
 - Chairpersons for the Neighborhood Task Forces, which cover both low income areas and higher concentrations of minority residents.
 - Housing Authority of Billings to post for residents utilizing public assistance, also a higher single-headed household and minority population.

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

Continuum of Care Funding: The City's work with the homeless is impacted significantly by the fact that it is not a direct recipient of Continuum of Care homeless funding. Funds are provided to the State of Montana and are distributed by the State to various regions in Montana through the Human Resource Development Councils (HRDCs). One or two organizations in Billings may receive Continuum of Care funding, but a very small percentage of the available funding is allocated to local projects; five to seven percent annually. City staff has provided additional information to HUD staff on current circumstances.

The City's Homeless Strategy can be located in the Consolidated Plan, SP-60.

www.CityofBillings.net/conplan

Mayor's Committee on Homelessness: Community Development Division staff began facilitating the Mayor's Committee on Homelessness in 2006. City staff then developed a comprehensive ten-year plan and wide-ranging community initiative, *Welcome Home Billings*, to impact local homelessness and poverty. These efforts have been helpful in increasing overall collaboration and resources to assist the most vulnerable population in the Billings community, particularly chronically homeless individuals, unaccompanied youth, families, veterans and persons at risk of homelessness.

With the assistance from the Community Development Division staff, the Mayor's Committee on Homelessness was successful in efforts to gather data, implement national best practices, and involve the community in planning efforts and volunteer opportunities. Due to the lack of administrative funds to support the continuation of the Mayor's Committee on Homelessness, the Committee was dissolved as per the City's Resolution at the end of calendar year 2016. An overview of the City's homeless initiatives can be found online: *Homeless Initiatives Legacy Booklet*, www.CityofBillings.net/poverty.

Billings Metro VISTA Project: In order to maintain momentum for the homeless initiatives, the City's Community Development Division created an AmeriCorps Volunteers in Service to America (VISTA) program known as the *Billings Metro VISTA Project* in 2009, sponsored by the Corporation for National and Community Service. VISTA members work to create or expand community-based programs, services, and systems that prevent and intervene in homelessness through capacity-building activities.

The City still supports the publication of the Resource Map and Notepad:

- The Emergency Resource Map is a portable, user friendly guide that quickly connects individuals and families experiencing homelessness with downtown community resources. www.CityofBillings.net/resourcemap.
- The Resource Notepad is a tool designed for case managers, organizations and individuals to quickly make referrals to community resources providing direct services to anyone within the following major categories: Food Assistance & Household Needs, Housing, Transportation, Healthcare, Shelter, Employment Services, Education Opportunities, Financial Assistance, Children's Services, and Addiction Treatment Options, and other forms of help. www.CityofBillings.net/notepad.

Community Innovations Summit: In October 2014, the Community Development Division co-sponsored the *Community Innovations Summit* to address escalating issues with people living on the streets of downtown Billings. Pre-Summit efforts involved workshops, meetings, surveys and queries for specific community groups, including social service providers, business owners, Tribal leaders, members of law

enforcement, corrections, courts systems, local and state government officials, and faith leaders. The Summit spurred several ongoing initiatives which can be followed on www.4sparechange.org. Monthly meetings continue to be held and they are supported by City Administration staff.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction’s area in determining how to allocate Emergency Solutions Grant (ESG) funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of Homeless Management Information System (HMIS)

The City does not receive ESG funds as an entitlement; these funds are distributed statewide by the Montana Department of Public Health and Human Services through ten HRDCs throughout the state. Therefore the City does not develop performance standards, evaluate outcomes or develop funding, policies or procedures for the administration of HMIS. However, as an active collaborator with representative of the Continuum of Care and local homeless impact organizations and groups, input on such things is provided when requested.

District 7 HRDC received \$138,633 in ESG funds for FY2017-2018, which is utilized for homeless prevention activities and rapid-rehousing exclusively. HRDC does not maintain a waiting list due to the volume of households in need. HRDC also received an additional \$84,423 in HUD Continuum of Care funds for rapid-rehousing homeless families living in shelters.

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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)	Consolidated Plan Section(s)	How Consulted / Outcomes
1.	Housing Authority of Billings	Public Housing Authority; Services - Homeless	Housing Need Assessment; Public Housing Needs; Homeless Needs - Chronically Homeless, Families with Children, Veterans; Homelessness Strategy; Market Analysis	Email / phone / web retrieval; data exchange for the development of relevant sections
2.	Homewood	Housing	Housing Need Assessment; Market Analysis	
3.	Rimrock	Housing; Services - Persons with Disabilities	Housing Need Assessment; Homeless Needs - Chronically Homeless	
4.	Mental Health Center	Housing; Services - Persons with Disabilities	Housing Need Assessment; Non-Homeless Special Needs	
5.	Family Service, Inc.	Services - Housing	Housing Need Assessment; Market Analysis; Homeless Needs - Families with Children; Homelessness Strategy	
6.	District 7 HRDC	Services - Housing, Homeless, Children	Housing Need Assessment; Homeless Needs - Chronically Homeless, Families with Children; Homelessness Strategy	
7.	Adult Resource Alliance	Services - Elderly Persons	Housing Need Assessment; Non-Homeless Special Needs	
8.	Big Sky Senior Services	Services - Elderly Persons	Housing Need Assessment; Non-Homeless Special Needs	
9.	Living Independently for Today and Tomorrow	Housing; Services - Persons with Disabilities	Housing Needs Assessment; Market Analysis; Non-Homeless Special Needs	
10.	RiverStone Health	Housing; Services - Persons with HIV/AIDS, Health, Homeless	Housing Needs Assessment; Market Analysis; Non-Homeless Special Needs; Homelessness Strategy	
11.	YWCA Gateway House	Housing; Services - Domestic Violence, Children	Housing Needs Assessment; Market Analysis; Homeless Needs - Families with Children	
12.	Billings Public Schools	Services - Homeless, Education	Homeless Needs - Families with Children	
13.	Billings Job Service	Services - Employment	Economic Development	
14.	Montana Fair Housing	Services - Housing; Fair Housing	Non-Homeless Special Needs	
15.	The Alliance	Health Agency	Non-Homeless Special Needs	
16.	Montana Department of Commerce	State; Housing	Housing Need Assessment; Market Analysis	
17.	Billings Public Works Department	Local Government	Non-Housing Community Development Needs	
18.	Billings Police Department	Local Government; Services - Domestic Violence, Homeless	Housing Need Assessment	
19.	Domestic Violence Unit	Local Government; Services - Domestic Violence	Housing Need Assessment	
20.	Big Sky Economic Development	County Government	Economic Development	
21.	City of Billings - Planning Division	Local / County Government; Planning Organization	Market Analysis	
22.	Montana Epidemiology, Addictive / Mental Disorders	Health Agency; Services - Health, Persons with HIV/AIDS, Disabilities, Homeless; State Government	Housing Need Assessment	
23.	Civic Consulting	Services - Homeless	Homeless Strategy	

#	Agency/Group/Organization	Type(s)	Consolidated Plan Section(s)	How Consulted / Outcomes
24.	NeighborWorks Montana	Housing	Housing Need Assessment; Market Analysis	See above...
25.	Downtown Billings Alliance	Business and Civic Leaders	Homeless Needs - Chronically Homeless	Survey, identified needs for serial inebriate population
26.	Neighborhood Task Forces	Civic Leaders; Low Income Area Representatives	All	Neighborhood Community / Public Meetings
27.	Adjacent Neighborhood Task Force	Civic Leaders; Low Income Area Representatives; Neighborhood Organization	All	Public Meeting
28.	Billings City Council	Local Government; Civic / Business Leaders	All	Public Hearing / Public Meeting
29.	Community Development Board	Civic / Business Leaders; Low Income Area Representatives; Neighborhood Leaders	All	Public Notice / Public Meetings
30.	HUD - Economic Market Analysis Division <i>(unable to add in IDIS)</i>	Federal Government	Housing Need Assessment; Market Analysis	Email Data Exchange

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Identify any Agency Types not consulted and provide rationale for not consulting

The City of Billings staff is not aware of any agency types that have not been consulted in preparation of the Annual Action Plan. City staff contacted many agencies to assist with the development of the Consolidated and Annual Action Plans and has widely circulated information relative to proposed programs and funding allocations to garner feedback. Additional efforts were made during the public comment period to distribute the Consolidated and Annual Action Plans for review and feedback.

Describe other local/regional/state/federal planning efforts considered when preparing the Plan

City staff considered neighborhood planning, development standards, capital improvement programs, the Annexation Policy, and the Growth Policy while developing the Consolidated and Annual Action Plans.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Montana State Continuum of Care	Identifies Federal and State resources to impact homelessness
City Council Strategic Plan	Billings City Council	Comprehensive, orderly growth; Sustainable economic development; and Involved, united community goals.
Growth Policy	City of Billings Planning Division	Promotes affordable housing and infill development
Infill Policy	City of Billings Planning Division	Promotes affordable housing and infill development
Annexation Policy	City of Billings Planning Division	Promotes infill development
Transportation Plan	City of Billings Planning Division	Improves transit impacting project affordability
Neighborhood Plans	City of Billings Planning Division and Neighborhood Task Forces	Guides development efforts in each neighborhood
Consolidated Plan	Montana Department of Commerce Community Development	State CDBG and HOME resources may be available to further projects

Table 3 – Other local / regional / federal planning efforts

AP-12 Participation

91.105, 91.200(c)

Summary of citizen participation process and how it impacted goal-setting

Public comments are requested at least 30 days prior to submission of reports required under HUD’s Consolidated and Annual Action Plan process. City staff has considered all written comments by citizens, public agencies and other interested parties prior to submission of its final Consolidated and Annual Action Plans and related reports to HUD and attach a summary of each comment to the final submission. If written comments were not accepted for inclusion in the Plan, City staff has provided written explanation of why those comments were not accepted. City staff will provide written responses to all written complaints and grievances related to the Consolidated and Annual Action Plans and the City’s housing and community development programs within 15 working days of receipt of the complaint or grievance where practical. Further detail on citizen participation can be found in the Executive Summary and Consultation subsections.

Citizen Participation Outreach

#	Mode of Outreach	Target of Outreach	Summary of response/attendance
Summary of comments not accepted and reasons: No comments were rejected.			
1	Public Notices	All Interested Citizens	Public Notices regarding the publication of the drafted Annual Action Plan on the City's website, the public comment period from March 24 to April 23 and the April 23, 2018 City Council Public Hearing were published in the Yellowstone County News on March 23, March 30, and April 6, 2018.
	See below and in the Appendix for responses.		
2	Website	All Interested Citizens	The drafted Annual Action Plan was available online from March 24 to April 23, 2018 for public comment and feedback.
	No public comments were received specific to the Annual Action Plan online posting.		
3	Neighborhood / Public Meetings	Community Leaders, Community Members, Neighborhood Task Forces, Low Income Residents, Public Housing Tenants, Minorities, Disabled, All Interested Citizens	A presentation was given during the Adjacent Neighborhood Task Force officers training event on February 15, 2018. Representatives from all eight Neighborhood Task Forces attended (35 individuals). A presentation was made during a televised City Council Work Session on April 16, 2018. Another presentation was made on a televised City Council meeting and a public hearing was held on April 23, 2018.
	One community meeting was held in a low income area where high concentrations of low income and minority households exist. Task Force representatives from four low income areas attended the meeting. A presentation on the Consolidated and Annual Action Plans, Priority Needs and proposed programs was carried out.		
4	Public Notices	Nonprofit organizations with an interest in capacity building opportunities through VISTA	Public Notices regarding the availability of VISTA Host Site proposals was published in the Yellowstone County News on December 15 and 22, 2017.
	The City received several applications for full-year volunteers from nonprofit organizations to support poverty impact activities.		
5	Public Notices	Nonprofit organizations with an interest in CDBG and / or HOME funding opportunities	Public Notices regarding the availability of housing and community development funding requests was published in Yellowstone County News on December 15 and 22, 2017.
	The City did not receive any applications from nonprofit organizations seeking CDBG or HOME funding.		
6	Email	Nonprofits with an interest in the topics represented in the Consolidated and Annual Action Plans, Minorities, Disabled, Public Housing Tenants	Notices regarding the availability of the Consolidated and Annual Action Plans were sent via email to the Division's listservs. Representation from Businesses, Developers, Nonprofits, Philanthropic, and the faith communities were targeted.
	No public comments were received.		

Table 4 – Citizen Participation Outreach

Section III: Annual Action Plan

AP-15 Expected Resources

91.220(c)(1,2)

Introduction

Table 5 (below) illustrates the CDBG and HOME resources expected for the second year of this Consolidated Plan. The total amount expected for the remaining years of the Consolidated Plan take into account a five percent decrease in funding resources per year. There is no guarantee the City will continue to receive CDBG and / or HOME funding in future years. Other types of funding, including Emergency Shelter Grants, HOPWA funds, Section 8 funds, etc. are not included in the following table as the City of Billings is not a direct recipient.

Final HUD allocations have not been released to the City of Billings at the time of draft publication, although the staff is estimating the following allocations for planning purposes; \$650,000 in new CDBG and \$350,000 in HOME funds. The City may incur pre-award costs for CDBG and HOME administration and eligible activities as per HUD’s guidance as of July 1, 2018.

CDBG administration allocations are capped at 20% of the new CDBG allocation in addition to eligible program income received during the project year. Maximum amounts for public service activities are capped at 15% of the new CDBG allocation and 15% of the previous year’s program income. HOME administration activities are capped at ten percent of the new HOME allocation and eligible program income received following the required affordability period. Revenue received during a project’s affordability period is considered recaptured and may not be used for administration.

Expected revenues from the CDBG program include repayments for funding loaned through the Housing Rehabilitation Loan program and other revitalization efforts. The City expects to receive approximately \$50,000 to \$300,000+ in repayments for the upcoming fiscal year which will be reprogrammed for programs identified herein. Any amount of CDBG revenue received during the fiscal year will be immediately reprogrammed for shovel- and close-ready projects.

Revenue expected for the HOME program includes recaptured and program income funding generated by the First Time Homebuyer Loan program. The City expects to receive approximately \$50,000 to \$300,000+ in HOME funding through these venues, and the funding will be utilized to further programs identified in the Consolidated and Annual Action Plans. Any amount of HOME revenue received during the fiscal year may be immediately reprogrammed for shovel- and close-ready projects.

The City may also receive program income attributable to the Neighborhood Stabilization Program. The City utilizes 100% of federal funding to benefit low to moderate income households and / or areas. The City will not receive proceeds for Section 108 loan guarantees, surplus funds from urban renewal settlements, or float-funded activities.

Anticipated Resources

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	\$650,000 estimated	\$75,000	\$0	\$725,000	\$617,500	Entitlement Allocation
	Uses of Funds: Administration, Homeowner Rehabilitation, Homebuyer Acquisition, New Housing Development, Public Services						
HOME	Public / Federal	\$350,000 estimated	\$150,000	\$0	\$500,000	\$332,500	Entitlement Allocation
	Uses of Funds: Administration, Homebuyer Acquisition, New Housing Development						

Table 5 - Expected Resources – Priority Table

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 HOME program requires 25% match funding for projects be dedicated from non-federal sources. The City of Billings meets HOME matching requirements through low-interest financing available for First Time Homebuyer Loans issued through the Montana Board of Housing (MBOH) and matching funds provided for other affordable housing projects undertaken with HOME funds, such as private contributions and other local bank financing.

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 City of Billings does not have plans to use publicly owned land to address needs identified in the Consolidated Plan and is not required to do so, as per federal regulation.

Requirements set forth in CFR 24 91.220 and 91.520 indicate the City *may indicate* publicly owned land or property located within the jurisdiction that *may be used* to address the needs identified in the Consolidated / Annual Action Plan.

While the City has not dedicated land to the Community Development Division, the Billings City Council supported the Division's housing programs by dedicating nearly \$450,000 in non-federal funds to support Consolidated Plan activities.

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AP-20 Annual Goals and Objectives

Goals Summary Information

#	Goal Name	Start / End Years	Category	Outcome & Objective	Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Affordable Housing Preservation	2018 to 2019	Affordable Housing	Affordability & Suitable Living Environment	Citywide	Affordable Housing Preservation	CDBG, NSP	5 Household Housing Units <i>Code 10 - Homeowner housing rehabilitated</i> <i>One foreclosed unit, 4 homeowner occupied units</i>
		Preserve existing affordable housing supply, particularly in older neighborhoods, to support the stability of the current affordable housing stock: <ul style="list-style-type: none"> • Provide direct, affordable financing and assistance to low income homeowners for the completion of needed repairs citywide. • Revitalize low income neighborhoods through foreclosure remediation, redevelopment and infill development. 						
2	New Affordable Housing Opportunities	2018 to 2019	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	Availability / Accessibility & Decent Housing	Citywide	New Affordable Housing Opportunity	CDBG, HOME	0 Units Constructed <i>The Affordable Housing Development Program is expected to create zero to 2 new affordable housing units, which could be rental / owner, new construction / rehabilitation.</i> <i>Code 7 = Rental Units Constructed</i> <i>Code 9 = Homeowner Housing Added</i> 20 Households Assisted <i>Code 11 - Direct Financial Assistance to Homebuyers</i>
		Create affordable housing opportunities to further improve access to and the quality of affordable housing stock: <ul style="list-style-type: none"> • Provide affordable financing and support to promote homeownership opportunities citywide. • Provide homebuyer education to all households utilizing acquisition programs. • Encourage the citywide development of new affordable single-family, multi-family and special needs housing in the community through private developers and nonprofit organizations. 						
3	Housing Choice <i>Not entered into IDIS as no funding allocated</i>	2018 to 2019	Other: Equal Opportunity	Availability / Accessibility & Suitable Living Environment	Citywide	Housing Choice	Admin	Not Applicable <i>Home Center and City Programs</i>
		Expand housing choice options for existing and potential new residents to foster stable, socio-economically diverse neighborhoods citywide. <ul style="list-style-type: none"> • Ensure equal opportunity and housing choice with all programs and activities citywide. 						
4	Poverty Impact	2018 to 2019	Poverty Impact	Affordability & Suitable Living Environment	Citywide	Poverty Impact	CNCS	200 Individuals <i>Public service activity for low income benefit, VISTA</i> <i>Code 3 = Other than Low Income Housing Benefit</i>
		Support housing and community development specific to lower income and special needs households through poverty-impact initiatives. <ul style="list-style-type: none"> • Encourage collaboration to better address needs and to respond to opportunities for special needs populations. 						
*Community Development Block Grant (CDBG) Neighborhood Stabilization Program (NSP) HOME Investment Partnerships Program (HOME) CDBG or HOME Administration (Admin) Corporation for National and Community Service (CNCS)								

Table 6 – Goals Summary

Introduction

The City of Billings is recommending a total of seven projects for CDBG and HOME funding for FY2018-2019. Revenues received from CDBG, HOME, and other sources will be allocated to current programs under a close- / shovel-ready basis to ensure commitment and expenditure timeliness.

As Congressional allocations to HUD have not been completed to date, City staff is estimating approximately \$650,000 in new CDBG funds and \$350,000 in new HOME funds. Proposed activity budgets will be increased or decreased from estimated funding levels to match actual allocation amounts. Regardless of the final funding allocation amounts, CDBG and HOME administration will be funded at the maximum allowable caps.

CDBG programs will be funded in order of priority: \$75,000 (or public service maximum, whichever is less) to the Billings Metro VISTA Project, at least \$250,000 to the Foreclosure Acquisition / Rehabilitation program, Housing Rehabilitation will be funded up to \$100,000, and any remaining funds would be allocated to the First Time Home Buyer program. These funding allocations are subject to the City's standard close- and shovel-ready allocation process.

In HOME, the minimum (15 percent) would be reserved for a Community Housing Development Organization (CHDO) project. Remaining funds would be dedicated to the First Time Home Buyer program. These funding allocations are also subject to the City's standard close- and shovel-ready allocation process.

#	Project Name	FY2018-2019 Allocations	
		CDBG	HOME
1 & 2	Administration	\$130,000	\$35,000
3	Housing Rehabilitation	\$100,000	-
4	Foreclosure Acquisition / Rehabilitation	\$250,000	-
5	First Time Home Buyer	\$95,000	\$262,500
6	Billings Metro VISTA Project	\$75,000	-
7	Community Housing Development Organizations Affordable Housing Development	-	\$52,500

Table 7 – Project Information, Funding Allocations do not include Program Income

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The allocation priorities were established by identifying community needs through the Needs Assessment and Market Analysis:

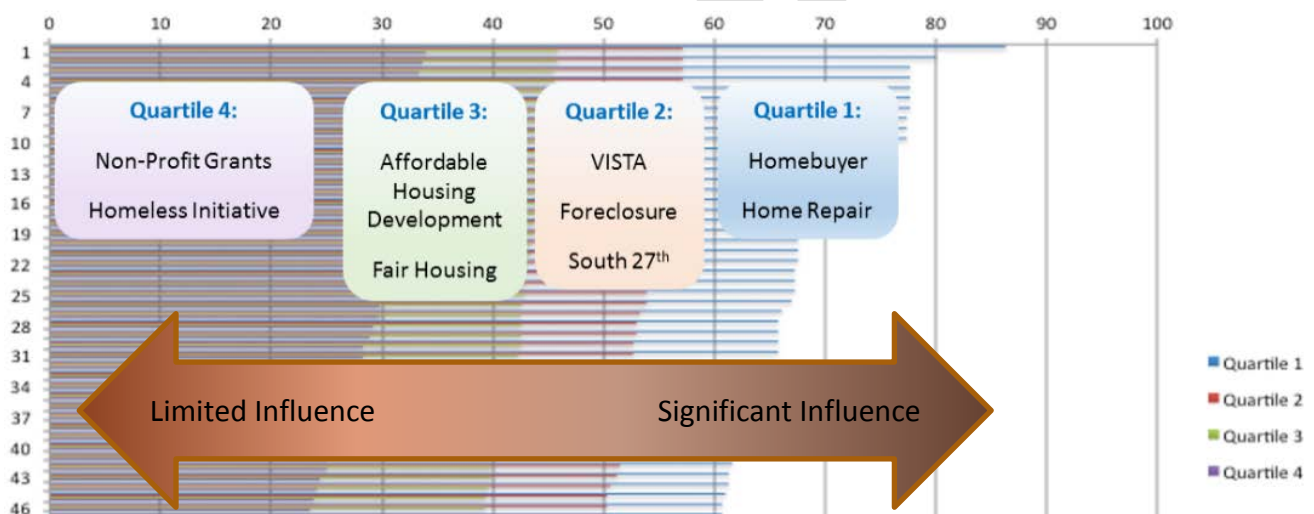
- **Affordable Housing Preservation:** Housing Rehabilitation, Manufactured Home Repair, Affordable Housing Development, and Foreclosure Acquisition / Rehabilitation.
- **New Affordable Housing Opportunities:** Community Housing Development Organizations, Affordable Housing Development, and First Time Home Buyer.
- **Poverty Impact:** Billings Metro VISTA Project.

Please Note: The priority need identified to expand fair housing choice through the *Home Center* and efforts to support the implementation of *Welcome Home Billings* to impact homelessness are primarily supported by administrative activities and will not be allocated separately from the above.

Neighborhood Task Force rankings from 2008 to the present favor home repair / buyer and affordable housing development programs. Additionally, the City Council initiated an extensive priority based budgeting process to rank programs based on how they influence the City’s ability to achieve established community results, such as:

- Sustainable Economic Development
- Comprehensive, Orderly Growth and Development
- Community Resource Preservation
- Involved, Engaged and United Community

The home repair / buyer programs were ranked as having *significant influence* on the City’s ability to achieve desired community results and were ranked in the first quartile. The City’s VISTA and Foreclosure programs ranked in the second quartile, followed by Affordable Housing Development and fair housing programs.



Graphic Credit: www.pbbcenter.org; Modified by Community Development Staff to Illustrate Programs & Influence

The primary obstacle faced by the City in undertaking the activities described in its Consolidated and Annual Action Plans and meeting under-served needs is limited funding. The Needs Assessment identified the affordable housing needs and conditions of our community. These conditions, particularly the cost burden faced by very low income renters and homeowners, is difficult to address given existing resources.

In addition to funding for projects and programs, there is a need for additional funding for administration and planning costs to help design strategies and undertake projects to help meet these needs. There are no separate allocations to manage the implementation of Welcome Home Billings or efforts to create a Home Center outside of CDBG Administration. The City leverages its CDBG and HOME resources as evidenced by partnerships with the Montana Board of Housing and the Corporation for National and Community Service. City staff can continue to support community partnerships to address housing and community development needs through the Billings Metro VISTA Project.

AP-38 Project Summary

#	Project Name	Target Area	Goals Supported / Needs Addressed	Funding Not Including Program Income	Target Date	Estimate # / Type Families Benefitting
1 & 2	Administration	City of Billings	-	CDBG: \$130,000 HOME: \$35,000	6/30/19	Not Applicable
General grant administration for CDBG and HOME programs.						
3	Housing Rehabilitation	City of Billings	Affordable Housing Preservation	CDBG: \$100,000	6/30/19	4 Household Housing Units <i>Code 10 - Homeowner housing rehabilitated</i>
Description: Provide direct, affordable financing and assistance to low income homeowners for the completion of needed repairs citywide. Preserve existing affordable housing supply, particularly in older neighborhoods, to support the stability of the current affordable housing stock. Planned Activities: This program provides low income households with zero interest, no payment financing to make needed improvements. This program is intended to revitalize established neighborhoods and preserve the existing affordable housing stock through the completion of repairs to housing.						
4	Foreclosure Acquisition / Rehabilitation	City of Billings	Affordable Housing Preservation	CDBG: \$250,000	6/30/19	1 Household Housing Unit <i>Code 10 = Homeowner housing rehabilitated</i>
Description: Provide direct, affordable financing and assistance to low income homeowners for the completion of needed repairs citywide. Revitalize low income neighborhoods through foreclosure remediation, redevelopment and infill development. Planned Activities: Funding to support the purchase of vacant and foreclosed properties for the purpose of rehabilitation and direct homeownership assistance to income qualified homebuyers as their primary residence. The purpose of the program is to stabilize neighborhoods, stem the decline of house values of neighboring homes due to foreclosure, and to preserve decent affordable housing.						
5	Affordable Housing Development	City of Billings	New Affordable Housing Opportunity	HOME CHDO: \$52,500 Affordable Housing Development: \$0	6/30/19	0 Units Constructed <i>The Affordable Housing Development Program is expected to create zero to 2 new affordable housing units, which could be rental / owner, new construction / rehabilitation Code 7 = Rental, Code 9 = Homeowner</i>
Description: Create affordable housing opportunities to further improve access to and the quality of affordable housing stock: Encourage the citywide development of new affordable single-family, multi-family and special needs housing in the community through private developers and nonprofit organizations. Planned Activities: This funding would be utilized to facilitate the development of new affordable housing. Funding for all CDBG and HOME programs is allocated on a close-and shovel-ready basis to endure the City is meeting community needs and to effectively utilize revenues.						
6	First Time Home Buyer	City of Billings	New Affordable Housing Opportunity	HOME: \$262,500 CDBG: \$95,000	6/30/19	20 Households Assisted <i>Code 11 = Direct Financial Assistance to Homebuyers</i>
Description: Create affordable housing opportunities to further improve access to and the quality of affordable housing stock: Provide affordable financing and support to promote homeownership opportunities citywide. Planned Activities: This program provides financial resources to support low-income first time homebuyers with down payment and closing costs. Assistance is based on household size and income. Loans are zero interest, no payments due until the home is sold / refinanced.						
7	Billings Metro VISTA Project	City of Billings	Poverty Impact	CDBG: \$75,000	6/30/19	200 Individuals <i>Code 3 = Public service activity for low income benefit</i>
Description: Support housing and community development specific to lower income and special needs households through poverty-impact initiatives. Encourage collaboration to better address needs and to respond to opportunities for special needs populations. Planned Activities: This public service activity would support costs to implement the Billings Metro VISTA Project. These AmeriCorps members work on poverty impact issues in the community including the prevention of homelessness and service provision for those experiencing homelessness. Members are placed at nonprofit organization Host Sites and the City to assist in efforts to strengthen agencies and the poverty-impact service continuum.						
<p><i>*Community Development Block Grant (CDBG) Neighborhood Stabilization Program (NSP) HOME Investment Partnerships Program (HOME) CDBG or HOME Administration (Admin) Corporation for National and Community Service (CNCS)</i></p> <p>Funding for all CDBG and HOME programs is allocated on a close- and shovel-ready basis to endure the City is meeting community needs and to effectively utilize revenues.</p> <p><i>Table 8 - Project Summary</i></p>						

Description of the geographic areas of the entitlement (including areas of low income and minority concentration) where assistance will be directed

The geographic area served by the Consolidated and Annual Action Plans is defined by the current City of Billings limits. Citation 24 CFR 91.220(f) reads as follows, “When appropriate, jurisdictions should estimate the percentage of funds they plan to dedicate to target areas.” Estimating the percentage of funds planned for dedication to target areas is not appropriate for the Billings community due to the following reasons:

- Geographic area is defined by the current City of Billings limits.
- Citywide strategies encourage the distribution of resources to support affirmatively furthering fair housing and equal opportunity to avoid segregation in Billings.
- Geographic distribution of investments description includes the focus of resources on a citywide basis to support diversity across the community.
- The City of Billings is classified as a smaller city on a national scale.
- The actual dollar amount planned for allocation to each program is included in this Action Plan.

The City will focus distribution of investments on a citywide basis in order to support diversity and mixed-income development across the community. Neighborhood Revitalization Strategy areas **have not been established** in Billings and there is no specific amount of funding allocated for a target area in the City’s geographic distribution of resources. **Therefore, the City plans to dedicate zero percent of funding to target areas in favor of supporting a citywide approach to further fair housing, equal opportunity and anti-segregation efforts.**

Geographic Distribution

Target Area	Percentage of Funds
Citywide	100%

Table 7 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The strategies identified in the Consolidated and Annual Action Plans will be addressed on a citywide basis to encourage the distribution of low income affordable housing and other assistance to lower income households throughout the community.

Introduction

Planned affordable housing for the upcoming year include Housing Rehabilitation, Foreclosure Acquisition / Rehabilitation, Affordable Housing Development, and First Time Home Buyer. While many of these programs may serve the homeless or special needs households, the programs are not designed to exclusively serve one or more of the following cohorts. The Manufactured Home Repair program is currently funded through a previous year and outcomes are not included in the below charts to avoid duplication.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	25
Special-Needs	0
Total	25

Table 8 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	4
Acquisition of Existing Units	21
Total	25

Table 9 - One Year Goals for Affordable Housing by Support Type

Introduction

The Housing Authority of Billings serves extremely low income, very low income, and low income citizens. The Housing Authority plans to apply for all grants that will assist the organization in adding units to its existing programs and any programs that complement existing services and are able to be implemented. The Housing Authority will continue to assess and implement modernization funds to upgrade and restore units and complete energy efficient repairs as needed.

Actions planned during the next year to address the needs to public housing

The Housing Authority may apply for funding to develop affordable housing through the Affordable Housing Development Program. In the past, the City has granted funds to build new units through the HOME and CDBG programs in neighborhoods where Housing Authority property exists. The City has also provided funding for a variety of rehabilitation and new construction projects to neighborhoods that have public housing units in need of upgrading.

The City has helped rehabilitate properties, sold land for new businesses, and granted land to nonprofits to assist with neighborhood revitalization efforts in neighborhoods where Housing Authority complexes have been built. The City has provided funding for parks and play areas for the neighborhoods where Housing Authority families reside. In addition, the businesses that have moved into areas where Housing Authority properties are located have contributed to the economic stability of the Housing Authority clients. The City's First Time Home Buyer program assists with home ownership down payment assistance and home ownership counseling for clients considering homeownership.

The City coordinates with the Housing Authority for environmental reviews, housing needs assessments, assists in funding new projects when appropriate, and assists with applications for supportive services when called upon for needed assistance.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The Housing Authority implements the Family Self-Sufficiency program. This program links participants to community agencies to help them become self-sufficient through individual goal setting. Forty-one households have achieved homeownership through this program to date. Resident councils, an Advisory Board and the Family Self-Sufficiency Panel are involved in providing input on program needs and assisting others to become actively involved in the process. Additional information is included in the five-year plan on file at the Housing Authority office.

Each year, the Housing Authority goes through a process to assess physical needs addressed by tenants through their Resident Advisory Board for the Annual Plan process; comments are also solicited via Resident Council functions throughout the year. These comments, Board participation, tenant commissioners, and Public Housing Administration's daily communications with the Housing Authority's client base serve to assist in assessing client needs for physical adjustments, security issues, and needed links with the community. The physical needs requests are implemented along with staff recommendations in the Capital Fund planning process.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable. The Housing Authority is a High Performer for PHAS and, therefore, a review of troubled status needs is not required as part of the Consolidated and Annual Action Plan.

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Introduction

As stated in the SP-60 Homelessness Strategy of the Consolidated Plan, the Community Development Division's plan is to support the following activities to the greatest extent feasible:

- Continuing to develop and distribute the City's *Resource Map* and *Notepad* and the *Veteran's Resource Map*, which includes a comprehensive downtown service directory for anyone seeking assistance.
- Supporting capacity building efforts for nonprofit organizations who provide direct assistance to the homeless and those at risk of homelessness through the *Billings Metro VISTA Project*.
- Supporting ongoing *Community Innovation Summit* efforts to engage those living on the streets in service provision and treatment.

The City does not receive McKinney-Vento Homeless Assistance Act funds and is not required, nor has the authority or administrative leverage to develop and implement a Discharge Coordination Policy. The Montana Continuum of Care (MT CoC) for the Homeless Coalition is the state's lead agency for addressing homeless activities, and is a statewide collaboration of diverse homeless service providers, nonprofit organizations and local and state governments.

The City's work with the homeless is impacted significantly by the fact that it is not a direct recipient of homeless funding. Funds are provided to the State of Montana and are distributed by the State to various regions in Montana through the Human Resource Development Councils. A Continuum of Care application is prepared on a statewide basis and the City plays a supportive role in this process.

The City's homeless activities are complemented by the work of a primary provider of shelter to individuals and women and families in Billings; the Montana Rescue Mission (MRM). The MRM effectively raises funds to support its various activities including job training and transitional housing programs. The Rescue Mission traditionally has not pursued or accepted government grants.

The City does not receive Emergency Solutions Grant funds. These funds are then distributed statewide by the Montana Department of Public Health and Human Services through ten Human Resource Development Councils throughout the state. The local District 7 HRDC utilizes these funds to support rapid re-housing activities in conjunction with the local shelters.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Public and private agencies have assisted the City in developing a ten-year plan to impact homelessness, **Welcome Home Billings**. Local organizations that provide housing, health services, and social services have been intricately involved in planning processes for the homeless and chronically homeless, including members of the Mayor's Committee on Homelessness.

To the greatest extent possible, City staff will continue to implement **Welcome Home Billings**, the City's ten-year plan to impact homelessness. It is a comprehensive document that includes data, resources, cross-cutting strategic goals and programmatic goals as noted in the Consolidated Plan SP-40 Institutional Delivery Structure section. Specific Goals and strategies relative to **outreach** activities are as follows.

Cross Cutting Goals - Awareness:

- B: Increase advocacy and public knowledge on behalf of the homeless.
- B4: Provide venues for those experiencing homelessness to have their ideas and concerns heard.

Programmatic Goals & Priorities - Services:

- G: Expand treatment / service capacity and linkage to essential services.
- G1: Expand coordinated intensive case management and street outreach services for the homeless.

The Mental Health Center manages the Projects for Assistance in Transition from Homelessness (PATH) outreach program to engage those living outside or in areas unfit for human habitation. Tumbleweed runs a Street Outreach program to seek out unaccompanied youth to engage them in services. A complete listing of services, including outreach, is included in the MA-30 Homeless Facilities and Services section of the Consolidated Plan.

Addressing the emergency shelter and transitional housing needs of homeless persons

To the greatest extent possible, City staff will continue to implement *Welcome Home Billings*, the City's ten-year plan to impact homelessness. It is a comprehensive document that includes data, resources, cross-cutting strategic goals and programmatic goals as noted in the Consolidated Plan SP-40 Institutional Delivery Structure section. Specific Goals and strategies relative to **emergency and transitional housing** activities are as follows.

Programmatic Goals & Priorities - Housing:

- E: Increase the City's supply of decent, affordable housing.
- E1: Increase supportive housing units, permanent rentals, transitional housing units, veterans housing, emergency shelter beds, housing for those returning from prison and those in recovery.
- E2: Seek federal, state and local funding sources to support affordable housing development for households with very low income (zero - 30% AMI).
- E3: Build local service provider capacity for affordable housing development, management and housing rehabilitation.
- E6: Facilitate collaborative grant and loan applications for affordable housing development to serve the homeless.

Programmatic Goals & Priorities - Prevention:

- F: Expand treatment / service capacity and linkage to essential services.
- F1: Increase funding dedicated to rent, utilities and mortgage assistance.
- F2: Support incentive programs for landlords to rent to the homeless or those at risk for homelessness, and increase service provider capacity to engage in long-term leasing and / or rental ownership.
- F3: Support pre-release / discharge planning education and intervention for all institutional services including foster care, prison, jail, and behavioral health facilities.
- F4: Utilize housing first and rapid re-housing philosophies in developing housing options to shorten homelessness.
- F5: Support case management efforts to transition occupants from shelter care to permanent supportive housing.
- F6: Support landlord-tenant intervention to prevent eviction.

The shelter homeless needs for the Billings community are primarily met by the Montana Rescue Mission, which operates both a men's shelter and a women and family shelter. Montana Rescue Mission does not seek nor utilize federal funds for its operation. Several local service providers assist homeless families by providing funding for rent, mortgage, utility, and deposit assistance.

The Community Crisis Center provides crisis intervention and 23 hour stays as a technique to impact chronic homelessness. The YWCA provides transitional housing for victims of domestic violence. A complete listing of services, including emergency and transitional housing, is included in the MA-30 Homeless Facilities and Services section of the Consolidated Plan.

For those living on the downtown streets of Billings, a new position has been created for an addiction / mental health counselor to accompany two downtown police officers when engaging people living on the streets. This initiative has been undertaken as one of the many outcomes from the Community Innovations Summit, which was facilitated by the Community Development Division and the Downtown Billings Alliance. A [recent article](#) published by the Billings Gazette highlights immediate successes as a result of this program.

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

To the greatest extent possible, City staff will continue to implement *Welcome Home Billings*, the City's ten-year plan to impact homelessness. Specific Goals and strategies relative to **service, housing and prevention** activities are as follows.

Programmatic Goals & Priorities - Housing:

E5: Decrease barriers to obtaining existing housing units and refine housing placement services and coordination.

Programmatic Goals & Priorities - Prevention:

F: Expand treatment / service capacity and linkage to essential services.

F1: Increase funding dedicated to rent, utilities and mortgage assistance.

F2: Support incentive programs for landlords to rent to the homeless or those at risk for homelessness, and increase service provider capacity to engage in long-term leasing and / or rental ownership.

F3: Support pre-release / discharge planning education and intervention for all institutional services including foster care, prison, jail, and behavioral health facilities.

F4: Utilize housing first and rapid re-housing philosophies in developing housing options to shorten homelessness.

F5: Support case management efforts to transition occupants from shelter care to permanent supportive housing.

F6: Support landlord-tenant intervention to prevent eviction.

Programmatic Goals & Priorities - Services:

- G: Expand treatment /service capacity and linkage to essential services.
- G1: Expand coordinated intensive case management and street outreach services for the homeless.
- G2: Increase assistance to complete applications and facilitate application streamlining to access services, transportation, employment and housing.
- G3: Increase availability and capacity of health care, mental health, substance abuse services, medication assistance and access to legal assistance to the very low income / uninsured.
- G4: Support increases in capacity for day center operations across the city.
- G5: Support expansion of community-based, criminal justice diversion and re-entry programs.
- G6: Establish one-stop shop to access all services for the homeless.

Programmatic Goals & Priorities - Assets:

- H: Increase personal income levels and economic opportunities.
- H1: Increase access to social service and income benefits by ensuring assistance is provided to complete applications.
- H2: Support asset development, education, job training, and employment opportunities serving the homeless (and those at risk of homelessness) throughout the community.
- H3: Establish mentoring support systems, life skills training, and childcare assistance to the homeless (and those at risk of homelessness) currently in the workforce.
- H4: Support the expansion of financial fitness and credit assistance programs.
- H5: Promote fair wage rates and competitive bidding through the expansion of social enterprise efforts.
- H6: Increase financial management services for those in need.

A complete list of service providers offering housing, services and prevention support is located in MA-30 Homeless Facilities and Services.

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

To the greatest extent possible, City staff will continue to implement *Welcome Home Billings*, the City's ten-year plan to impact homelessness. Specific Goals and strategies relative to **prevention** activities are as follows.

Programmatic Goals & Priorities - Prevention:

- F: Expand treatment / service capacity and linkage to essential services.
- F1: Increase funding dedicated to rent, utilities and mortgage assistance.

Introduction

Several barriers to the affordable housing development and maintaining residency in housing have been identified. They include:

- **Economic Conditions:** The Needs Assessment and Market Analysis indicate median housing cost has exceeded median household income for certain household income levels. Lower income households have a difficult time affording and maintaining a suitable home in the current market.
- **Cost of Development:** This includes infrastructure costs and leapfrog development.
- **Difficulty in Paying for Needed Repairs:** Many low income households pay greater than 30% to 50% of their income for housing costs. Many of these households do not have the resources to pay for needed repairs to the property.
- **Few New Manufactured Housing Developments:** It is a challenging process for new manufactured housing developments to be approved, which may raise the price of existing lots due to the value of limited units. Owners of manufactured homes have a difficult time finding an affordable place for their housing unit. While manufactured housing has drawbacks, it also provides an affordable rental lot option for many families. The construction quality with manufactured housing continues to improve.
- **Tax Structure:** Dependence on property taxes to support local government costs, including infrastructure.

Additional barriers have been identified in the City's Analysis of Impediments to Fair Housing Choice, including:

- Concentrations of minorities that would not exist in a free market not distorted by discrimination suggest that Billings has a dual housing market; one for non-Hispanics, Whites and Asians and another for all other minorities.
- Discriminatory real estate industry practices such as racial and ethnic steering distort the free market in housing.
- Discrimination against Latinos in issuing government-backed mortgage and refinancing loans continues unabated in Billings as it does throughout the nation.
- The relatively high cost of housing continues to pose a barrier to fair housing choice in Billings.
- A review of Unified Zoning Regulations and review requirements to foster compliance with fair housing law and to promote inclusionary zoning.
- There is a serious shortage of housing affordable to holders of Housing Choice Vouchers in the areas where the proportion of public school students from low income neighborhoods is relatively low.

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

The City plans on assisting with: housing affordability for renters / owners; cost of development; difficulty in paying for needed repairs; manufactured housing developments; and tax structure by implementing the following programs:

- Housing Rehabilitation
- Manufactured Home Repair
- Foreclosure Acquisition / Rehabilitation
- First Time Home Buyer
- Affordable Housing Development
- Billings Metro VISTA Project

Relative to the barriers identified in the City's Analysis of Impediments to Fair Housing Choice, the City plans on the following:

- Produce and disseminate consumer education on Fair Housing issues through ongoing publicity campaigns to make people aware that they can move anywhere in the area they can afford.
- Work to expand housing choices of existing and potential new residents beyond neighborhoods identified by their own race or ethnicity.
- Continue to partner with enforcement agencies providing testing of the real estate industry practitioners to identify discriminatory practices in rental and for-sale housing.
- Support the efforts of local housing counseling agencies, especially to Latinos, before they apply for a mortgage.
- Continue to provide brochures containing information apprising potential home buyers of the availability of housing counseling and how to spot / report discriminatory lending practices.
- Continue to work toward the provision of affordable housing through Community Development programs.
- Support the efforts of the Planning Division in reviewing:
 - Minimum percentage of affordable housing units per development with five or more units.
 - Housing Authority of Billings first right of refusal for inclusionary units.
 - Amendments for neighborhood plans to promote stable, socio-economically diverse neighborhoods throughout Billings.
 - Affirmative marketing and billboard advertising requirements.
 - Developer brochure distribution requirements.
 - Fair Housing logo / language requirements for agreements.
 - Occupancy requirements and equal treatment for group living for the disabled.
 - Accessory dwelling units / cottage cluster homes.
- Support efforts promote economic diversity in all schools to ensure every school has a majority of pupils coming from middle-class / higher-income households.
- Support the Housing Authority's efforts to expand the geographic range where holders of Housing Choice Vouchers look for housing.

Introduction

The City's programs have been designed to meet priority needs in the community. However, there is very limited funding coming through the City to meet the needs of local citizens.

Actions planned to address obstacles to meeting underserved needs

The City plans on meeting underserved needs through the following programs:

- **Affordable Housing Preservation:** Housing Rehabilitation, Manufactured Home Repair, Affordable Housing Development, and Foreclosure Acquisition / Rehabilitation.
- **New Affordable Housing Opportunities:** Community Housing Development Organizations, Affordable Housing Development, and First Time Home Buyer.
- **Housing Choice:** Fair housing education in all City programs and supporting the Billings Home Center.
- **Poverty Impact:** Billings Metro VISTA Project.

Please Note: The priority need identified to expand housing choice is supported by administrative activities and will not be allocated separately from the above.

Actions planned to foster and maintain affordable housing

The City plans on maintaining affordable housing through the following programs:

- **Affordable Housing Preservation:** Housing Rehabilitation, Manufactured Home Repair, Affordable Housing Development, and Foreclosure Acquisition / Rehabilitation.
- **New Affordable Housing Opportunities:** Community Housing Development Organizations, Affordable Housing Development, and First Time Home Buyer.

Actions planned to reduce lead-based paint hazards

The City continues to be in compliance with HUD's lead-based paint requirements as established in September of 2000. According to the American Community Survey estimates from 2007-2011, it is estimated that there are over 29,317 housing units built before 1979 that are at risk of containing lead-based paint, which comprises 64% of the total housing stock in Billings. Not all of the homes built prior to 1979 contain lead-based paint and lead hazards. However, projects involving structures built prior to 1978 are considered to have the potential for lead-based paint and consistent procedures have been developed to ensure compliance with federal regulations.

In 2012, the Center for Disease Control recommended action for children with elevated levels greater than or equal to five ug/dL. The Montana Department of Public Health and Human Services cited a [2012 field study](#) conducted in 11 counties in the state. Children enrolled in Medicaid aged one to five years were tested for elevated blood lead levels. Nearly 600 children participated in the study, and three percent of the children had levels \geq five ug/dL. One in four of the children tested had \geq one ug/dL. This information is the latest data available on children in Montana and exposure to lead as of March 2014.

The City will continue diligence while undertaking rehabilitation and construction activities in order to maintain the safety of households participating in federal programs. Participants in the City's housing programs are made aware of the requirements the City must follow when providing assistance. Education on the hazards of exposure to lead is provided for each rehabilitation project. The City currently offers risk assessments, through certified staff, paint inspections, clearance testing, and has access to lead-safe certified contractors to ensure compliance.

In addition, the City also promotes lead-safe work practices training whenever it is offered in Montana, which gives local contractors the opportunity to become certified in lead-safe work methods. The City will continue to maintain working relationships and partner in furthering educational efforts with lead-based paint professionals to ensure HUD requirements are effectively met.

Actions planned to reduce the number of poverty-level families

As stated in the SP-60 Homelessness Strategy of the Consolidated Plan, the Community Development Division staff plans on supporting the following to the greatest extent feasible:

- Continuing to distribute the City's Resource Map and Notepad, which includes a comprehensive downtown service directory for anyone seeking assistance.
- Efforts to support nonprofit organizations who provide direct assistance to the homeless and those at risk of homelessness through the Billings Metro VISTA Project.
- Ongoing Community Innovation Summit efforts to engage those living on the streets in service provision and treatment.

To the greatest extent possible, City staff will continue to implement **Welcome Home Billings**, the City's ten-year plan to impact homelessness. It is a comprehensive document that includes data, resources, cross-cutting strategic goals and programmatic goals. The City also plans on reducing the number of poverty-level families through the Billings Metro VISTA Project.

Actions planned to develop institutional structure

Affordable Housing Preservation: The City can address priority needs through home repair programs such as Housing Rehabilitation and Foreclosure Acquisition / Rehabilitation programs. Contractors trained in lead-safe work methods are limited and staff advertises contractor opportunity through print media, on the City's website, through the Neighborhood Task Forces and holding public informational meetings. Emphasis on the provision of opportunity to Section 3, minority and women-owned businesses ensures furthering equal opportunity to low income owners / employers, racial / ethnic minorities and businesses owned by women.

New Affordable Housing Opportunity: The City maintains positive relations with the Housing Authority of Billings, developers, lenders, realtors and others to ensure collaboration and engagement in the implementation of First Time Home Buyer and Affordable Housing Development programs. The City has one currently certified Community Housing Development Organization and is actively seeking additional organizations for the purposes of affordable housing development.

Housing Choice: City staff maintain positive and close relationships with the staff at Montana Fair Housing, which is the primary organization in fair housing education and enforcement for the state. The City's Analysis of Impediments to Fair Housing Choice revealed the beginnings of segregated neighborhoods and lending discrimination for Hispanic Americans in Billings. The Analysis contained the following recommendation:

Billings should establish a housing service center, much like the Oak Park Regional Housing Center, where home seekers are introduced to housing options beyond the racial or ethnic neighborhoods to which they often feel they are limited. In Billings, the housing service center should seek to expand the housing search of minorities beyond the census tracts where the proportion of minorities is significantly greater than would be expected in a free market without discrimination.

At the invitation of the City, NeighborWorks Montana researched the potential of a comprehensive housing center to serve low income renters and homeowners. All of the Billings housing organizations, including the City of Billings, the Housing Authority of Billings, Rebuilding Together, District 7 HRDC, Rural Dynamics, Beartooth Resource Conservation and Development, and Homeward agreed to join together to form the Home Center of Billings. A suitable building was located in downtown Billings, central to the City's low income and minority neighborhoods. The Home Center officially opened in July 2015.

The Home Center provides comprehensive housing services including fair housing information, housing education, counseling, development and revitalization. As a collaboration, no single entity will provide all of the services, but collectively, services can be available under one roof, creating the opportunity for a potential homebuyer or a renter seeking safe, affordable homes to access all of the services in a one-stop-shop.

Poverty Impact: CDBG and HOME resources are not adequate to meet the needs of the homeless and those experiencing poverty in Billings. The City's main anti-poverty initiative is the implementation of the Billings Metro VISTA Project. The City has provided full-year and summer associate support to 43 nonprofit organizations to date and the continuance of this initiative is imperative for service delivery to those in need.

The Billings Metro VISTA Project enables the City to support nonprofit organizations in a sustainable fashion since the provision of public service grants is no longer an option due to historically low CDBG allocations.

Actions planned to enhance coordination between public and private housing & social service agencies

The City will continue coordinating with public, private, and social service agencies to further activities and projects identified herein, including participation in the following groups and initiatives, to the greatest extent feasible given current funding levels and staff duties:

- Neighborhood Task Forces
- Adjacent Neighborhood Committee
- Billings Metro VISTA Project
- Resource Map and Notepad
- Community Innovations Initiatives

Introduction

The City of Billings has programmed all available revenues in current programs identified herein.

**Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(l)(1)**

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.	\$0
2. 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
3. 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
4. The amount of surplus funds from urban renewal settlements.	\$0
5. 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
6. 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 persons of low and moderate income. 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 persons of low and moderate income. Specific the years covered that include this Annual Action Plan.	100%
Years Covered are 2018-2019	

Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The above-noted regulation refers to the use of HOME funds for eligible activities. The City of Billings will not utilize HOME funds outside of the following allowable investments:

- Equity investments, interest-bearing loans or advances, non-interest-bearing loans or advances, interest subsidies consistent with the purposes of this part, deferred payment loans, grants, or other forms of assistance that HUD determines to be consistent with the purposes of this part. Each participating jurisdiction has the right to establish the terms of assistance, subject to the requirements of this part.
- Guarantee loans made by lenders and, if required, the participating jurisdiction may establish a loan guarantee account with HOME funds. The HOME funds may be used to guarantee the timely payment of principal and interest or payment of the outstanding principal and interest upon foreclosure of the loan. The amount of the loan guarantee account must be based on a reasonable estimate of the default rate on the guaranteed loans, but under no circumstances may the amount on deposit exceed 20% of the total outstanding principal amount guaranteed; except that the account may include a reasonable minimum balance. While loan funds guaranteed with HOME funds are subject to all HOME requirements, funds which are used to repay the guaranteed loans are not.

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:

Recapture provisions permit the original homebuyer to sell the assisted property to any willing buyer during the period of affordability while the City is able to recapture all or a portion of the HOME assistance provided to the original homebuyer. The City utilizes recapture provisions exclusively when assisting homeowners and the provisions are enforced via a Promissory Note (not recorded), the use of a Deed Restriction Agreement and a Montana Trust Indenture that are both recorded at the Yellowstone County Clerk and Recorder's office. These written, legal documents contain language outlining the recapture provisions as established herein. The City does not use subrecipients or other grantees to carry out these activities.

Homebuyer Requirements: In order for homeownership housing to qualify as affordable housing eligible for HOME funding, it must be: single-family; considered modest housing; be acquired by a low income household for their principal residence; and meet affordability requirements for a single period of time as determined by the amount of assistance provided. The City utilizes HUD's 95% of the median purchase price limit set forth by 24 CFR 92.254(a)(2)(iii); single family mortgage limits under Section 203(b) of the National Housing Act.

Direct HOME Subsidy: The amount of HOME assistance that enabled the homebuyer to buy the unit. The direct subsidy includes down payment and closing costs provided directly to the homebuyer, which resulted in a reduced purchase price from the fair market value of the home to an affordable price. The entire amount of HOME assistance is subject to recapture.

Net Proceeds: The sales price, less the superior loan repayment and any closing costs. The City will only recapture the net proceeds from a sale. Any loans or improvements made to the property after

the time of the HOME assistance will be paid after the City is repaid the amount owed under its recapture provisions. If the net proceeds are not sufficient to recapture the full HOME investment, the City will accept the available net proceeds as full payment.

Recapture Model - City Recaptures Entire HOME Assistance Amount: The City allows the assisted homebuyer to retain all appreciation and the City expects to recapture the entire direct HOME subsidy invested in the project. Therefore, the homeowner will retain any value of the appreciation of the property after the City's HOME assistance has been recaptured / repaid. The homeowner's down payment, principal payments, and any capital improvement investment made in the property after the HOME assistance was provided will be returned to the homeowner at closing after the City's HOME assistance is recaptured and repaid from the net proceeds as described above.

Subordination: The City does not subordinate loans in the First Time Homebuyer program and other homeowner-assisted projects without City Council approval. Therefore, if an assisted homeowner refinances the property, the City will need to be repaid the full amount of HOME assistance provided. Assisted homeowners wishing to pursue City Council approval may write a letter explaining the need for the subordination and submit it to the Community Development Division. Staff will then prepare a memo and place the subordination on the Community Development Board agenda for recommendation to the City Council.

Use of Recaptured Funds: Recaptured HOME funds will be used to assist other first time homebuyers to purchase property in Billings or other HOME-eligible activities to be determined through the City's budget allocation process in accordance with the Citizen Participation Plan. Homebuyers must be low-income and must use the assisted property with the recaptured funds as their principal residence. Low-income and first time homebuyer status will be determined based on HOME program regulations.

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)(4) are as follows:

Long Term Affordability: Under the recapture provision, there is no requirement that the original HOME-assisted homebuyer sell the unit to another low-income homebuyer.

Affordability Periods: For City-assisted homebuyer units under the recapture provision, the period of affordability is based upon the direct HOME subsidy provided to the homebuyer that enabled the homebuyer to purchase the unit. Any program income used to provide direct assistance to the homebuyer is included when determining the period of affordability. Recapture provisions for the First Time Homebuyer program are either five or ten years for each assisted property beginning after the transfer of the property to the property owner as evidenced by the Deed Restriction Agreement, Montana Trust Indenture and Promissory Note.

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:

The City of Billings does not propose the use of HOME funds to refinance existing debt secured by multi-family housing that is being rehabilitated with HOME funds.

Section IV: Appendix

Appendix A: CDBG Application for Federal Assistance (SF-424)

Appendix B: HOME Application for Federal Assistance (SF-424)

Appendix C: Local Government Certifications

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Appendix D: Citizen Participation Plan

The City's Citizen Participation Plan is designed to ensure citizen involvement in the planning and reporting on programs covered under the HUD Consolidated and Annual Action Plan requirements. The purpose of the Citizen Participation Plan is to ensure that citizens, nonprofit organizations, and other interested parties are afforded adequate opportunity to review and comment on plans, programs, activities and reports regarding the City's federally funded housing and community development programs. 91.105

Citizen Participation Plan Objectives

The primary objectives of the City's Consolidated and Citizen Participation Plans are to:

- Encourage citizen participation in the development of the Consolidated / Annual Action Plans and the CAPER with emphasis on participation from individuals and households identified as low to moderate income, residents of blighted areas, minorities, those with limited English proficiency, the disabled, single-headed households and those residing in areas where funding will be utilized.
- Provide citizens with reasonable and timely access to meetings, information and records relating to the City's plan for utilizing funding in addition to allowing reasonable opportunity to comment on the Consolidated / Annual Action Plan, the Citizen Participation Plan and the CAPER.
- Finalize consultation with the Housing Authority of Billings (HAB) on the development and implementation of the Consolidated Plan through the Annual Action Plan, which includes input from residents of public and assisted housing.
- Provide technical assistance to neighborhood task forces which represent the low to moderate income residents and the highest concentrations of minority populations in Billings.
- Provide public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program. All hearings and meetings shall be provided in areas where accommodations for the disabled can be provided.

Community Development Board

The Community Development Board is a citizen's advisory board consisting of nine members who are appointed by the Mayor of Billings with the consent of the City Council. Six members are appointed from lower-income neighborhoods of the City as defined by federal regulations for the Community Development Block Grant (CDBG) program and three members represent the community at large. This board serves in an advisory capacity to the City Council for the purpose of providing citizen input on policy decisions to the City Council. The primary responsibilities of the board are to review existing and proposed City policies and to review the Community Development Division's activities to ensure policies are being implemented and carried out.

The Community Development Board makes recommendations to the City Council regarding the Consolidated Plan, the Annual Action Plan, the Citizen Participation Plan, and the CAPER. In addition, the Community Development Board reviews applications submitted for CDBG and HOME funding in order to make funding recommendations to the City Council for approval.

Billings City Council

The Billings City Council is the final governmental policy body that reviews and takes action on the Annual Action Plan, including the Citizen Participation Plan. The Community Development Board presents recommendations to the City Council during a scheduled work session preceding the public hearing in April to deliver information on decisions made regarding recommendations. After receipt and consideration of public

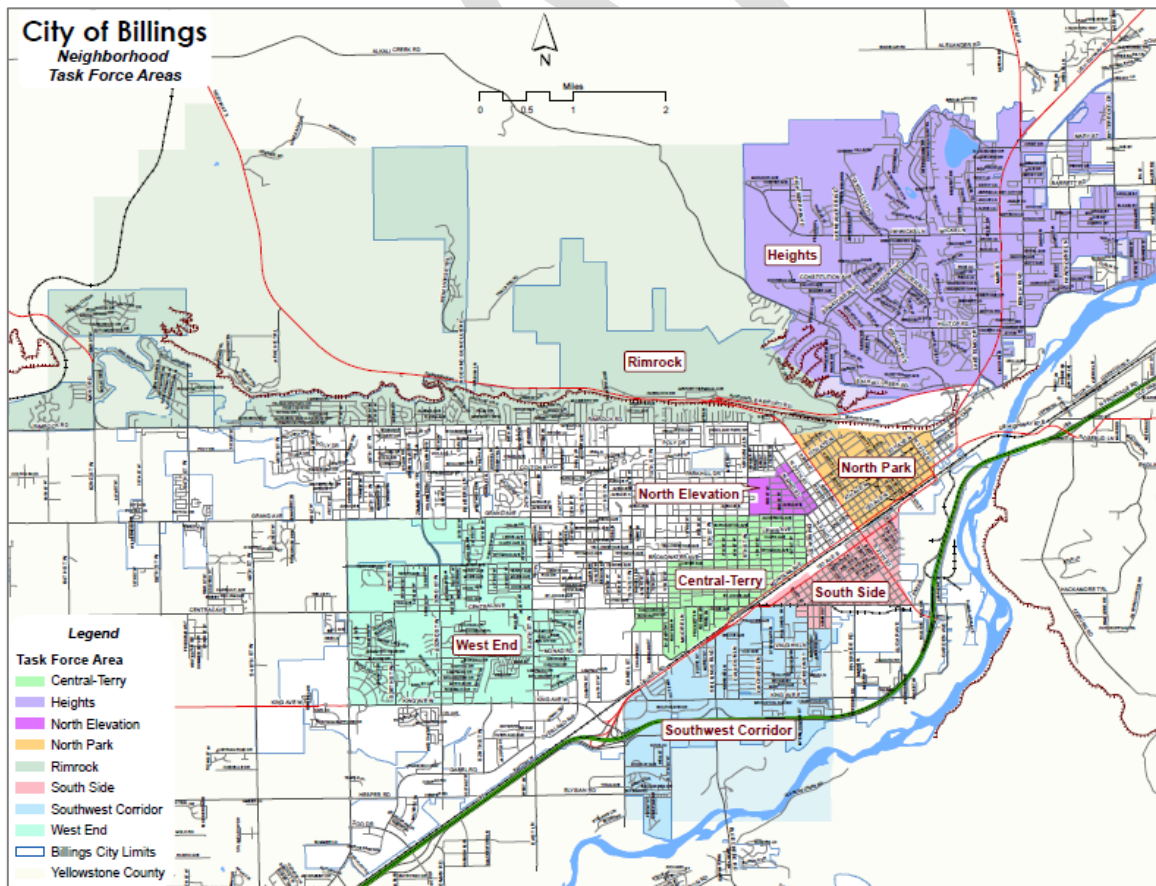
comments, the City Council approves the Annual Action Plan and proposed funding allocations. Following approval in May, the Annual Action Plan is forwarded to HUD.

Neighborhood Task Forces Representing Low-Income, Minority & Single-Headed Households

To encourage citizen participation emphasizing the involvement of lower-income residents in areas where housing and community development funds may be spent, the City will continue to work with neighborhood organizations representing the City's lower-income areas. These areas are predominantly illustrated as established task force areas in Billings. A map of the City's Neighborhood Task Force areas is located below.

The City will continue to work with Neighborhood Task Forces that represent the community's low income and high minority areas to ensure input from these areas in the development and implementation of the City's community development strategies as described in the Consolidated Plan. The City will also continue to support the activities of the Adjacent Neighborhood Committee, which is comprised of Task Force officers who meet bi-monthly to collaborate and exchange information regarding the Task Force areas. The Community Development Division will continue to request input from Task Force participants on housing and neighborhood activities for the annual allocation process.

The Community Development Division staff attends meetings of low income task force neighborhoods when requested for specific presentations. Staff also provides information regarding housing and community development programs and activities during each allocation process and garners rankings of housing / neighborhood activities preferred for funding.



Participation through Partnerships

The Community Development Division's vision is to act as a catalyst for joining community partners with resources to increase access to housing, to create a sustainable community and to promote neighborhood revitalization. The Division's mission focuses on striving to exceed the expectations of stakeholders by supporting housing and community partners with quality leadership, accountability, and innovative programs and services. Guiding values and principles include:

- Embracing diversity and being respectful of all viewpoints.
- Utilizing creativity to develop best practices in programs, administration, and community service.
- Recognizing the City's first responsibility is to low-income individuals who would most benefit from programs.
- Showing integrity as public servants to thoughtfully manage and pursue resources to the benefit of the community.

Racial / Minority / Single-headed Household Participation

Actions taken to establish and oversee a minority outreach program to ensure inclusion of minorities and women, entities owned by minorities and women, including real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, and underwriters in all contracts is accomplished by the following:

- Maintaining a current email distribution list for the lending community and the real estate community at large in the Billings area, including women, low income individuals, minorities, and single-headed households.
- Annual advertisement for contractor opportunities in construction in publications distributed to low-income, and minority and single-headed households.
- Contract opportunities for contracts are distributed to :
 - Chairpersons for the neighborhood task forces, which cover both low income areas and higher concentrations of minority residents, including single-headed households. The City's most concentrated minority populations are located in the Southside, Southwest Corridor, North Park, North Elevation, and Central -Terry Park task force neighborhoods.
 - Housing Authority of Billings to post for residents utilizing public assistance, also a higher female headed-household and minority population.

For additional information on standard practices, please refer to the City's comprehensive [Section 3 procedures](#), available online.

Persons with Disabilities & Reasonable Accommodation

The City provides accommodations for individuals with disabilities in public meetings, public hearings and in written documentation regarding programs and services available from the Division. Statements are included in notices of public hearings and service brochures indicating that office and hearing locations are accessible to persons with disabilities. Accommodations can be made for other disabilities as well.

Limited English Proficiency & Language Assistance Plan

The City complies with federal regulations regarding the provision of a Language Assistance Plan in order to adequately provide for the needs of those individuals who have self-identified a primary language

which is not English. Statements are included in notices of public hearings and service brochures regarding the availability of language interpretation for those requiring this accommodation.

Technical Assistance

The Community Development Division provides technical assistance as requested and as staff time allows to lower income groups to develop proposals for housing and community development activities in the City limits. The technical assistance is offered any time proposals for the use of funding are requested, and is offered routinely in January prior to application deadlines for CDBG / HOME funding allocations.

Public Involvement & Consolidated / Annual Action Plan Review

Citizen participation is the foundation of housing and community development programs. Reasonable efforts are made to make all citizens aware of public hearing and citywide events concerning the development of the Annual Action Plan.

City Council agendas covering housing and community development programs are made available to the public as required by Montana State Law. The City follows State Law governing advertising of public hearings required for CDBG and HOME activities. The City is required to advertise the public hearing on two consecutive Thursdays prior to the City Council Meeting on Monday, or Tuesday in the event of a federally-recognized holiday falling on a Monday.

Plans and reports on the City's housing and community development activities are made available for review by citizens, public agencies, and other interested parties. These documents are available at the Community Development Division office and posted on its website at www.CityofBillings.net. All records regarding these activities are maintained according to the City Record Retention Schedule and as required by federal regulations.

Public Hearings

The City holds public hearings each year regarding housing and community development activities. A public hearing is held by the City Council in April to provide nonprofit agencies, organizations, and individuals with an opportunity to provide input on the Consolidated / Annual Action Plan and the allocation of CDBG and HOME funds in the community. A second public hearing is held by the City Council in September to gather public input on the City's performance and progress in meeting the strategies included in the City's Consolidated Plan and Annual Action Plan for the previous fiscal year ending each June 30th. All public hearings are accessible to disabled individuals, publicized as required by State law and allow for accommodation of individuals with hearing, visual, or mobility impairments.

Report & Plan Availability

The availability of the reports and plans required under the Consolidated Plan is published in the local newspaper with complete copies available on the internet at www.CityofBillings.net and at the City's Community Development Division office. The public notice describes the contents and purpose of each document including the location at which the complete plan can be examined. Subrecipients, housing partners, and Neighborhood Task Force chairpersons are contacted regarding the availability of the information described above.

A summary of the plan development process and public comments received during this process will be included in final version of the Consolidated Plan, Annual Action Plans, and Comprehensive Annual Performance and Evaluation Report submitted to HUD. The Community Development Division office is

located at 2825 3rd Avenue North, 6th Floor, Billings, Montana 59101 and has office hours Monday through Friday, 8:00am to 5:00pm.

Public Comments

Public comments are requested at least 30 days prior to submission of reports required under HUD's Consolidated Plan process. The City will consider all written comments by citizens, public agencies and other interested parties prior to submission of its final Consolidated Plan and related reports to HUD. The Plan will include a summary of each comment. If written comments are not accepted for inclusion in the Plan, the City will provide written explanation of why those comments were not accepted.

The City provides written responses to all written complaints and grievances related to the Consolidated Plan requirement and the City's housing and community development programs within 15 working days of receipt of the complaint or grievance where practical.

DRAFT

Affidavit of Publication

STATE OF MONTANA
County of Yellowstone

Jonathan McNiven

Being duly sworn, deposes and says:

That he is the Legal Advertising Clerk of Yellowstone County News, a newspaper of general circulation published weekly in the City of Huntley, in the County of Yellowstone, State of Montana, and that the (3) folio legal **Public Notice**, a true copy of which is hereto included, was published in said newspaper on the following dates:

December 15, 2017; December 22, 2017;

making in all (2) publication(s).

Jonathan McNiven
STATE OF MONTANA
County of Yellowstone

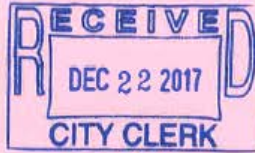
On this 22nd day of December 2017, before me, the undersigned, a Notary Public for the State of Montana, personally appeared Jonathan McNiven, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal that day and year first above written.

Tana McNiven
Tana McNiven

NOTARY PUBLIC for the State of Montana, residing at Huntley, MT.

My commission expires: August 23, 2020



PUBLIC NOTICE

Housing & Community Development Funding Requests

As a part of the City of Billings' Consolidated Planning process, the City is accepting loan applications for FY2018-2019 Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funding. The City of Billings anticipates allocating an estimated \$550,000 in new CDBG funding for community development activities, which primarily benefit lower income neighborhoods or households. The City of Billings also anticipates allocating an estimated \$275,000 in new HOME funding for activities to preserve or increase the supply of affordable housing for lower income households in Billings. Actual allocation figures are not available as of publication date. Applications may be downloaded from the City's website at www.ci.billings.mt.us/allocations. Requests for funding must be submitted to the Community Development Office by 5:00 p.m., Wednesday, January 24, 2018.

For further information on eligible activities or to obtain the application materials via email, please call Brenda Beckett, Community Development Manager, at 406-657-8286 (TTY 711) or contact via email beckettb@ci.billings.mt.us or write to:

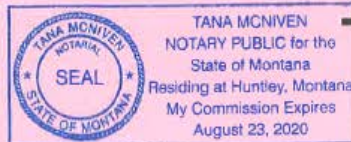
Community Development Division
City of Billings
P.O. Box 1178
Billings, MT 59103

Technical assistance is available upon request to interested parties through the Community Development Office. The City of Billings encourages all members of the community to participate in the Consolidated Planning process. Special arrangements for participation by individuals with hearing, speech, vision impairment or physical disabilities can be made upon request. Non-English speaking persons wishing to participate will also be accommodated through translation and / or interpretation in accordance the City's Language Assistance Plan. Fair Housing Equal Opportunity.

Published on December 15th and 22nd, 2017.

Denise R. Bohlman
Billings City Clerk
P. O. Box 1178
Billings, MT 59103

12/15, 12/22 2017
MNAXLP



Public Hearing Notice Pending Publication

Appendix F: Public Comments

Public Hearing: On April 23, 2018, a Public Hearing was held at the Billings City Council meeting at City Hall, 210 North 27th Street, Billings, Montana. Staff member Brenda Beckett presented materials on the Annual Action Plan.

Public comments made at the meeting are summarized below:

- **Name** noted...pending
- **Name** commented...pending

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