

**Present:** Wayne Woodall, Wayne Stahl, Donnie Minnerath, Roberta Christopherson, Jess Erickson, Dale Plouffe, Larry Ross Simpson, Ernest Marinko, Matt Mudd, Craig Erickson, and Richey Sudduth.

**Open:** Mayor Woodall opened the public hearing at 6:00.

Craig Erickson for Great West Engineering opened the hearing by presenting the Mayor, Council, and residents with a handout describing the many funding programs offered by Montana's Community Development Block Grant (CDBG) program for public and community facilities, economic development, and housing projects. Craig also described the types of projects eligible for CDBG planning grant funding. Potential projects mentioned during the discussion include the following:

- Home Weatherization to make homes more energy efficient and conserve the Town's natural gas supply.
- Economic Development (to assist the local grocery store owners).
- Phase 2 Wastewater Improvements.
- Levee Certification Feasibility Study – Potential MCEP and CDBG planning grant project.
- Natural Gas Distribution Infrastructure Safety and Modernization Grant to upgrade the Town's natural gas wells and distribution system.
- Brownfields project to develop a cleanup plan for portions of Saco contaminated by petroleum, some of which are not documented by DEQ's LUST program.
- Prepare the Water System Preliminary Engineering Report and begin the process of replacing the sections of the Saco's water distribution system constructed with Asbestos Cement Pipe

The Town Council also received a letter from Saco resident JoAnn Pinnock that suggested making the following improvements to make Saco "an even nicer place to live."

- Replace old, crushed culverts with larger ones and regrade the slope to enhance the movement of water where flooding occurs every year.
- Repair current sidewalks that need it. Create sidewalks in Saco areas to benefit residents walking or riding bikes.
- Make any improvements to the County Line Rodeo Arena to enhance the rodeo experience for locals and visitors from other areas.
- Create a town fund to repair or assist local businesses in tearing down old structures that can potentially damage people and other property nearby.
- Erect apartments for low-income and moderate-income individuals.

- Create a fund to repair the existing natural gas house's equipment so they are functioning properly and can continue to supply Saco with the necessary natural gas all year round.
- Provide funds for underground fiber optics for the town to avoid 5G and higher G, above-ground antennas.
- Provide funds for beautifying buildings facing Hwy 2, adding aesthetic appeal.
- Provide funds for local organizations that promote positive community activities. Funds could be used to enhance existing facilities, etc.

**Closed:** Mayor Woodall closed the public hearing at 6:30.

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*Clerk/Ernest Marinko*

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*Mayor/Wayne Woodall*

# 2023 Community Needs Assessment Hearing

## Town of Saco

### April 12, 2023

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**Community Development Block Grants (CDBG)** – must have a local government sponsor, and the local government can only sponsor one entity at a time.

#### ***Planning Grants***

- Eligible projects include Housing needs assessments, Growth Policies, and code updates, Comprehensive Economic Development Strategies (CEDS), historic and architectural preservation studies, Downtown/Neighborhood Revitalization or Master plans, ADA Self-Assessment Plans, and preparation of Preliminary Engineering Reports and Preliminary Architectural Reports
- Award amounts - up to \$50,000 with a 1:3 match (no in-kind match)
- Applications are reviewed during three application cycles.
  - March 1, 2023
  - June 30, 2023
  - November 1, 2023

#### ***Public and Community Facility Grants***

- Eligible projects include the construction or rehabilitation of community infrastructure or a community facility that principally benefits residents whose annual income is below 80% of AMI.
  - Examples of community infrastructure projects are improvements to a community's water or wastewater system. Examples of community facility activities include the construction or rehabilitation of domestic violence shelters, youth homes, food banks, head start centers, nursing homes, mental health centers, and senior centers
- Award amounts - up to \$750,000 with a 25% match required (no in-kind match)
- Applications are reviewed once a year (date TBD, anticipating fall of 2023)

#### ***Large-Scale Multi-Family Housing Development and Neighborhood Renewal Grants***

- Eligible projects include the construction of multi-family or multiple single-family houses, housing rehab housing, temporary housing facilities, and neighborhood revitalization and renewal activities like sidewalk improvements, street lighting, and neighborhood parks.
- Award amounts - up to \$750,000 with no match required.
- Applications are reviewed once a year (June 7, 2023)

#### ***Small-Scale Single-Family Housing Rehabilitation Grants (Non-Competitive Housing Grants)***

- Major categories of assistance include rehabilitation of occupied homes that have critical health and safety deficiencies, new construction of infill development, and demolition of blighted structures that results in the replacement of housing.
- Local governments must be pre-approved to access this funding source.
- Applications are reviewed once a year (June 7, 2023)

#### ***Economic Development***

- CDBG-ED grants are designed to stimulate economic development by helping the private sector create jobs for low- to moderate-income residents earning below 80% of AMI
- Intended to be used when funding gaps exist, and loan amounts are based on the number of employees a business will retain or new jobs to be created with funding, with 51% of the jobs serving those below 80% of AMI (usually providing up to \$35,000 per new job created or retained, up to \$525,000)
- Funding is in the form of a grant to the local government, which allows for a fixed-period loan to be granted to a sub-recipient business

- o Funding is paid back to the government into a revolving loan fund to be repaid out to other businesses similarly.
- Funds can also be awarded to a non-profit sub-recipient entity in the form of a grant where 51% of jobs created serve that earning at or below 80% of AMI
- Funding can be granted for job retention; however, the onus is on the applicant to truly demonstrate that the business would otherwise close absent funding support
- CDBG-ED applications are competitively ranked and reviewed on a rolling basis

**Home Investment Partnership Program (HOME)** - local government, CHDOs, and eligible non-profits may apply.

***Development Projects***

- Eligible projects include constructing, acquiring, or rehabilitating rental housing for low-income individuals and families (those at or below 80% of the area median income)
- Award amounts - no maximum award limit, 5% match requirement.
- Applications are reviewed once a year (June 7, 2023)

**HOME American Rescue Plan Program (HOME-ARP)**

- The objective of the HOME-ARP Program is to reduce homelessness and increase housing stability for qualifying populations and low-income households (>=80% AMI)
- Eligible projects include:
  - o Rental housing development activities: acquisition, development, refinancing, related soft costs, relocation, capitalization of an operating reserve, and ongoing operating cost payments.
  - o Shelter development activities: acquisition, demolition, development, related soft costs, and capitalization of a replacement reserve
- More information here: <https://housing.mt.gov/Community-Housing/HOME-ARP>
- Applications to be reviewed June 7, 2023

**Housing Trust Fund Program (HTF)**

- Eligible projects can have mixed HTF units mixed with non-HTF units. Units must be occupied by extremely low-income individuals: income < 30% of the area mean income.
- Applications to be reviewed June 7, 2023

**Helena's Affordable Housing Trust Fund Program (HAHTF)**

- Eligible activities must add, improve, or support permanent, transitional, and/or temporary housing. Eligible activities include construction, demolition and reconstruction, conversion, rehabilitation, acquisition, or affordable housing financing.
- Eligible projects can consist of mixed-use or mixed-income developments. However, at least 50% of the housing units must house low-to-moderate-income individuals: income < 80% of the area's mean income.
- Funds will be distributed as low-interest loans, with the possibility of a grant for housing development using the community land trust model to secure permanent affordability.
- There will be a required period of affordability determined by the type of project and the amount of HAHTF funds invested.
- There are two application cycles per year. One in the Fall and one in the Spring.

- Next application period closes towards the end of April 2023.

### Low-Income Housing Tax Credits (LIHTCs)

- This is a federal income tax credit for owners of qualifying rental housing which meets certain low-income occupancy and rent limitation requirements.
- The credit can be sold to investors to act as a financing source.
- Letters of Intent are due in the spring and will be reviewed at the annual board meeting ahead of full application submission and award decision(s)

### Historic Rehabilitation Tax Credits

- Federal and State tax credits for Historic rehabilitation on income-producing properties
- The building needs to be National Register of Historic Places with major rehabilitation proposed.
- Rehabilitation in this context means making historic buildings function to meet modern needs while retaining the historic character.

### Montana Historic Preservation Grants

- The MHPG program is designed to support public or private entities with the preservation of historic sites, historical societies, or history museums for projects that help stimulate economic development, community revitalization, and statewide tourism through increased investment, job creation or retention, business expansion, and local tax base growth.
- Maximum award is \$500,000.
- Applications are likely due in an even-numbered year for funding approval the following legislative session.

*\*Information above was obtained from the Montana Department of Commerce website: <http://comdev.mt.gov>. Program information is continually updated.*

### FY 2022 Income Limits Summary (from [https://www.huduser.gov/portal/datasets/home-datasets/files/HOME\\_IncomeLimits\\_State\\_MT\\_2022.pdf](https://www.huduser.gov/portal/datasets/home-datasets/files/HOME_IncomeLimits_State_MT_2022.pdf))

FY 2022 Income Limit Area	Median Family Income <a href="#">Click for More Detail</a>	FY 2022 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
<b>Phillips County, MT</b>	\$65,900	Very Low (50%) Income Limits (\$) <a href="#">Click for More Detail</a>	27,800	31,800	35,750	<b>39,700</b>	42,900	46,100	49,250	52,450
		Extremely Low Income Limits (\$)* <a href="#">Click for More Detail</a>	16,700	19,050	23,030	<b>27,750</b>	32,470	37,190	41,910	46,630
		Low (80%) Income Limits (\$) <a href="#">Click for More Detail</a>	44,450	50,800	57,150	<b>63,500</b>	68,600	73,700	78,750	83,850

### Contact Information:

- Craig Erickson, Great West Engineering, (406) 495-6189.