



THE CITY COMMISSION OF BOZEMAN, MONTANA

REGULAR MEETING AGENDA

Tuesday, July 23, 2024

How to Participate:

If you are interested in commenting in writing on items on the agenda please send an email to comments@bozeman.net or visit the [Public Comment Page](#) prior to 12:00 p.m. on the day of the meeting.

Public comments will also be accepted in-person and through video conference during the appropriate agenda items but you may only comment once per item.

As always, the meeting will be recorded and streamed through the [Commission's video page](#) and available in the City on cable channel 190.

For more information please contact the City Clerks' Office at 406.582.2320.

A. Call to Order - 6:00 PM - Commission Room, City Hall, 121 North Rouse

This meeting will be held both in-person and also using an online video conferencing system. You can join this meeting:

[Via Video Conference:](#)

Click the Register link, enter the required information, and click submit.

Click Join Now to enter the meeting.

Via Phone: *This is for listening only if you cannot watch the stream, channel 190, or attend in-person*

United States Toll

+1 669 900 9128

Access code: 933 7244 1920

B. Pledge of Allegiance and a Moment of Silence

C. Changes to the Agenda

D. FYI

E. Commission Disclosures

F. Consent

F.1 [Accounts Payable Claims Review and Approval](#) (Armstrong)

F.2 [Appoint a Sub-committee of Two Commissioners to Review Pledged Securities as of June 30, 2024](#)(Clark)

F.3 [Authorize the City Manager to Sign a Contract for the Lease of the Relay 3500 Folder](#)

Insert with Pitney Bowes(Clarke)

- F.4 Authorize the City Manager to Sign a Professional Service Agreement with Alcohol Monitoring Services, Inc. to Provide Continuous Alcohol Monitoring Services to Bozeman VETS Court and BRIDGERS DUI Court Participants(Boundy)
- F.5 Authorize the Interim City Manager to Sign a Professional Services Agreement with Massive Studios for First Responder Levy and Fire Station Bond Communications Services(Clarke)
- F.6 Authorize the City Manager to Sign a Third Amendment to the Professional Services Agreement with Sanderson Stewart to Provide Right of Way Acquisition Services on a Term Contract Basis until July 2025(Murray)
- F.7 Resolution 5542 Intent to Create a Special Improvement Lighting District 781 for South 21st Sub 235 B & C SILD(Hodnett)

G. Public Comment

This is the time to comment on any matter falling within the scope of the Bozeman City Commission. There will also be time in conjunction with each agenda item for public comment relating to that item but you may only speak once per topic. Please note, the City Commission cannot take action on any item which does not appear on the agenda. All persons addressing the City Commission shall speak in a civil and courteous manner and members of the audience shall be respectful of others. Please state your name and address in an audible tone of voice for the record and limit your comments to three minutes.

Written comments can be located in the [Public Comment Repository](#).

H. Mayoral Proclamation

- H.1 Mayoral Proclamation Proclaiming Americans with Disabilities Act Month (Cunningham)

I. Special Presentation

- I.1 Local Food System Preliminary Mapping Project Report (Chipouras)

J. Action Items

- J.1 U.S. Department of Housing and Urban Development (HUD) 2024-2028 Consolidated Housing Plan, 2024 Annual Housing Action Plan, and Fair Housing Equity Plan Public Hearing(Munfrada)

Consider the Motion: *I move to adopt the 2024-2028 Consolidated Housing Plan, 2024 Annual Housing Action Plan, and Fair Housing Equity Plan as written via Resolution 5604.*

- J.2 Resolution 5620 Calling for a Special Election for a City of Bozeman First Responder Levy and Fire Station 4 Construction Bond in November 2024(Winn, Veltkamp, Waldo)

Consider the Motion: *I move to approve Resolution 5620.*

K. FYI / Discussion

L. Adjournment

City Commission meetings are open to all members of the public. If you have a disability that requires assistance, please contact our Acting ADA Coordinator, Max Ziegler, at 406.582.2439. Commission meetings are televised live on cable channel 190 and streamed live on our [Meeting Videos Page](#).

Memorandum

REPORT TO: City Commission

FROM: Nicole Armstrong, Accounts Payable Clerk
Rhonda Edwards, Accounts Payable Clerk
Aaron Funk, City Controller
Melissa Hodnett, Finance Director

SUBJECT: Accounts Payable Claims Review and Approval

MEETING DATE: July 23, 2024

AGENDA ITEM TYPE: Finance

RECOMMENDATION: The City Commission is recommended to make a motion and approve payment of claims as presented.

STRATEGIC PLAN: 7.5. Funding and Delivery of City Services: Use equitable and sustainable sources of funding for appropriate City services, and deliver them in a lean and efficient manner.

BACKGROUND: Montana Code Annotated, Section 7-6-4301 requires claims to be presented to the City Commission within one year of the date the claims accrued. Claims presented to the City Commission under this item have been reviewed and validated by the Finance Department. The Department has ensured that all goods and services have been received along with necessary authorizations and supporting documentation. Please provide approval for checks dated July 24th, 2024.

UNRESOLVED ISSUES: None

ALTERNATIVES: The City Commission could decide not to approve these claims or a portion of the claims presented. This alternative is not recommended as it may result in unbudgeted late fees assessed against the City.

FISCAL EFFECTS: The total amount of the claims to be paid is presented at the bottom of the Expenditure Approval List posted on the City's website at <https://www.bozeman.net/departments/finance/purchasing>.

Report compiled on: June 17, 2024

Memorandum

REPORT TO: City Commission

FROM: Laurae Clark, Treasurer
Melissa Hodnett, Finance Director

SUBJECT: Appoint a Sub-committee of Two Commissioners to Review Pledged Securities as of June 30, 2024

MEETING DATE: July 23, 2024

AGENDA ITEM TYPE: Finance

RECOMMENDATION: Appoint Deputy Mayor Morrison and Commissioner Fischer to review the depository bonds and pledged securities as of June 30, 2024.

STRATEGIC PLAN: 7.5. Funding and Delivery of City Services: Use equitable and sustainable sources of funding for appropriate City services, and deliver them in a lean and efficient manner.

BACKGROUND:

17-6-102. Insurance on deposits. (1) Deposits in excess of the amount insured by the federal deposit insurance corporation or the national credit union administration may not be made unless the bank, building and loan association, savings and loan association, or credit union first delivers to the state treasurer or deposits in trust with some solvent bank, as security therefore, bonds or other obligations of the kinds listed in [17-6-103](#), having a market value equal to at least 50% of the amount of the deposits in excess of the amount insured. The board of investments may require security of a greater value. When negotiable securities are placed in trust, the trustee's receipt may be accepted instead of the actual securities if the receipt is in favor of the state treasurer, successors in office, and the state of Montana and the form of receipt and the trustee have been approved by the board of investments.

(2) Any bank, building and loan association, savings and loan association, or credit union pledging securities as provided in this section may at any time substitute securities for any part of the securities pledged. The substituted collateral must conform to [17-6-103](#) and have a market value at least sufficient for compliance with subsection (1). If the substituted securities are held in trust, the trustee shall, on the same day the substitution is made, forward by registered or certified mail to the state treasurer and to the depository financial institution a receipt specifically describing and identifying both the securities substituted and those released

and returned to the depository financial institution.

Section 7-6-207 (2), MCA requires the City Commission to approve pledged securities at least quarterly. The Commission appoints two commissioners quarterly on a rotating basis.

UNRESOLVED ISSUES: None

ALTERNATIVES: As suggested by the City Commission.

FISCAL EFFECTS: The city is sufficiently pledged.

Attachments:

[Depository Bonds & Securities 0624.pdf](#)

Report compiled on: July 10, 2024

DEPOSITORY BONDS AND SECURITIES

AS OF
June 30, 2024

	<u>MATURITY</u>	<u>CUSIP NO/LOC NO.</u>	<u>TOTAL AMOUNT</u>
US BANK			
All Accounts			
Federal Deposit Insurance Corporation-Operating Accts			\$ 250,000.00
LOC-FHLB Cincinnati	7/12/2024	572841	<u>\$ 20,000,000.00</u>
TOTAL – US Bank			<u>\$ 20,250,000.00</u>

This is to certify that we, the Commission of the City of Bozeman, in compliance with the provisions of Section 7-6-207, M.C.A., have this day certified the receipts of US Bank, for the Depository Bonds held by the Director of Finance as security, for the deposit for the City of Bozeman funds as of June 30, 2024, by the banks of Bozeman and approve and accept the same.

TERENCE CUNNINGHAM, Mayor

JOEY MORRISON, Deputy Mayor

JENNIFER MADGIC, Commissioner

DOUGLAS FISCHER, Commissioner

EMMA BODE, Commissioner

PLEDGED SECURITIES AND CASH IN BANK

As of
June 30, 2024

US BANK

Total Cash on Deposit	<u>\$3,032,098.26</u>
FDIC Coverage	\$250,000.00
Amount Remaining	<u>\$2,782,098.26</u>
Pledges Required 104%	<u>\$2,893,382.19</u>
Actual Pledges	\$20,000,000.00
Over (Under) Pledged	<u>\$17,106,617.81</u>

REFERENCE: Section 7-6-207, M.C.A.

Memorandum

REPORT TO: City Commission

FROM: Laurae Clark, Treasurer
Melissa Hodnett, Finance Director

SUBJECT: Authorize the City Manager to Sign a Contract for the Lease of the Relay 3500 Folder Inserter with Pitney Bowes

MEETING DATE: July 23, 2024

AGENDA ITEM TYPE: Agreement - Vendor/Contract

RECOMMENDATION: Authorize the City Manager to Sign a Contract for the Lease of the Relay 3500 Folder Inserter with Pitney Bowes.

STRATEGIC PLAN: 7.5. Funding and Delivery of City Services: Use equitable and sustainable sources of funding for appropriate City services, and deliver them in a lean and efficient manner.

BACKGROUND: The lease of our current folder inserter expires in August of 2024. We would like to replace it with the Relay 3500 to eliminate the time-consuming task of folding and inserting of large mailings.

Sourcewell, formerly known as NJPA, offers a State & Local FMV Lease, which is a fair market value lease. FMV leases give the lessee the option to purchase a leased asset at the end of the lease term for its current market value, but it's not an obligation. This type of lease can be beneficial because it offers flexibility, low monthly payments, and terms that match the equipment's useful life. It can also help improve productivity and operations without the need for a large down payment or buying the equipment outright.

UNRESOLVED ISSUES: None

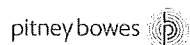
ALTERNATIVES: Keep our current folder inserter. As this machine has aged it requires more maintenance and has less reliability.

FISCAL EFFECTS: The annual cost of this piece of equipment is \$4,453.92 or \$22,269.60 over the 5 year lease period.

Attachments:
[Relay3500.pdf](#)

[Relay 3500 Spec Sheet.pdf](#)

Report compiled on: July 10, 2024



Sourcwell State & Local FMV Lease

Agreement Number

Your Business Information

Full Legal Name of Lessee / DBA Name of Lessee

Tax ID # (FEIN/TIN)

CITY BOZEMAN

816001238

Sold-To: Address

121 N ROUSE AVE, BOZEMAN, MT, 59715-3740, US

Sold-To: Contact Name

Sold-To: Contact Phone #

Sold-To: Account #

Laurae Clark

4065822326

0015128143

Bill-To: Address

PO BOX 1230, BOZEMAN, MT, 59771-1230, US

Bill-To: Contact Name

Bill-To: Contact Phone #

Bill-To: Account #

Bill-To: Email

0015128142

Ship-To: Address

121 N ROUSE AVE, BOZEMAN, MT, 59715-3740, US

Ship-To: Contact Name

Ship-To: Contact Phone #

Ship-To: Account #

Laurae Clark

4065822326

0015128143

PO #

Your Business Needs

Qty	Item	Business Solution Description
1	RELAY3500	Relay 3500
1	F381076	PB Kit, Relay 2500-4500
1	F790042-01	Power Cord
1	STD SLA	Standard SLA-Equipment Service Agreement (for Relay 3500)
1	TI35	Relay 3500 w/Install & Training

Your Payment Plan

Initial Term: 60 months	Initial Payment Amount:	
Number of Months	Monthly Amount	Billed Quarterly at*
60	\$ 371.16	\$ 1,113.48

() Tax Exempt Certificate Attached

() Tax Exempt Certificate Not Required

() Purchase Power® transaction fees included

() Purchase Power® transaction fees extra

*Does not include any applicable sales, use, or property taxes which will be billed separately.
If the equipment listed above is replacing your current meter, your current meter will be taken out of service once this lease commences.

Your Signature Below

Non-Appropriations. You warrant that you have funds available to make all payments until the end of your current fiscal period, and shall use your best efforts to obtain funds to make all payments in each subsequent fiscal period through the end of your lease term. If your appropriation request to your legislative body, or funding authority ("Governing Body") for funds to make the payments is denied, you may terminate this lease on the last day of the fiscal period for which funds have been appropriated, upon (i) submission of documentation reasonably satisfactory to us evidencing the Governing Body's denial of an appropriation sufficient to continue this lease for the next succeeding fiscal period, and (ii) satisfaction of all charges and obligations under this lease incurred through the end of the fiscal period for which funds have been appropriated, including the return of the equipment at your expense.

By signing below, you agree to be bound by all the terms and conditions of this Agreement, including the Sourcwell Contract Number 011322-PIT, effective date March 3, 2022 and the State and Local Fair Market Value Lease Terms (including the Pitney Bowes Terms) (Version 1/22) which is available at <http://www.pb.com/states> and is incorporated by reference (the "Agreement"). You acknowledge that, except for non-appropriation, you may not cancel this lease for any reason and that all payment obligations are unconditional. This lease will be binding on us after we have completed our credit and documentation approval process and have signed below. This lease requires you to either provide proof of insurance or participate in the ValueMAX® requirement protection program (see Section 8 of the State and Local Fair Market Value Lease Terms) for an additional fee. If software is included in the Order, additional terms apply which are available by clicking on the hyperlink for that software located at <http://www.pitneybowes.com/us/license-terms-of-use/software-and-subscription-terms-and-conditions.html>. Those additional terms are incorporated by reference.

011322-PIT

State/Entity's Contract#

Lessee Signature

Print Name

Title

Date

Email Address

Pitney Bowes Signature

Print Name

Title

Date

Sales Information

Patrick Keegan

patrick.keegan@pb.com

Account Rep Name

Email Address

PBGFS Acceptance



Mailing

Inserting

Relay® 3500 folder inserter

Productivity and confidence is built in

Eliminate the time-consuming task of folding and inserting your mail with the Relay 3500 folder inserter. Our simple user experience is designed on a tried and proven platform that enables you to finish up to 20,000 mail pieces per

month. With accuracy and reliability built in, your team gains confidence knowing that your critical mail is getting out the door accurately on time, every time, without errors.

The Relay 3500 folder inserter provides simple, accurate, and reliable mail assembly.



Simplicity

Thoughtfully designed for any user.



Accuracy

Eliminate costly delays due to manual errors.



Productivity

Keep mail process moving with fast, uninterrupted performance



For more information, visit us online: [pitneybowes.com](https://www.pitneybowes.com)

Specifications for Relay 3500

System	Relay 3500
Cycle speed	3,000 per hour
Color touchscreen UI	Standard
Monthly capacity	Up to 20,000/month
Feeder configuration	2 Sheet feeders, 1 insert feeder, outer envelope feeder
Fold options	C, Z, Half (V), Double
Integrity options	OMR, 2D
Cascade from sheet feeders	Yes
Envelope sealing	Standard

Accumulate before folding

C or Z fold	up to 5 sheets*
Half fold	up to 10 sheets (2 groups of 5)*
Double Fold (Legal Paper)	up to 3 sheets*

Sheet Feeder Tray(s)

Capacity per tray	325 sheets 20lb/75gsm paper (650 sheets total)
Paper sizes	Minimum: 7" (178mm) Width x 7" (178mm) Length Maximum: 9" (229mm) Width x 16" (406mm) Length
Paper weights	Minimum: 18lb/ 70gsm Maximum: 32lb/ 120gsm

Insert Feeder Tray

Capacity	300
Media sizes	Minimum: 5" (127mm) Width x 3.25" (82mm) Length Maximum: 9" (230mm) Width x 6" (152mm) Length
Media weights	Minimum: 20 lb/75gsm (non-folded cut sheet), 16 lb/60 gsm (folded material) Maximum: 50 lb/180gsm (single sheet) maximum compressed thickness of .078" (2mm)

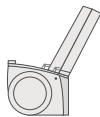
Envelope specifications

Capacity	up to 100
Envelope Sizes	Minimum: 3.5" (88mm) Deep x 8.5" (220mm) Wide Maximum: 6.5" (164mm) Deep x 9.5" (242mm) Wide
Envelope weights	Minimum: 17lb (65gsm) Maximum: 26lb (100gsm)
Programmable jobs	20

Physical specifications

Tabletop Dimensions	28" L x 21" W x 25" H (711mm x 533mm x 635mm)
Full Installed dimensions	42" L x 21" W x 25" H (1067mm x 533mm x 635mm)
Weight	145lbs (66kg)

Accessory Physical specifications



Vertical Power Stacker

Installed Length: 14 inches /356 mm

Height: 24 inches /610 mm



Drop Stacker

Installed Length: 10.5 inches / 267mm)

*Based on 20lb/ 75gsm



United States
3001 Summer Street
Stamford, CT 06926-0700

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18SMB05320_US

Memorandum

REPORT TO: City Commission

FROM: Renee Boundy, Treatment Court Coordinator
J. Colleen Herrington, Municipal Court Judge

SUBJECT: Authorize the City Manager to Sign a Professional Service Agreement with Alcohol Monitoring Services, Inc. to Provide Continuous Alcohol Monitoring Services to Bozeman VETS Court and BRIDGERS DUI Court Participants

MEETING DATE: July 23, 2024

AGENDA ITEM TYPE: Agreement - Vendor/Contract

RECOMMENDATION: Authorize the City Manager to Sign a Professional Service Agreement with Alcohol Monitoring Services, Inc. to provide continuous alcohol monitoring services to Bozeman VETS Court and BRIDGERS DUI Court Participants.

STRATEGIC PLAN: 3.1 Public Safety: Support high quality public safety programs, emergency preparedness, facilities, and leadership.

BACKGROUND: The DUI Treatment Court Best Practices require continuous alcohol monitoring for the first 90 days of treatment court participation. In addition, there are times when a higher level of monitoring is needed to support the sobriety of the participants.

UNRESOLVED ISSUES: none

ALTERNATIVES: none

FISCAL EFFECTS: There is money in the current budget to support some testing for the Bozeman VETS Court. Participant fees are used to offset testing fees when additional testing is required. The BRIDGERS DUI Court testing costs are currently paid using grant funds.

Attachments:

[Professional Service Agreement-AMS](#)

[Exhibit A final.docx](#)

[Exhibit B final.pdf](#)

[Exhibit C final.docx](#)

Report compiled on: July 11, 2024



PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this 23 day of July 11, 2024 (“Effective Date”), by and between the **CITY OF BOZEMAN, MONTANA**, a self-governing municipal corporation organized and existing under its Charter and the laws of the State of Montana, 121 North Rouse Street, Bozeman, Montana, with a mailing address of PO Box 1230, Bozeman, MT 59771, hereinafter referred to as “City,” and, John Hennessey, Chief Operating Officer at Scram Systems, hereinafter referred to as “Contractor.” The City and Contractor may be referred to individually as “Party” and collectively as “Parties.”

In consideration of the mutual covenants and agreements herein contained, the receipt and sufficiency whereof being hereby acknowledged, the parties hereto agree as follows:

1. **Purpose:** City agrees to enter this Agreement with Contractor to perform for City services described in the Scope of Services attached hereto as Exhibit A and by this reference made a part hereof.
2. **Term/Effective Date:** This Agreement is effective upon the Effective Date and will expire on the 23 day of July, 2024, unless earlier terminated in accordance with this Agreement.
3. **Scope of Services:** Contractor will perform the work and provide the services in accordance with the requirements of the Scope of Services. For conflicts between this Agreement and the Scope of Services, unless specifically provided otherwise, the Agreement governs. Contractor agrees to be bound by its responses to the City’s Cloud Questions, attached to this Agreement as Exhibit B and made part of this Agreement. Such responses constitute material consideration for the City to enter into this Agreement and the responses are material representations regarding the Contractor’s performance.
4. **Payment:** City agrees to pay Contractor GSA negotiated rates as outlined in Exhibit C, City of Bozeman GSA Product and Service Schedule. Any alteration or deviation from the described services that involves additional costs above the Agreement amount will be performed by Contractor after written request by the City, and will become an additional charge over and above the amount listed in Exhibit C. The City must agree in writing upon any additional charges.

5. **Contractor's Representations:** To induce City to enter into this Agreement, Contractor makes the following representations:

a. Contractor has familiarized itself with the nature and extent of this Agreement, the Scope of Services, and with all local conditions and federal, state and local laws, ordinances, rules, and regulations that in any manner may affect cost, progress or performance of the Scope of Services.

b. Contractor represents and warrants to City that it has the experience and ability to perform the services required by this Agreement; that it will perform the services in a professional, competent and timely manner and with diligence and skill; that it has the power to enter into and perform this Agreement and grant the rights granted in it; and that its performance of this Agreement shall not infringe upon or violate the rights of any third party, whether rights of copyright, trademark, privacy, publicity, libel, slander or any other rights of any nature whatsoever, or violate any federal, state and municipal laws. The City will not determine or exercise control as to general procedures or formats necessary to have these services meet this warranty.

6. **Independent Contractor Status/Labor Relations:** The parties agree that Contractor is an independent contractor for purposes of this Agreement and is not to be considered an employee of the City for any purpose. Contractor is not subject to the terms and provisions of the City's personnel policies handbook and may not be considered a City employee for workers' compensation or any other purpose. Contractor is not authorized to represent the City or otherwise bind the City in any dealings between Contractor and any third parties.

Contractor shall comply with the applicable requirements of the Workers' Compensation Act, Title 39, Chapter 71, Montana Code Annotated (MCA), and the Occupational Disease Act of Montana, Title 39, Chapter 71, MCA. Contractor shall maintain workers' compensation coverage for all members and employees of Contractor's business, except for those members who are exempted by law.

Contractor shall furnish the City with copies showing one of the following: (1) a binder for workers' compensation coverage by an insurer licensed and authorized to provide workers' compensation insurance in the State of Montana; or (2) proof of exemption from workers' compensation granted by law for independent contractors.

In the event that, during the term of this Agreement, any labor problems or disputes of any type arise or materialize which in turn cause any services to cease for any period of time, Contractor specifically agrees to take immediate steps, at its own expense and without expectation of reimbursement from City, to alleviate or resolve all such labor problems or disputes. The specific steps Contractor shall take shall be left to the discretion of Contractor; provided, however, that

Contractor shall bear all costs of any related legal action. Contractor shall provide immediate relief to the City so as to permit the services to continue at no additional cost to City.

Contractor shall indemnify, defend, and hold the City harmless from any and all claims, demands, costs, expenses, damages, and liabilities arising out of, resulting from, or occurring in connection with any labor problems or disputes or any delays or stoppages of work associated with such problems or disputes.

7. **Indemnity/Waiver of Claims/Insurance:** For other than professional services rendered, to the fullest extent permitted by law, Contractor agrees to release, defend, indemnify, and hold harmless the City, its agents, representatives, employees, and officers (collectively referred to for purposes of this Section as the City) from and against any and all third party claims, demands, actions, fees and costs (including attorney's fees and the costs and fees of expert witness and consultants), losses, expenses, liabilities (including liability where activity is inherently or intrinsically dangerous) or damages of whatever kind or nature connected therewith and without limit and without regard to the cause or causes thereof or the negligence of any party or parties that may be asserted against, recovered from or suffered by the City occasioned by, growing or arising out of or resulting from or in any way related to: (i) the negligent, reckless, or intentional misconduct of the Contractor; or (ii) any negligent, reckless, or intentional misconduct of any of the Contractor's agents.

For the professional services rendered, to the fullest extent permitted by law, Contractor agrees to indemnify and hold the City harmless against claims, demands, suits, damages, losses, and expenses, including reasonable defense attorney fees, to the extent caused by the negligence or intentional misconduct of the Contractor or Contractor's agents or employees.

Such obligations shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity that would otherwise exist. The indemnification obligations of this Section must not be construed to negate, abridge, or reduce any common-law or statutory rights of the City as indemnitee(s) which would otherwise exist as to such indemnitee(s).

Contractor's indemnity under this Section shall be without regard to and without any right to contribution from any insurance maintained by City.

Should the City be required to bring an action against the Contractor to assert its right to defense or indemnification under this Agreement or under the Contractor's applicable insurance policies required below, the City shall be entitled to recover reasonable costs and attorney fees incurred in asserting its right to indemnification or defense but only if a court of competent jurisdiction determines the Contractor was obligated to defend the claim(s) or was obligated to indemnify the City for a claim(s) or any portion(s) thereof.

In the event of an action filed against the City resulting from the City's performance under this Agreement, the City may elect to represent itself and incur all costs and expenses of suit.

Contractor also waives any and all claims and recourse against the City, including the right of contribution for loss or damage to person or property arising from, growing out of, or in any way connected with or incident to the performance of this Agreement except "responsibility for [City's] own fraud, for willful injury to the person or property of another, or for violation of law, whether willful or negligent" as per 28-2-702, MCA.

These obligations shall survive termination of this Agreement and the services performed hereunder.

In addition to and independent from the above, Contractor shall at Contractor's expense secure insurance coverage through an insurance company or companies duly licensed and authorized to conduct insurance business in Montana which insures the liabilities and obligations specifically assumed by the Contractor in this Section. The insurance coverage shall not contain any exclusion for liabilities specifically assumed by the Contractor in this Section.

The insurance shall cover and apply to all claims, demands, suits, damages, losses, and expenses that may be asserted or claimed against, recovered from, or suffered by the City without limit and without regard to the cause therefore and which is acceptable to the City. Contractor shall furnish to the City an accompanying certificate of insurance and accompanying endorsements in amounts not less than as follows:

- Workers' Compensation – statutory;
- Employers' Liability - \$1,000,000 per occurrence; \$2,000,000 annual aggregate;
- Commercial General Liability - \$1,000,000 per occurrence; \$2,000,000 annual aggregate;
- Automobile Liability - \$1,000,000 property damage/bodily injury per accident; and
- Professional Liability - \$1,000,000 per claim; \$2,000,000 annual aggregate.

The above amounts shall be exclusive of defense costs. The City shall be endorsed as an additional or named insured on a primary non-contributory basis on the Commercial General, Employer's Liability, and Automobile Liability policies. The insurance and required endorsements must be in a form suitable to City and shall include no less than a thirty (30) day notice of cancellation or non-renewal. Contractor shall notify City within ten (10) business days of Contractor's receipt of

notice that any required insurance coverage will be terminated or Contractor's decision to terminate any required insurance coverage for any reason.

The City must approve all insurance coverage and endorsements prior to the Contractor commencing work.

8. Termination for Contractor's Fault:

a. If Contractor refuses or fails to timely do the work, or any part thereof, or fails to perform any of its obligations under this Agreement, or otherwise breaches any terms or conditions of this Agreement, the City may, by written notice, terminate this Agreement and the Contractor's right to proceed with all or any part of the work ("Termination Notice Due to Contractor's Fault"). The City may then take over the work and complete it, either with its own resources or by re-letting the contract to any other third party.

b. In the event of a termination pursuant to this Section 8, Contractor shall be entitled to payment only for those services Contractor actually rendered.

c. Any termination provided for by this Section 8 shall be in addition to any other remedies to which the City may be entitled under the law or at equity.

d. In the event of termination under this Section 8, Contractor shall, under no circumstances, be entitled to claim or recover consequential, special, punitive, lost business opportunity, lost productivity, field office overhead, general conditions costs, or lost profits damages of any nature arising, or claimed to have arisen, as a result of the termination.

9. Termination for City's Convenience:

a. Should conditions arise which, in the sole opinion and discretion of the City, make it advisable to the City to cease performance under this Agreement, the City may terminate this Agreement by written notice to Contractor ("Notice of Termination for City's Convenience"). The termination shall be effective in the manner specified in the Notice of Termination for City's Convenience and shall be without prejudice to any claims that the City may otherwise have against Contractor.

b. Upon receipt of the Notice of Termination for City's Convenience, unless otherwise directed in the Notice, the Contractor shall immediately cease performance under this Agreement and make every reasonable effort to refrain from continuing work, incurring additional expenses or costs under this Agreement and shall immediately cancel all existing

orders or contracts upon terms satisfactory to the City. Contractor shall do only such work as may be necessary to preserve, protect, and maintain work already completed or immediately in progress.

c. In the event of a termination pursuant to this Section 9, Contractor is entitled to payment only for those services Contractor actually rendered on or before the receipt of the Notice of Termination for City's Convenience.

d. The compensation described in Section 9(c) is the sole compensation due to Contractor for its performance of this Agreement. Contractor shall, under no circumstances, be entitled to claim or recover consequential, special, punitive, lost business opportunity, lost productivity, field office overhead, general conditions costs, or lost profits damages of any nature arising, or claimed to have arisen, as a result of the termination.

10. Limitation on Contractor's Damages; Time for Asserting Claim:

a. In the event of a claim for damages by Contractor under this Agreement, Contractor's damages shall be limited to contract damages and Contractor hereby expressly waives any right to claim or recover consequential, special, punitive, lost business opportunity, lost productivity, field office overhead, general conditions costs, or lost profits damages of any nature or kind.

b. In the event Contractor wants to assert a claim for damages of any kind or nature, Contractor shall provide City with written notice of its claim, the facts and circumstances surrounding and giving rise to the claim, and the total amount of damages sought by the claim, within 6 months of the facts and circumstances giving rise to the claim. In the event Contractor fails to provide such notice, Contractor shall waive all rights to assert such claim.

11. Representatives and Notices:

a. **City's Representative:** The City's Representative for the purpose of this Agreement shall be Renee Boundy, Treatment Court Coordinator, or such other individual as City shall designate in writing. Whenever approval or authorization from or communication or submission to City is required by this Agreement, such communication or submission shall be directed to the City's Representative and approvals or authorizations shall be issued only by such Representative; provided, however, that in exigent circumstances when City's Representative is not available, Contractor may direct its communication or submission to other designated City personnel or agents as designated by the City in writing and may receive

approvals or authorization from such persons.

b. Contractor's Representative: The Contractor's Representative for the purpose of this Agreement shall be Dave Britt or such other individual as Contractor shall designate in writing. Whenever direction to or communication with Contractor is required by this Agreement, such direction or communication shall be directed to Contractor's Representative; provided, however, that in exigent circumstances when Contractor's Representative is not available, City may direct its direction or communication to other designated Contractor personnel or agents.

c. Notices: All notices required by this Agreement shall be in writing and shall be provided to the Representatives named in this Section. Notices shall be deemed given when delivered, if delivered by courier to Party's address shown above during normal business hours of the recipient; or when sent, if sent by email or fax (with a successful transmission report) to the email address or fax number provided by the Party's Representative; or on the fifth business day following mailing, if mailed by ordinary mail to the address shown above, postage prepaid.

12. Permits: Contractor shall provide all notices, comply with all applicable laws, ordinances, rules, and regulations, obtain all necessary permits, licenses, including a City of Bozeman business license, and inspections from applicable governmental authorities, and pay all fees and charges in connection therewith.

13. Laws and Regulations: Contractor shall comply fully with all applicable state and federal laws, regulations, and municipal ordinances including, but not limited to, all workers' compensation laws, all environmental laws including, but not limited to, the generation and disposal of hazardous waste, the Occupational Safety and Health Act (OSHA), the safety rules, codes, and provisions of the Montana Safety Act in Title 50, Chapter 71, MCA, all applicable City, County, and State building and electrical codes, the Americans with Disabilities Act, and all non-discrimination, affirmative action, and utilization of minority and small business statutes and regulations.

14. Nondiscrimination and Equal Pay: The Contractor agrees that all hiring by Contractor of persons performing this Agreement shall be on the basis of merit and qualifications. The Contractor will have a policy to provide equal employment opportunity in accordance with all applicable state and federal anti-discrimination laws, regulations, and contracts. The Contractor will not refuse employment to a person, bar a person from employment, or discriminate against a person in compensation or in a term, condition, or privilege of employment because of race, color, religion, creed, political ideas, sex, age, marital status, national origin, actual or perceived sexual orientation, gender identity, physical or mental disability, except when the reasonable demands of the position

require an age, physical or mental disability, marital status or sex distinction. The Contractor shall be subject to and comply with Title VI of the Civil Rights Act of 1964; Section 140, Title 2, United States Code, and all regulations promulgated thereunder.

Contractor represents it is, and for the term of this Agreement will be, in compliance with the requirements of the Equal Pay Act of 1963 and Section 39-3-104, MCA (the Montana Equal Pay Act). Contractor must report to the City any violations of the Montana Equal Pay Act that Contractor has been found guilty of within 60 days of such finding for violations occurring during the term of this Agreement.

Contractor shall require these nondiscrimination terms of its subcontractors providing services under this Agreement.

15. Intoxicants; DOT Drug and Alcohol Regulations/Safety and Training: Contractor shall not permit or suffer the introduction or use of any intoxicants, including alcohol or illegal drugs, by any employee or agent engaged in services to the City under this Agreement while on City property or in the performance of any activities under this Agreement. Contractor acknowledges it is aware of and shall comply with its responsibilities and obligations under the U.S. Department of Transportation (DOT) regulations governing anti-drug and alcohol misuse prevention plans and related testing. City shall have the right to request proof of such compliance and Contractor shall be obligated to furnish such proof.

The Contractor shall be responsible for instructing and training the Contractor's employees and agents in proper and specified work methods and procedures. The Contractor shall provide continuous inspection and supervision of the work performed. The Contractor is responsible for instructing its employees and agents in safe work practices.

16. Modification and Assignability: This Agreement may not be enlarged, modified or altered except by written agreement signed by both parties hereto. The Contractor may not subcontract or assign Contractor's rights, including the right to compensation or duties arising hereunder, without the prior written consent of the City. Any subcontractor or assignee will be bound by all of the terms and conditions of this Agreement.

17. Reports/Accountability/Public Information: Contractor agrees to develop and/or provide documentation as requested by the City demonstrating Contractor's compliance with the requirements of this Agreement. Contractor shall allow the City, its auditors, and other persons authorized by the City to inspect and copy its books and records for the purpose of verifying that the reimbursement of monies distributed to Contractor pursuant to this Agreement was used in compliance with this Agreement and all applicable provisions of federal, state, and local law. The

Contractor shall not issue any statements, releases or information for public dissemination without prior approval of the City.

18. **Non-Waiver:** A waiver by either party of any default or breach by the other party of any terms or conditions of this Agreement does not limit the other party's right to enforce such term or conditions or to pursue any available legal or equitable rights in the event of any subsequent default or breach.

19. **Attorney's Fees and Costs:** In the event it becomes necessary for either Party to retain an attorney to enforce any of the terms or conditions of this Agreement or to give any notice required herein, then the prevailing Party or the Party giving notice shall be entitled to reasonable attorney's fees and costs, including fees, salary, and costs of in-house counsel including the City Attorney's Office staff.

20. **Taxes:** Contractor is obligated to pay all taxes of any kind or nature and make all appropriate employee withholdings.

21. **Dispute Resolution:**

a. Any claim, controversy, or dispute between the parties, their agents, employees, or representatives shall be resolved first by negotiation between senior-level personnel from each party duly authorized to execute settlement agreements. Upon mutual agreement of the parties, the parties may invite an independent, disinterested mediator to assist in the negotiated settlement discussions.

b. If the parties are unable to resolve the dispute within thirty (30) days from the date the dispute was first raised, then such dispute may only be resolved in a court of competent jurisdiction in compliance with the Applicable Law provisions of this Agreement.

22. **Survival:** Contractor's indemnification shall survive the termination or expiration of this Agreement for the maximum period allowed under applicable law.

23. **Headings:** The headings used in this Agreement are for convenience only and are not be construed as a part of the Agreement or as a limitation on the scope of the particular paragraphs to which they refer.

24. **Severability:** If any portion of this Agreement is held to be void or unenforceable, the balance thereof shall continue in effect.

25. **Applicable Law:** The parties agree that this Agreement is governed in all respects by the laws of the State of Montana.

26. **Binding Effect:** This Agreement is binding upon and inures to the benefit of the heirs, legal representatives, successors, and assigns of the parties.

27. **No Third-Party Beneficiary:** This Agreement is for the exclusive benefit of the parties, does not constitute a third-party beneficiary agreement, and may not be relied upon or enforced by a third party.

28. **Counterparts:** This Agreement may be executed in counterparts, which together constitute one instrument.

29. **Integration:** This Agreement and all Exhibits attached hereto constitute the entire agreement of the parties. Covenants or representations not contained herein or made a part thereof by reference, are not binding upon the parties. There are no understandings between the parties other than as set forth in this Agreement. All communications, either verbal or written, made prior to the date of this Agreement are hereby abrogated and withdrawn unless specifically made a part of this Agreement by reference.

30. **Consent to Electronic Signatures:** The Parties have consented to execute this Agreement electronically in conformance with the Montana Uniform Electronic Transactions Act, Title 30, Chapter 18, Part 1, MCA.

31. **Extensions:** this Agreement may, upon mutual agreement, be extended for a period of one year by written agreement of the Parties. In no case, however, may this Agreement run longer than July 1st, 2027.

****** END OF AGREEMENT EXCEPT FOR SIGNATURES ******

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written or as recorded in an electronic signature.

CITY OF BOZEMAN, MONTANA

**Alcohol Monitoring Services, Inc
CONTRACTOR (Type Name Above)**

By _____
Chuck Winn, Acting City Manager

By _____
John Hennessy, Chief Operating Officer

APPROVED AS TO FORM:

By _____
Greg Sullivan, Bozeman City Attorney



1241 West Mineral Avenue, Suite 200
Littleton, CO 80120

SCOPE OF SERVICES

AGENCY: CITY OF BOZEMAN INITIAL CONTRACT TERM: 36 months
ADDRESS: 901 N. Rouse Ave., Suite 235
Bozeman, MT 59715

This **MASTER AGENCY AGREEMENT** (the “**Agreement**”), is entered into as of the Effective Date by and between **ALCOHOL MONITORING SYSTEMS, INC. (“AMS”)**, a Delaware corporation located at 1241 West Mineral Avenue, Suite 200, Littleton, Colorado 80120, and the Agency listed above. This Agreement incorporates by reference any and all **Schedules** executed by the parties. Capitalized terms not otherwise defined in this Agreement are those as defined in the attached Schedule(s). Should there be a conflict between the terms in this Agreement and those of any Schedule, the terms in the Schedule will prevail. The effective date of the Agreement is the date last signed by AMS (Effective Date). This Agreement supersedes any prior written or oral agreement and understandings with respect to the subject matter herein.

1 GENERAL SCOPE OF AGREEMENT. AMS sells and rents Equipment and provides supporting Services specific to monitoring Clients who are required to or opt to wear such Equipment. AMS desires to sell or rent and Agency desires to order such Equipment and the supporting Services as specified in this Agreement and the attached Schedules in the Territory described on the applicable Schedule.

2 DEFINITIONS

“**Clients**” means individuals who are required or choose to wear the Equipment.

“**Effective Date**” means the date this Agreement is signed by AMS.

“**Equipment**” means the hardware identified in the applicable Schedule.

“**Mobile Application**” means any applications listed in this Agreement which are provided by AMS or its third-party supplier and designed to complement the Services, but which run on mobile devices such as smart phones or tablets.

“**Monitoring Services**” means the remote collection, compilation and reporting of data from the Equipment.

“**Monitoring Software**” means AMS’ proprietary, web-based software applications, depending on the Equipment or Service contracted for, which track and store Client data and other features as may be added from time to time.

“**Parts**” means peripheral hardware necessary for the support of the Equipment such as, but not limited, to batteries, straps and back-plates.

“**Products**” means collectively the Equipment and the Parts.

“**Rental Equipment**” means Equipment rented by AMS to Agency.

“**RMA**” means a Return Material Authorization issued by AMS.

“**Services**” means collectively the; (i) the Monitoring Services; (ii) provision of training and certification necessary for Agency to use Products; (iii) provision of technical support and telephone assistance; (iv) scheduled Equipment (v) maintenance; (vi) disaster recovery and backup services for Client data stored using the Monitoring Software; and (v) provision of such other Services and support functions as may be agreed to in writing by the parties and made part of this Agreement.

“**Territory**” means the geographic area type as defined on each Schedule in which Agency may provide the Products and Services to Clients.

“**Third Party Contractor**” means Agency’s third-party subcontractors to whom Agency is subcontracting any of Agency’s work or responsibilities under this Agreement.

3 GENERAL BUSINESS TERMS

3.1 Payment Terms.

3.1.1 Purchased Products. Products will be invoiced at the time of shipment. The price of the Products does not include applicable taxes and is due and payable in U.S. dollars within ten (10) days of date of invoice.

3.1.2 Rental Equipment. Rental Equipment Fees will be invoiced monthly to Agency by AMS based on the specific pricing option for the Rental Equipment on or before the tenth (10th) day of each month and shall be paid by Agency to AMS within thirty (30) days from the date of such invoice.

3.1.3 Monitoring Service and Other Fees. Service fees will be invoiced by AMS on a monthly basis as incurred and shall be paid by Agency within thirty (30) days from the date of such invoice. Other fees include, but are not limited to, fees for the following: Court appearances whereby AMS is requested by Agency to be a witness in a court case; manual check-in for inactive Equipment; repair or replacement not covered by the Maintenance and Repair Policy under Section 7 and Equipment returned to AMS without an RMA. Unless set forth on an applicable Schedule, fees will be charged at AMS' then prevailing rates.

3.1.4 Currency; Invoiced Taxes. All fees are payable in U.S. Dollars. In addition, Agency is responsible for the timely payment of all taxes invoiced by AMS related to the purchase price for Products, Rental Equipment Fees, Services and any other fees set forth on the Schedule(s).

3.1.5 Annual Price Adjustment. After the first twelve (12) months of the Initial Term, AMS reserves the right to increase the pricing specified on the accompanying Schedule ("Annual Price Adjustment"). Price increases will not go into effect until ninety (90) days after AMS notifies Partner of any such Annual Price Adjustment. Annual Price Adjustments shall be capped at no more than twenty (20) percent over the Term of the Agreement or the percentage rate of inflation over the Term of the Agreement, whichever is greater. Annual Price Adjustments may only be made once annually and no annual adjustment increase shall exceed ten (10) percent or the percentage rate of inflation for the last twelve months, whichever is greater.

3.2. Ordering; Freight Terms; Order Cancellation and Reschedule.

3.2.1 Orders. AMS may provide Agency with AMS' standard order form to use for when Agency places orders under this Agreement. Agency may use its own purchase order form in addition to the AMS order form. All terms on any Agency purchase order shall not alter or amend the terms of this Agreement and any additional or varying terms contained in such instrument are expressly rejected. AMS shall make commercially reasonable efforts to supply all Equipment ordered under the terms of this Agreement; however, AMS does not guarantee the availability of any Equipment.

3.2.2 Freight Terms. Products ordered by Agency shall be shipped to Agency's designated facility, AMS paying ground freight, and AMS bearing the risk of loss of damage until Products are delivered to Agency's dock, at which time any visible damage to the outermost packaging must be noted on the Bill of Lading. AMS shall determine the type of packaging, mode of transportation for all shipments including for returns. Any returns must be accompanied by an RMA. Orders expedited at Agency's request will be shipped FOB Origin, with all freight costs to be paid by the Agency.

3.2.3 Order Cancellation and Reschedule. Orders for Products, once accepted by AMS, are non-cancelable, and Products are non-returnable, except in accordance with the Maintenance and Repair Policy set forth in this Agreement or the terms, if any, in the applicable Schedule. Upon AMS agreement, Agency can reschedule orders one time upon thirty (30) days written notice prior to the shipment date. Any such rescheduled delivery date must be within thirty (30) days of the original delivery date.

3.3 Taxes. Agency shall be solely responsible for all taxes related to Products or Services provided to it by AMS under this Agreement including, by way of example and not limitation, sales, use, property, excise, value added, and gross receipts irrespective of whether the Products are purchased or rented. If Agency is exempt from taxes of any kind Agency will provide appropriate exemption documentation for all such taxes applicable to the transactions contemplated by this Agreement.

3.4 Failure to Make Payments and Suspension of Services. Late paid invoices will be subject to interest, accruing from the due date at the rate of either one-and-one-half percent (1.5%) per month or the highest rate specified by applicable statute, whichever is lower. In addition, if Agency fails to pay any amount when due under

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this Agreement, AMS will provide written notice to Agency of such failure. If Agency does not pay any outstanding amount due within five (5) business days of the date of such notice, AMS may do any of the following; (i) reject orders from Agency for additional Products or withhold delivery of Products already ordered but not yet shipped; (ii) suspend access to the Services until Agency pays all outstanding amounts in full; and (iii) proceed with termination of this Agreement and any applicable Schedules in accordance with the terms in Section 9.3 of this Agreement.

3.5 Title to Equipment; Rental Equipment.

3.5.1 Title to Equipment. Title to purchased Equipment transfers to Agency upon delivery to the freight carrier. Title to any Rental Equipment shall remain with AMS, unless such Equipment is later purchased by the Agency.

3.5.2 Rental Equipment. Agency may rent Equipment from AMS in quantities agreed to by the parties. Agency will not encumber or dispose of any Rental Equipment. Agency will inventory Rental Equipment in a location that is used and operated by Agency authorized personnel only. All Rental Equipment maintained in Agency's inventory location will be handled in accordance with industry standard practices for prevention of loss or physical damage, including that which may be caused by electronic static discharge and environmental concerns. Agency will be responsible to and reimburse AMS for all loss to AMS resulting from damage, theft, destruction or any other loss whatsoever of Rental Equipment received by Agency. In the event of the loss or damage to any of the Rental Equipment, Agency agrees to pay AMS the Replacement Fee amounts specified on the relevant Schedule. AMS reserves the right, at its sole option, to reduce Agency's inventory of Rental Equipment, if Agency does not remit the Replacement Fee within thirty (30) days from the date of receipt of AMS' invoice. Agency will cooperate with AMS in the preparation and filing of any documents considered necessary by AMS to preserve AMS' title and ownership rights to the Rental Equipment. Upon reasonable notice, AMS reserves the right to audit Rental Equipment inventory on a quarterly basis. At all times throughout the Term, Agency will procure and maintain risk insurance to specifically cover loss or damage to Rental Equipment while in Agency's possession up to the equivalent of the Replacement Fee for the Rental Equipment. At the end of the rental period, Agency must obtain an RMA and ship returned Rental Equipment to AMS with freight to be paid by Agency and risk of loss or damage to remain with Agency until delivery to AMS.

4 USE RESTRICTIONS; FIRMWARE LICENSE; OWNERSHIP; LIMITED LICENSE; DISCLAIMER

4.1 Use Restrictions; No Modification. Agency shall not do any of the following acts: (i) wilfully tamper with the security of the Monitoring Software, Mobile Application or Equipment; (ii) access data on the Monitoring Software not intended for Agency; (iii) log into an unauthorized server or account on the Monitoring Software; (iv) attempt to probe, scan or test the vulnerability of the Monitoring Software or Mobile Application or to breach the security or authentication measures without proper authorization; (v) wilfully render any part of Monitoring Software or Mobile Application unusable; (vi) reverse engineer, de-compile, disassemble or otherwise attempt to discover the source code or underlying ideas or algorithms of the Monitoring Software or Mobile Application; (vii) modify, translate, or create derivative works based on the Monitoring Software or Mobile Application; (viii) rent, lease, distribute, license, sublicense, sell, resell, assign, or otherwise commercially exploit the Monitoring Software or make the Monitoring Software or Mobile Application available to a third party other than as contemplated in this Agreement; (ix) use the Monitoring Software for timesharing or service bureau purposes or otherwise for the benefit of a third party; (x) publish or disclose to third parties any evaluation of the Monitoring Software or Mobile Application without AMS' or its third party supplier's prior written consent; (xi) remove, modify, obscure any copyright, trademark, patent or other proprietary notice that appears on the Monitoring Software or Mobile Application; or (xii) create any link to the Monitoring Software or frame or mirror any content contained or accessible from the Monitoring Software. Except as expressly provided in this Agreement, no right or license is granted hereunder, by implication, estoppel or otherwise.

4.2 Firmware License. The Products contain firmware developed and owned by AMS or its third-party supplier. Agency is hereby granted a limited, non-exclusive, non-transferable, royalty-free license, for the Term, as defined in Section 9.1 below, to use the firmware in the Products. Use of the Parts may be subject to third party license agreements. AMS and its third-party suppliers shall retain all rights to the firmware contained in the Products. Any applicable license shall be deemed to be in effect upon delivery of the Products.

4.3 Ownership; Limited License. Agency acknowledges that all right, title and interest in any software, Mobile Application or firmware provided under this Agreement and all modifications and enhancements thereof, including

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all rights under copyright and patent and other intellectual property rights, belong to and are retained solely by AMS or its third-party suppliers. This Agreement provides Agency only the rights expressly granted in this Agreement. Further, if Agency suggests any new features or functionality for the Equipment, Monitoring Software or Parts that AMS or its third party suppliers subsequently incorporate into the Products or Monitoring Software, any such new features or functionality shall be the sole and exclusive property of AMS or its third party suppliers and shall be free from any confidentiality restrictions that might otherwise be imposed upon AMS pursuant to Section 8 below.

4.4 EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT AND TO THE EXTENT ALLOWED BY APPLICABLE LAW, AMS DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE. AMS SHALL HAVE NO LIABILITY WHATSOEVER AS A RESULT OF THE EQUIPMENT BEING LOCATED IN AN AREA NOT COVERED BY APPROPRIATE WIRELESS COVERAGE (IF APPLICABLE), OR IF THE EQUIPMENT FAILS TO ESTABLISH A CONNECTION WITH THE MONITORING SOFTWARE OR THE MONITORING SERVICES ARE DISABLED DUE TO NETWORK RELATED ISSUES.

Without limiting the express warranties set forth in this Agreement, AMS does not warrant that the Services will meet Agency's requirements or that access to and use of the Monitoring Services will be uninterrupted or free of errors. AMS cannot and does not guarantee the privacy, security, authenticity and non-corruption of any information transmitted through, or stored in any system connected to, the Internet. Neither AMS nor its third-party suppliers shall be responsible for any delays, errors, failures to perform, or disruptions in the Monitoring Services caused by or resulting from any act, omission or condition beyond AMS' or its third party supplier's reasonable control.

5 SERVICE TERMS

5.1 Service Scope. AMS will provide Agency with the Services and support functions per the terms in this Agreement. Unless otherwise expressly agreed to by the parties, AMS is not obligated to and will not provide Services for any Equipment not obtained directly from AMS.

5.2 Monitoring Service Availability. AMS shall use commercially reasonable efforts to make the Monitoring Services available for twenty-four (24) hours a day, seven (7) days a week. Agency agrees that from time to time the Monitoring Services may be inaccessible or inoperable for reasons beyond the reasonable control of AMS, including: (i) equipment malfunctions; (ii) periodic maintenance procedures or repairs which AMS may undertake; or (iii) interruption or failure of telecommunication or digital transmission links, hostile network attacks, network congestion or other similar failures. Agency will not be entitled to any setoff, discount, refund or other credit as a result of unavailability of the Monitoring Services unless expressly provided in this Agreement.

5.3 Monitoring Software Security. AMS shall use commercially reasonable efforts to prevent unauthorized access to restricted areas of the Monitoring Software and any databases or other sensitive material. AMS reserves the right to deactivate or suspend access to the Monitoring Software by a user if such user is found or reasonably suspected to be using his/her access to facilitate illegal, abusive or unethical activities. Such activities include pornography, obscenity, violations of law or privacy, hacking, computer viruses, or any harassing or harmful materials or uses. Agency agrees to hold AMS harmless from any claims resulting from such use.

5.4 Access to Monitoring Software. Agency agrees to limit requests for access to the Monitoring Software to Agency personnel who are authorized to enroll Clients, set notification options and otherwise access the information residing within the Monitoring Software. AMS will provide to Agency usernames, passwords and other information necessary to access the Monitoring Software. Agency is responsible for keeping its usernames and passwords protected as Confidential Information as defined in and per the terms of Section 8 of this Agreement and for any communications or transactions made using its user names and passwords. Agency personnel are responsible for changing their respective usernames and passwords if they believe that either have been stolen or might otherwise be misused. Agency shall provide written notice to AMS within ten (10) days if any previously authorized personnel status changes such that access should no longer be allowed, including but not limited to termination or resignation of any Agency personnel who had access to the Monitoring Software. These requirements are subject to change based on periodic review by AMS of its information security needs.

5.5 Equipment and Utilities. Agency is responsible and shall bear the costs associated with providing and maintaining internet access and all necessary telecommunications equipment, software and other materials necessary for accessing the Monitoring Software. Agency agrees to notify AMS of any changes in the foregoing,

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including any system configuration changes or any hardware or software upgrades, which may affect Agency's ability to access the Monitoring Software.

5.6 Equipment Maintenance. AMS and Agency shall establish a routine maintenance program designed to keep the Equipment in good repair, working order and condition in accordance with AMS' then-published specifications, including establishing a schedule that will ensure the return of the Equipment to AMS at approximately annual intervals. Unless otherwise agreed, Agency shall be responsible for (i) collecting any Equipment from Clients that is scheduled for maintenance and (ii) shipping it to AMS having first obtained a RMA number from AMS. Such maintenance program shall not cover Equipment damaged or rendered inoperative for any cause not due to defects covered by the service and repair policy in the Agreement. Agency shall not, without prior approval from AMS, send to AMS for maintenance any Equipment not then scheduled for maintenance. Equipment returned to AMS for any reason, including rental returns, damages, and scheduled repairs, that are not accompanied with a properly issued RMA may be assessed a returned administrative charge.

5.7 Training and Certification. AMS will provide Agency personnel with on-line training and certification in the use of the Products at AMS' current training rates as quoted by AMS to Agency.

5.8 Additional or Changes to Services. From time-to-time, AMS may revise the scope of the Services, subcontract or delegate to a third party some or all of the provision of the Services, or make substitutions, additions, modifications and improvements to Monitoring Software and/or Services. Additionally, as a part of these changed Services, AMS also may determine, at its sole option, to discontinue providing Services hereunder for specific versions of the Products upon a minimum of one (1) year prior notice to Agency.

6. AGENCY RESPONSIBILITIES.

6.1 Equipment. Agency shall be solely responsible for the management and supervision of the Equipment and any personnel or Clients using the Equipment and the Monitoring Software, as well as the selection and implementation of the Client enrollment, monitoring and notification options provided for the Monitoring Software. For avoidance of doubt, Agency is solely responsible for the management of the Clients, including the response to any Client violations reported by AMS or its third-party providers. AMS is not responsible or liable for Agency's failure to properly fulfill its foregoing responsibilities.

6.2 Agreements with Clients. Agency shall obtain the necessary written consent from any Client authorizing the tracking and/or monitoring of the Equipment by AMS or its subcontractors. Agency is solely responsible for notifying Clients in writing of any restrictions or limitations on the use of the Equipment of which it is made aware by AMS. These mandatory restrictions and prohibitions to be communicated to Clients are available on the Monitoring Software platform in the form of a "Participant Agreement". This Participant Agreement is not intended to cover all possible requirements of the relationship between Agency and its Clients and should be reviewed by Agency's legal advisors prior to use. Agency agrees to indemnify and hold AMS harmless from any claim resulting from the failure of Agency to notify Clients of the restrictions and prohibitions on use of the Equipment and to obtain Client's written consent authorizing the tracking and or monitoring of the Equipment by AMS or its subcontractors.

6.3 Third Party Call Center Support. If Agency determines that it will establish and use a third-party call center to monitor and receive alerts from the Monitoring Software, then Agency will notify AMS and shall ensure that personnel certified by AMS will operate the call center. Agency shall be responsible for all acts and omissions of the third-party call center personnel granted access to Monitoring Software as if they were employees of Agency.

6.4 Research Studies. Agency agrees that prior to using the Equipment for a research study or publishing any results from such a study, the Agency will obtain AMS' prior written approval of the study and additional written approval of any intent to publish the research results. AMS may, at its sole discretion, withhold any such approval. Agency's breach of this Section 6.4 will be a material breach of the Agreement.

7 MAINTENANCE AND REPAIR

7.1 Maintenance and Repair Policy. Provided Agency; (i) pays to AMS the Service fee(s) for Equipment; and (ii) installs the Equipment in accordance with AMS' instructions, for all Equipment manufactured by and ordered directly from AMS, AMS will provide the necessary maintenance and repair for such Equipment at AMS' expense to enable it to function with the Monitoring Software in a manner substantially in accordance with the performance parameters specified in the documentation for the specific Equipment. For any Parts manufactured by third parties

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and sold by AMS, any service or repair commitment for that Part shall be solely as described in the relevant Schedule for that Part. Products returned to AMS under warranty must be returned within thirty (30) days of issuance of the RMA. Agency must return damaged or defective Products to AMS using the label or freight carrier information provided by AMS to Agency at the time of RMA issuance.

7.2 Maintenance and Repair Policy Exclusions. The above policy does not cover Equipment that is obtained from sources outside of AMS or is defective due to (i) improper use or installation, damage, accident, abuse or alteration; (ii) failure to comply with the operating and maintenance instructions set forth in the documentation for the specific Equipment; (iii) servicing of the Equipment by anyone not authorized by AMS; (iv) failure of Agency to obtain reasonable and necessary maintenance of the Equipment as contemplated under the Agreement; (v) use of Parts in the repair of the Equipment that have not been approved in writing by AMS for use in the Equipment; or (vi) use in connection with a third party product other than that as approved in writing by AMS.

7.3 Sole Remedy. In the event of a breach of the above Maintenance and Repair policy, Agency's sole remedy shall be, at AMS' option, the repair or replacement of the defective Equipment or Part by AMS.

7.4 Product Changes; Retrofit Activities. AMS shall have the right at any time (i) to change the design or specifications of any Equipment without notice and without obligation to make the same or any similar change on any Equipment previously purchased by Agency; and (ii) to retrofit or replace (during routine maintenance or otherwise) any Equipment to incorporate any upgrades or updates then available. However, nothing herein shall obligate AMS to provide Agency with all new models of Equipment at no additional cost, and AMS may charge a fee for Equipment model upgrades in certain circumstances including, but not limited to, a new line of products or a change in underlying technology or technological advancements requiring significant changes to an existing Equipment model. Regarding the foregoing, in any case where AMS charges a fee for an Equipment model upgrade, it will provide no less than six (6) months' notice to Agency prior to discontinuing the sale or rental of the discontinued Equipment model. In addition, AMS will continue to repair the Equipment for the shorter of three years or date of termination of third-party technology services integral to the performance and functionality of the discontinued Equipment.

8 CONFIDENTIAL INFORMATION

8.1 Confidential Information. In connection with this Agreement a party ("Discloser") may furnish to the other party ("Recipient") software, user and training manuals, data, Client information, designs, drawings, tracings, plans, layouts, specifications, samples, equipment and other information provided by or on behalf of Discloser to Recipient, that should reasonably have been understood by Recipient, because of (i) legends or other markings, or (ii) the circumstance of disclosure or the nature of the information itself, to be proprietary and confidential to Discloser or to a third party ("Confidential Information"). Confidential Information specifically includes all information accessed by Agency via the Monitoring Software. Confidential Information may be disclosed in written or other tangible form (including digital or other electronic media) or by oral, visual or other means. Each party agrees not to disclose to the other party any confidential or proprietary information of third parties unless authorized to do so. The parties each agree to treat this Agreement, including all exhibits hereto, as Confidential Information of each party.

8.2 Nondisclosure. It is agreed that, after receipt of Confidential Information of the other party, Recipient shall: (i) restrict the dissemination of such Confidential Information to those employees who need to use the Confidential Information in the performance of this Agreement, and (ii) to use no less than a reasonable standard of care in safeguarding against unauthorized disclosure of such Confidential Information. Recipient agrees to have an appropriate nondisclosure agreement signed by each of its employees, agents and contractors who may be exposed to Discloser's Confidential Information.

8.3 Exceptions from Confidential Information. Confidential Information shall not include information that: (i) is or becomes part of the public domain without violation of this Agreement by Recipient, (ii) is already in Recipient's possession free of any restriction on use or disclosure, (iii) becomes available to Recipient from a third party provided that such party was free from restriction on disclosure of the information or (iv) has been independently developed by Recipient.

8.4 Required Disclosures. If Recipient is required by legal proceeding discovery request, "open records" or equivalent request, investigative demand, subpoena, court or government order to disclose Confidential Information, Recipient may disclose such Confidential Information provided that: (i) the disclosure is limited to the extent and purpose legally required; and (ii) prior to any disclosure, Recipient shall immediately notify Discloser in

Confidential

writing of the existence, terms and conditions of the required disclosure and, at Discloser's request and expense, cooperate in obtaining a protective order or other reliable assurance that confidential treatment will be accorded the Confidential Information.

10 EFFECT OF TERMINATION

10.1 Payments; Return of Equipment. Upon any termination of this Agreement or any Schedule incorporated by reference herein, Agency shall provide AMS with all outstanding payments due and, within ten (10) days of the termination, return to AMS all Equipment not owned by Agency or, if so directed by AMS, to AMS' third party supplier. Upon termination of this Agreement, each party shall deliver or destroy all Confidential Information of the other party which is in its possession, care or control within thirty (30) days of termination except for backup and archived Client data.

12 MISCELLANEOUS PROVISIONS

12.4 Non-Discrimination and Business Code of Conduct.

12.4.1 Non-discrimination. To the extent not exempt, the parties shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.

12.5 Records Retention and Audit Rights. Agency will retain all records relating to the Agreement or any Schedule for a period of seven (7) years after termination of the Agreement or applicable Schedule. During the Term, upon ten (10) days prior written notice, and not more than once per year (unless circumstances warrant additional audits as described below), AMS may audit Agency's procedures and records that relate to the obligations under this Agreement. Notwithstanding the foregoing, the parties agree that AMS may conduct an audit at any time, in the event of (i) audits required by governmental or regulatory authorities or (ii) investigations of a breach of this Agreement.

12.11 Publicity. AMS shall have the right to issue news releases, press releases or other communications regarding this Agreement to potential investors and customers. However, AMS shall not disclose any names of Clients without the prior written approval of the Client and Agency.

IN WITNESS WHEREOF, the parties' hereto have caused this Agreement to be executed by their duly authorized representatives as of the date last signed by AMS.

CITY OF BOZEMAN

ALCOHOL MONITORING SYSTEMS, INC.

By: _____

Name: Renee Boundy

Title: Court Coordinator

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

Attest: _____

Clerk of Agency

By: _____

Name: John Hennessey

Title: Chief Operating Officer

Signed by AMS and effective as of: _____
Effective Date

Exhibit B

Cloud Services Questionnaire

- 1) **Service Levels:** What level of service should we expect? What is the City's recourse for excessive downtime? Refund of percentage of monthly fee?

Scram System strives for 99.8% uptime. Recourse is handled on a case-by-case basis.

- 2) **Data Ownership:** Who owns the data we provide and what can be done with the data?

Customer is the owner of the data. SCRAM Systems is the Data Processor.

- 3) **ADA Compliance:** If your proposed services include websites, they must be AA compliant as defined by WCAG (Web Content Accessibility Guidelines) standards.

Please see our Accessibility Statement at Accessible.

<https://dashboard.accessibe.com/app/statement?domain=my.scramnetwork.com>

- 4) **Data Security:** How secure is our data and how is it being kept secure?

- a. If this is a multi-tenant environment on the same hardware how is our data kept separate and secure from other customers, including any PII (Personally Identifiable Information) that may be gathered?

Each customer is assigned a GUID (Globally Unique ID). All PII data is tagged with a GUID and is inaccessible without it. GUID ensures that data is kept separate from other customers.

- b. If PII is gathered, is it encrypted in transit and at rest?

All information is encrypted using password protection that meets guidelines from the National Institute of Standard and Technology (NIST). SCRAM Systems web servers use TLS certificates to ensure that all session data is encrypted, and all host communications information is confidential.

Data storage is completed in a SQL data Store which is running in a Datrium Cluster. The Datrium Cluster servers are blanket certified for FIPS 140-2 utilizing the AES- XTS-256 military grade crypto algorithm. This blanket certification covers data at rest in the database server to the transport to the actual storage arrays. This encryption discussion and certificate can be found in the attached Blanket Encryption White paper from Datrium.

Data at rest, which is stored in our backup system is a Veeam Backup cloud and the Cloud is encrypted using AES 256-bit encryption.

- c. If credit card transactions are occurring is your system fully PCI compliant?

No CC transactions are occurring. SCRAM SYSTEMS is not PCI compliant as we don't process Credit Card payments.

5) Data Integrity: What do you do as a vendor to ensure our data maintains its integrity?

SCRAM Systems tests backups monthly, to ensure acceptable restoration time benchmarks, and to ensure data integrity.

6) We require data centers to be located in the United States: What country will our data be located in?

Our Data Centers are located in Denver, CO. Backup Data Center is in Dallas, TX.

7) Responding to legal demands to disclose data: What is your process when someone subpoenas or requests our data from you as a vendor?

Subpoenas are coordinated between the Customer and SCRAM Systems' Customer Support Team. SCRAM System is obligated to respond to subpoenas but will maintain communication with the Customer before, during, and after the process.

8) Reporting: What is your protocol for data breaches?

Please review our PII Breach Response Process document for more information.

9) Disaster Recovery: What protections/protocols do you have in place to mitigate disasters?

Please review our Business Continuity plan for more information.

10) Business Continuity/Exit: If you decide to bring your business to an end or we end our relationship what happens to our data? If you give us a copy of our data, what format options will there be for our data and what assistance will you provide getting our data to us?

Upon termination of the contract, all data is to be returned to the Customer (customer owns all the data) and our Databases are purged of all customer's data. Data format is to be determined by the Customer. Scram System will work to accommodate all reasonable format and delivery requests.

11) Termination rights and consequences: What is your termination policy both for you as a vendor and us as a customer?

9 TERM AND TERMINATION

9.1 Term. This Agreement shall commence from the Effective Date and shall continue for the period specified on page one (the "Initial Term") unless earlier terminated in accordance with the provisions of this Agreement. After the Initial Term expires, this Agreement can be extended by mutual written agreement of the parties for additional terms (each a "Renewal Term"). The Initial Term, together with any Renewal Term, is referred to as the "Term".

9.2 Termination for Convenience. This Agreement may be terminated for convenience at any time upon thirty (30) days prior written notice by one party to the other.

9.3 Termination for Breach. Either party may terminate this Agreement; (i) if a voluntary or involuntary petition in bankruptcy, receivership, assignment for the benefit of creditors or other similar insolvency action is filed or levied against the other party and not discharged within sixty (60) days after the filing or levy thereof; (ii) by written notice by the non-breaching party, if the other party fails to cure any nonpayment of money owed to the other party under this Agreement

within thirty (30) days of such notice; (iii) by written notice by the non-breaching party, if the other party fails to cure any material breach of this Agreement (other than non-payments described in clause (ii) above) within sixty (60) days of such notice (it is understood; however, that a violation of law, breach of confidentiality or misuse of access grants that cannot be cured shall be grounds for immediate termination); or (iv) immediately, by written notice by the non-breaching party, upon the second commission of a previously remedied material breach under clause (iii) above.

9.4 Termination for Non-Appropriation of Funds. In the event that Agency is unable to continue to make payments required hereunder due to a failure of the responsible governmental entity to make available funding to the level and in the amount required to remain in compliance with Agency's financial obligations hereunder, then upon the occurrence of such a non-appropriation event and on the date that the requisite funding ceases to be available to the Agency, Agency may terminate this Agreement, without further financial obligation or liability to AMS other than to pay for Products and Services previously delivered to Agency or performed for Agency.

9.5 Survival. This Section, any indemnity obligations of either party, and Sections 4.3, 4.4, 6, 8, 11, 12.1 and 12.2 shall survive termination of this Agreement.

10 EFFECT OF TERMINATION

10.1 Payments; Return of Equipment. Upon any termination of this Agreement or any Schedule incorporated by reference herein, Agency shall provide AMS with all outstanding payments due and, within ten (10) days of the termination, return to AMS all Equipment not owned by Agency or, if so directed by AMS, to AMS' third party supplier. Upon termination of this Agreement, each party shall deliver or destroy all Confidential Information of the other party which is in its possession, care or control within thirty (30) days of termination except for backup and archived Client data.



PII Breach Response Process

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Document Owner:	F Beck

Revision History

Date	Revision Author	Summary of Changes
8Oct2021	Security Compliance	First version
	F.Beck	Published
23Mar2022	A McKay	Reviewed
22Aug2022	A McKay	Reviewed
13Mar2023	A McKay	Added Privacy Training
17Mar2023	A McKay	Added criteria for customer access to logs

Distribution

Name
All Employees
ISO Registrar
Third Parties as Required

Document Approval

This ISMS/PIMS document resides in the Security SharePoint site and follows an automated workflow process for final approval and version control.

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1. Purpose

This policy outlines the company's procedure for responding to a data breach to any of the enterprise systems which contain personally identifiable information (PII). The purpose of this policy is to ensure that the company responds to a data breach quickly, effectively, and efficiently so as to minimize the scope and severity of the damage.

2. Scope

The scope of this procedure are all products owned or operated by Scram Systems and its business units (the "Company") that collect, store, or manage PII, including any 3rd party products and services which the company uses to collect, store, or manage PII.

3. PII Breach Procedure

3.1 Verify the Data Breach

1. Verify the affected systems or hardware (e.g., lost laptop or USB drive).
2. Determine the nature of the data maintained in those systems or on the hardware.
3. Determine the type of incident, such as whether the disclosure was:
 - a. Internal or external
 - b. Caused by a company insider or outside actor
 - c. The result of a malicious attack or an accident.
4. Determine whether the incident exposed or is reasonably likely to have exposed data.
5. Determine whether PII was affected and the data elements possibly at risk, such as name, date of birth, gender, grade level, test scores, voice recordings, written responses, etc.
6. In the case of ransomware, data exfiltration must be verified or ruled out.

3.2 Contain and Mitigate the Data Breach

1. Assign an incident manager to be responsible for the investigation.
2. Convene the data breach response team to include:
 - a. Incident manager (DPO and CSO)
 - b. Inside/Outside legal counsel
 - c. CTO
 - d. CEO
 - e. President of affected business unit
 - f. VP of product engineering of affected business unit
3. Immediately determine the status of the breach (e.g., ongoing, active or post breach).
4. If breach is active or ongoing, take immediate action to prevent further data loss by securing and blocking unauthorized access to systems/data and preserving evidence for investigation.
5. Document all mitigation efforts for later analysis.
6. Advise staff who are informed of the breach to keep breach details in confidence until notified otherwise.

3.3 Determine Scope and Composition of Data Breach

Seek advice from inside and/or outside legal counsel on the approved methods for protecting digital evidence in the specific matter. On the advice from outside counsel the following may be advised:

1. Identify all affected data, machines, and devices.
2. Identify all customers that were/are being affected.
3. Conduct interviews with key personnel and document facts; if criminal activity is suspected, coordinate these interviews with law enforcement.
4. Locate, obtain, and preserve (when possible) all written and electronic logs and records applicable to the breach for later forensic examination.
5. The customer by default has access to the authentication logs for their users of the web application. This is done by using their administrator account to look at the logs. Additional logs may exist if the customer integrated their Active Directory to the web application for Single Sign On authentication.
6. The customer may request supplemental application logs as it pertains to the activities of their users of the web application. This request must be approved by SCRAM Systems.

3.4 Analysis and Communication Planning

1. Analyze the legal implications for the data breach. Consult outside legal counsel to examine any applicable federal, State and local breach reporting requirements to determine which additional authorities or entities must be notified in order to satisfy compliance requirements.
2. Consider communications with regulators and law enforcement. If criminal activity is suspected, notify law enforcement, and follow any applicable federal, State, or local legal requirements relating to the notification of law enforcement. (The decision to involve outside entities, including law enforcement, should generally be made in consultation with executive leadership and legal counsel.)
3. Consider internal communications.
4. Document facts of the breach and mitigation actions taken for communication with all affected customers.
5. Develop a communications plan.
6. Prepare an inquiry response plan.
7. Plan for media communications. Work closely with Company's public affairs staff to craft the appropriate notice and mechanisms for such notice.

3.5 Notification

1. Notify law enforcement if criminal activity is suspected.
2. Foster a cooperative relationship between the incident response team and the data owners.
3. Notify affected customers, National, Federal and/or State authorities of the data breach facts and mitigation actions taken in accordance with the requirements of the State where the PII subject resides. Note: Different States have different requirements.
4. Contractual requirements may require as little as 24 hours to provide notification to specific customers.
5. In the case of ransomware, it may not be immediately apparent if exfiltration has occurred. If it can be confirmed that exfiltration did not occur, notification efforts may be reduced.
6. Make every attempt to avoid news of the breach reaching the media before notifying affected customers.

3.6 Post-Notification and Breach Response Review

1. Assess data breach to determine probable causes.
2. Address or mitigate the causes of the data breach.
3. Solicit feedback from the responders and any affected entities.
4. Review breach response activities and feedback from involved parties to determine response effectiveness.
5. Make necessary modifications to Company's breach response procedure to improve the response for next time.
6. Enhance and modify the Company's information security and privacy training programs, which includes countermeasures to mitigate and remediate current data breaches. Integrate lessons learned to avoid current data breach going forward.



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31Mar2016	T. Weil	Use of ISO Templates
30Apr2016	T. Weil	Updates from NetOps/HR
6May2016	F. Beck	Updated for QA Review
30June2016	F. Beck	Update for Final Review
11Nov2016	NetOps	Template Revision Update
28Feb2017	NetOps	Published
30Jan2017	NetOps	Azure SOPs included as Appendices
19 March 2021	Security Compliance	Regular review and update of content
13 Dec 2021	Security Compliance	Updated after review
22Aug 2022	Security Compliance	Reviewed
08 Aug 2023	Security Compliance	Reviewed / updated contact info / org chart

Distribution

Name
DevSecOps
ISO Registrar
Security Compliance
Third Parties as Required

Document Approval

This ISMS document resides in the Security Working Docs SharePoint site. After the document is reviewed by appropriate stakeholders it is approved and published. Version tracking is done by SharePoint.

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Purpose:

The purpose of the AMS business continuity plan (BCP) is to minimize the impact to the company and customer services in the event of a business disruption. Through a series of planning and strategy meetings, action plans have been developed to provide protection and alternative modes of operation for business processes to continue. In the event of a business disruption, preventative controls, contingency resources, and procedures are administered by the BCP Incident Management and Recovery Team Members.

This Business Continuity Plan (BCP) was developed after conducting a Business Impact Analysis (BIA) for the business units and supporting departments at AMS. Key risks have been identified, critical functions defined, dependencies prioritized, and recovery strategies formulated.

The BCP will only be used in situations when it is determined that the impact disrupts the ability to continue normal capabilities and requires alternate business processes or locations. A disaster/emergency condition, for this specific purpose, shall be defined as an event or series of events (natural or man-made), that consists of, but may not be limited to:

Natural disasters	Service provider disruption
Fire	Medical
Civil disturbance	Bomb threats
IT network/system outage	Road-building closure
Water incident/flood	Power outage

Loss of a Facility impacts the manufacturing and/or centralized support resources and dependencies necessary to perform work. Locating to an alternate workspace is essential.

Loss or unavailability of the company's personnel. The company must be able to leverage alternate professional expertise, both internal and external, in a timely manner to assist during a crisis to maintain deliverables.

Loss of Technology to how the company provides services with a high level of dependency on the information technology systems. The company must be able to create highly available redundant systems to maintain delivery of services and recover from a disaster.

Loss of Service Provider/Vendors can contribute to delays or missed deadlines in the delivery of services by the Company.

Scope:

The scope of this plan assumes resumption of services to maintain critical business functions for an initial 30-day period, at which time alternative arrangements needs to bringing service capabilities to a level to allow resumption of full business capabilities.

Other supporting plan documentation includes:

- Business Impact Analysis (BIA)
- Asset Based Risk Analysis
- Technology Disaster Recovery Plan

Plan Objectives:

- To reestablish the essential related services provided by AMS within their required recovery window as identified in the recovery areas at the declaration of a disaster.
- To suspend all non-essential activities until critical functions and dependencies have been restored.
- To mitigate the impact to AMS customers through the rapid implementation of effective recovery strategies as defined herein.
- To reduce confusion and misinformation by providing a clearly defined command and control structure.
- Provides reference information to the location of any data that resides outside this of document.
- Provides procedures needed to assist in recovery.
- Identifies alternate sources for supplies, resources, and locations.

BCP Distribution:

Plan documents can be accessed at <https://alcohol-monitoring-systems.pagerduty.com/> and in the Security and Compliance SharePoint site

<https://amsnetdevsoutlook.sharepoint.com/sites/SecurityCompliance/SecurityPolicies>

The BCP and DR plans are also maintained in a hard copy binder should access to electronic copies are unavailable.

BCP Communications:

In the event that normal communication channels are unavailable during an incident or crisis, AMS is able to use an out-of-band communication system called **PagerDuty** (<https://alcohol-monitoring-systems.pagerduty.com/>) **PagerDuty** is not only a means of communication, but a repository of key recovery documents and procedures. During the evolution of an incident, other more convenient means of communication may be re-established and used (MS Teams, Email, Cell Phone)

Incident Management Team (IMT):

The AMS Incident Management Team consists of the **executives, directors, senior managers, and department leaders** to provide oversight and delegation of duties for any significant disruption event and engages with the separate Business Recovery Teams based on the type and impact of the crisis condition. Many IMT members are also the heads of their respective Recovery Teams. The IMT is also responsible for:

- Gather situation reports and remain engaged with the Recovery Teams
- Drive resource allocation and acquisition
- Resolve recovery priority conflicts
- Authorize the release of internal communications and maintain positive control of external communications with interested parties including legal counsel, customers, investors, vendors, auditors, government agencies, law enforcement, and members of the media.
- Follow and encourage the **Feel Safe** and **Blameless Culture** guidelines located in the [DevSecOps Wiki](#)

Recovery Teams:

Each Recovery Team consists of members from the business group/departments of the company. Each team is responsible for the execution of their respective business unit/department recovery plans. The head of each team may also be a member of the IMT. Each team is also responsible for:

- Quickly assess and discover the nature of the crisis condition
- Provide regular situation reports to the IMT and other Recovery teams
- Determine and/or recommend immediate needs
- Take necessary steps to prevent or diminish additional damage
- Provide communication and direction to the unit/department
- Initiate communications with vendors that may be critical to the recovery effort
- Initiate alternate work location procedures
- Acquire any needed logistics and transportation support

Recovery Team'(s) and Functional Areas:

The following list is derived from the AMS Business Impact Analysis to determine the primary business group/departments responsible for defining specific business recovery procedures. Contact information for the key personnel in each team are listed.

Business Unit / Department	Team / Title	Name	Email Address	Phone Number
AMS Incident Management Team (IMT)	Executives, Directors, Senior Management, Department Leaders	Chris Linthwaite	chris.linthwaite@scramsystems.com	
		Catherine Bucher	cbucher@scramsystems.com	925-967-5920
		Lisa Fellows	LFellows@scramsystems.com	303-807-6192
		Mike Machens	mmachens@scramsystems.com	303-785-7826 720-244-9794
		Annamarie Burke	annamarie.burke@scramsystems.com	
		Mike Russell	mrussell@scramsystems.com	No Number
	LMG - COO	Michael Travars	Mtravars@scramsystems.com	919-413-7189
Finance / Accounting / Internal Apps	CFO	Joe Sovcik	jsovcik@scramsystems.com	208-807-0103
	Internal Apps Director	Pete Sackschewsky	PSackschewsky@scramsystems.com	303-483-0547
	FP&A Director	Joe Knab	Jknab@scramsystems.com	937-200-1662
Human Resources / Administration	VP of HR	Mike Russell	mrussell@scramsystems.com	No Number
	LMG – HR	Kelly Conklin	Kconklin@scramsystems.com	513-302-7001
Sales	COO - Sales	John Hennessey	JHennessey@scramsystems.com	815-342-4469
	Sales Administration Manager	Jenn Mill	JMill@scramsystems.com	303-785-7828 303-931-8142
Marketing and Business Development	~~VP of Business Development~~	~~West Huddleston~~	~~WHuddleston@scramsystems.com~~	~~303-483-0558 703-582-7131~~
Customer Service	VP of Customer Service	Jen McCarty	jmccarty@scramsystems.com	303-483-0551
	LMG - VP of Customer Service	Vincent Jackson	Vjackson@scramsystems.com	
Software Development	Software Quality Assurance	Mike Mitchell	MDMitchell@scramsystems.com	No Number
	Director of GPS Software Development	Ron Gray	RGray@scramsystems.com	678-387-1905 404-376-8556
	VP - Software Development	Scott Justus	SJustus@scramsystems.com	720-323-6041
	~~Senior Dev Engineer~~	~~Craig Smith~~	~~CSmith@scramsystems.com~~	~~720-237-6309~~
	~~Software Dev Manager~~	~~Colten Janssen~~	~~CJanssen@scramsystems.com~~	~~No Number~~
	~~Software Dev~~	~~Ashley Levi~~	~~ALevi@scramsystems.com~~	~~No Number~~
	Senior Software Dev	Greg Morton	GMorton@scramsystems.com	303-785-7862 303-656-3964

Business Continuity Plan
Internal

Business Unit / Department	Team / Title	Name	Email Address	Phone Number
	Software Dev	Arlen Neylon	ANeylon@scramsystems.com	No Number
	Senior Software Dev	Sapandeep Singh	SSingh@scramsystems.com	678-387-1912
	GPS Software Arch	Brijesh Choubey	BChoubey@scramsystems.com	678-387-1887 678-628-7505
	Software Dev	John Kuriakose	JKuriakose@scramsystems.com	No Number
	Senior Software Dev	David Dran	DDran@scramsystems.com	No Number
	Manager of Dev Test	Ryan Lentell	RLentell@scramsystems.com	303-785-7803
	Senior Software Dev	Jen Thomas	JThomas@scramsystems.com	No Number
	LMG - VP Technology	Jeremiah Laupert	Jlaupert@scramsystems.com	919-946-1704
Manufacturing / Materials / Hardware Dev / Quality	VP of Manufacturing	Toby Leifer	tleifer@scramsystems.com	720-595-6594 303-483-0540
	~~Director of EE~~	~~Gordon Murray~~	~~gmurray@scramsystems.com~~	~~303-785-7819~~ ~~720-879-3404~~
	Director of Manufacturing	Ian Canzler	ICanzler@scramsystems.com	303-785-7852 303-819-9080
	Materials Manager	Jim Vitale	JVitale@scramsystems.com	303-645-3027
	Manufacturing Manager	Kyle Glavan	KGlavan@scramsystems.com	303-483-7788
	LMG – Director of Engineering	Lou Urani	Lurani@scramsystems.com	
	LMG – Safety Officer (PROD) / Associate Chem.	Maja Balenovic	Mbalenovic@scramsystems.com	904-504-5931
	LMG – Quality Manager	Betsy Pittman	Bpittman@scramsystems.com	919-697-5323
	LMG - Production Manager	Chris Vandergrift	Cvandergrift@scramsystems.com	513-744-0945
	LMG - Operation Manager	Chris Hansen	Chansen@scramsystems.com	
	MFG Quality Manager	Shenke Zhu	SZhu@scramsystems.com	303-483-0527
Information Technology, Security and Compliance	~~CIO~~	~~Gurbinder Bali~~	~~GBali@scramsystems.com~~	~~303-785-7877~~ ~~720-799-7594~~
	Senior Director of DevSecOps	Rob VanGuilder	RVanGuilder@scramsystems.com	720-237-6309
	Chief Security Officer	Fred Beck	FBeck@scramsystems.com	303-485-7860 303-264-8420

Business Continuity Plan
Internal

Business Unit / Department	Team / Title	Name	Email Address	Phone Number
	Senior DBA	Jo Ann Gau	jpgau@scramsystems.com	303-785-7815 303-350-0292
	DBA	Sue O'Brien	sobrien@scramsystems.com	303-579-3985
	IT Procurement Analyst	Michael March	MMarch@scramsystems.com	No Number
	Senior Systems Engineer	Mark Edlin	medlin@scramsystems.com	303-785-7842 303-884-0907
	SRE	Chris Thiel	CThiel@scramsystems.com	No Number
	Systems Engineer	Jason Hunter	JHunter@scramsystems.com	No Number
	SRE	Johnny Lucero	JLucero@scramsystems.com	No Number
	Systems Administrator	Tony DeMambro	tdemambro@scramsystems.com	303-917-2637
	Security Director	Jerry Baskin	jerry.baskin@scramsystems.com	202-735-6440
	Systems Engineer	Chris Bertrand	CBertrand@scramsystems.com	720-597-1807
	Security Architect			
	LMG - IT Purchasing	Gordan Balenovic	Gbalenovic@scramsystems.com	919-621-6278
	LMG - Systems Administrator	Ramzan Juman	rjuman@scramsystems.com	
	LMG - Security Engineer	Ralph Cabrera	ralph.cabrera.temp@scramsystems.com	303-877-8300
	Security Compliance Analyst	Aaron McKay	amckay@scramsystems.com	303-645-3082
	Network Engineer	Chris Archer	CArcher@scramsystems.com	303-219-0035
	Desktop Support	Hayden Haveman	hhaveman@scramsystems.com	303-818-8037
	Desktop Support	Sheryl Aguilar	SAguilar@scramsystems.com	303-483-0535 720-884-6013
	Desktop Support			No Number
	LMG - PLUS Tech Supp	Dwain Gober	Dgober@scramsystems.com	937-200-1609
	LMG - System Integrations Test Manager	Tom Knowles	Tknowles@scramsystems.com	937-200-1610
LMG - Compliance and Reporting	Manager	Kellie Byers	Kbyers@scramsystems.com	
	Supervisor	Erin Ullrich	Eullrich@scramsystems.com	

24/7 On-Call Team

An integral part of AMS incident and disaster preparedness is the 24/7 On-Call Team. Although it is not a Recovery Team in of itself, it serves as a first line for monitoring, alerting, notifying, and escalating. When an event is escalated, the appropriate Recovery Teams are engaged along with the IMT when appropriate. The On Call Crisis Manager (OCCM) will be the acting Incident Manager until the appropriate Recovery Team Lead and/or IMT Lead takes over. Personnel are rotated weekly or bi-weekly for their specific on-call roles. The rotation schedule is maintained in PagerDuty <https://alcohol-monitoring-systems.pagerduty.com/> and schedule changes are announced at the weekly Change Management Review Board (CMRB) meeting. Schedules are also sent via email every week to all personnel.

Name	Role	Primary Function
On Rotation	On Call Crisis Manager	Incident Coordination / Escalations
On Rotation	IT Infrastructure	Network and Server Specialist
On Rotation	Database Administration	Database Specialist
On Rotation	ScramNet	Product Specialist/Developer
On Rotation	TouchPoint	Product Specialist/Developer
On Rotation	GPS	Product Specialist/Developer
On Rotation	C/S & C/S GPS	Customer Service Specialist
On Rotation	Site Reliability Engineer (SRE)	Automation/Security/Maintenance
On Rotation	Help Desk	Deskside Support / Logistics
On Rotation	Cellular	Liaison for Cellular Service Providers

One person per Role is assigned at a time. For current duty assignments please refer to the [IT On Call List](#). The follow personnel listed are subject matter experts that have been selected for On-Call duty for a specific week.

On Call Crisis Manager	
Name	Phone #
Fred Beck	303-264-8420
Rob VanGuilder	720-237-6340
Ron Gray	404-376-8556
Scott Justus	720-323-6041
IT	
Name	Phone #
Mark Edlin	303-884-0907
Jason Hunter	720-219-8317

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Tony DeMambro	303-917-2637
Christopher Bertrand	720-597-1807
DBA	
Name	Phone #
Jo Ann Gau	303-350-0292
Susan O'Brien	303-579-3985
GPS	
Name	Phone #
Sapandeep Singh	678-308-8143
Brijesh Choubey	678-628-7505
ScramNet	
Name	Phone #
John Kuriakose	818-934-3589
David Dran	720-840-6611
Ryan Lentell	303-483-8523
Jen Thomas	970-405-5253
TouchPoint	
Name	Phone #
Ashley Levi	954-257-9390
Greg Morton	303-656-3964
Arlen Neylon	415-490-8058
SRE	
Name	Phone #
Johnny Lucero	720-255-5795
Rob VanGuilder	720-237-6340
Chris Thiel	720-327-6586
HelpDesk	
Name	Phone #
Sheryl Aguilar	720-884-6013
Hayden Haveman	303-818-8037
Cellular	
Name	Phone #
Mike March	317-457-8937

On-Call Duties and Expectations

- Guidance for On-Call duties and expectation are described in the [DevSecOps Wiki](#) under the **On-Call** section. Among these duties and expectations are:
- Preparing for your on-call shift by verifying your system accounts access is working including access to PagerDuty.
- You are familiar with how to get help and escalate an incident including notifying others in the PagerDuty app and creating an Ad-hoc meeting in MS-Teams.
- You are familiar with how to create a Situation Report and Root Cause Analysis report
- Adhere to the **Feel Safe** and **Blameless** culture guidelines (See [DevSecOps Wiki](#))

Situation Reports

All On-Call personnel and Recovery Team Leads should be familiar with how to create a Situation Report and send them at the appropriate cadence for a given incident situation. Sit-Reps need not to include redundant information provided in previous reports. Sit-Reps should include:

- Incident type (Outage Type, System, etc...)
- Time of incident
- Key observables (System behaviors, Interesting Logs)
- Root cause if determined
- Analysis of data loss potential
- Steps taken to preserve and protect data
- Other system impacts or potential impacts
- Vendors involved and contacted
- Request for support or actions (if needed)

Loss Scenarios:

Site incidents can create varying levels of disruption to business operations. These disruptions can be grouped by the type of loss and require a defined business recovery strategy for each situation. One or more of these loss scenarios can occur and must be considered in addressing the most critical business functions. The recovery strategies outlined in the next section are based on the following loss types:

Loss of Facility: The facility is either temporarily or permanently unavailable. Examples might include:

- The facility being destroyed by fire and smoke damage
- The facility being temporarily unavailable due to flooding
- The facility is disabled by power loss
- The facility being temporarily unavailable due to contamination

Loss of IT/Network: Business processes/functions are disabled by loss of computer function. Examples might include:

- **Ransomware** – The impact of a ransomware attack is potentially very damaging and a specific loss impact analysis has been drafted to address this threat. Depending on the extent of the incident, recovery times can be long, and financial costs high. Residual fallout could result in reputation damage, lost sales & revenue, fines, legal fees and damages. The cost of paying the ransom may be far less than the cost of rebuilding the infrastructure and restoring the data. The amount of outage time directly impacts the amount of potential financial loss.
- **Hardware failure** – Single points of failure are identified and eliminated where possible and are not a significant risk. A less likely scenario with high impact is a combination of multiple hardware failures.

- **Software malfunction:** Testing and code validation passed, but a vulnerability developed over time (memory leak), causing a system crash. Change and configuration management are the key mitigators for this scenario.
- **Wan and/or Cellular Outage** – Critical suppliers and providers to the business may be the root cause of an outage. Being able to contact them efficiently and expeditiously is vital to recovery objectives.

Loss of People: Business operation is disrupted due to the unavailability of personnel. Examples might include:

- A storm or other natural disaster has prevented personnel from coming to work
- An employee is in the hospital, expertise/functional knowledge not available to perform tasks
- Wide-spread illness/pandemic flu has impacted a significant number of personnel

Loss of Vendor/Supplier:

- Service Providers cannot provide timely support or service-impacted by site incident
- Single source vendor/service provider goes out of business
- Short-term and long-term supply shortages

Recovery Levels:

Business Recovery Planning Approach

The BCP approach was developed after an in-depth review and evaluation of possible risks resulting from an actual, pending or potential, disruptive incident measured at varying degrees of intensity. The plan seeks to assist in addressing all possible disasters, emergency or disruptive incidents which could have a negative impact on the company and the specific functions performed by each business group and supporting departments.

In past versions of the BCP, emphasis was placed on defining a centralized alternate work site. However, during the 2020-2021 pandemic, most AMS personnel have been able to work from home indefinitely. The Manufacturing Group continued to work on-site following a social distancing and PPE protocol. A centralized alternate work site is still part of the BCP, but the proven strategy is work from home for the short and long term for the non-manufacturing employees.

Recovery strategies can be categorized into the following levels with each level designed to provide an effective recovery solution matched to the **estimated duration** of the emergency condition and the critical function recovery objectives.

LEVEL 1: INTRA-DAY OUTAGE (RIDE-OUT): Estimated <8 HOURS

An intra-day outage of less than 8 hours is defined as the period of time that the Company can experience downtime due to one of the above-mentioned loss scenarios with most business functions not being impacted significantly. During the first 15 minutes of the outage all relevant parties should be given their first situation report. The exceptions to this is the telemetry data streams from client devices that require constant monitoring and customer service operations. In addition, an intra-day outage window of less than 8 hours or less would not allow adequate time to relocate to an alternate work site. However, a shift to working from home may be possible for some. During this time period, the impacted site will ride-out the incident and continue business operations where possible. The Incident Management Team will monitor the incident and if the outage will be extended beyond the intraday timeframe, the team will declare the incident and begin the necessary response and recovery tasks.

INCIDENT/DISASTER DECLARED:

LEVEL 2: TEMPORARY OUTAGE (MISSION CRITICAL FUNCTIONS): <24 HOURS

If a site incident extends beyond the intraday timeline but a resolution is expected to take less than 24 hours, the incident should be classified as a temporary outage. During this period, an incident/disaster will be declared for the impacted business groups. The BCP Recovery teams will execute its business continuity

recovery strategy for all mission critical functions as necessary. Company personnel will work remote from home during the temporary outage.

LEVEL 3: SHORT-TERM OUTAGE (TIME SENSITIVE FUNCTIONS) <72 HOURS

A short-term outage is defined as the period of time that the Company will execute its formal business continuity recovery strategy for all time sensitive functions to be restored within 72 hours of an incident. Based on the impact to the existing site, critical personnel may operate from a temporary location or from home while other non-critical personnel are on standby.

LEVEL 4: MEDIUM-TERM OUTAGE (PRIMARY FUNCTIONS) 3 DAYS - 2 WEEKS

A medium-term outage is defined as the period of time that the Company will execute its formal business continuity recovery strategy for the recovery of all primary client service functions within 3 days to 2 weeks. Impact to the existing site occurred that may require a short-term relocation to an alternate worksite. Critical personnel would operate from a temporary location or from home while other non-critical associates are on standby.

LEVEL 5: LONG-TERM OUTAGE (RELOCATION) 2 WEEKS - SEVERAL MONTHS

A long-term outage is defined, as the period of time that the Company will exceed the allowed occupancy time beyond a medium-term outage beyond 2 weeks. During this phase of recovery a physical move of personnel and resources will occur. A long term outage may require extensive repair work at the primary location or the entire facility has been destroyed. In this situation, a new primary site must be established. If the new-permanent office space will not be accessible for a few months, then personnel would operate from home or an alternate temporary site.

Mission Critical Business Functions:

A business impact analysis was completed for all the business groups/departments across AMS that identified and categorized key risks in an effort to respond effectively to an unplanned incident. The following are the business functions that have been identified as either mission critical or time sensitive requiring the highest priority in recovering from a site incident. Though all business functions reviewed serve an important purpose, these particular processes are most critical in the continued operation of the Company and servicing of customers following an incident. Each AMS Business Group/Department Recovery Plan provides specific risks and recovery strategies related to each critical function.

Business Group/Department:	Critical Business Functions:	RTO Explanation:	Recovery Time Objective (RTO):
Business Group/Department:	Critical Business Functions: What are the most critical services/processes that need to be maintained following a business disruption?	RTO Explanation: What are the key risks if the business function is interrupted? (i.e. Compliance, Missed Deadlines, Reputational, Financial, Client Service) Describe.	Recovery Time Objective (RTO): What is the maximum time this business function can be interrupted before creating a significant risk to the business? Categories: Recover business function with no downtime, within 24 hrs, within 3 days, within 1 week, within 2 weeks, within 3-4 weeks
All Business Groups: • Finance / Accounting / Internal Apps • Human Resources • Sales • Marketing and Business Development • Customer Service • Manufacturing & Materials / Hwd Dev • Software Development • Information Technology, Security and Compliance	All Business Groups: Support or directly perform the following: 1. Provide 24/7 continuous data collection, application availability, communication and reporting operations and services 2. Provide 24/7 customer service 3. Produce and support software that adds functionality to equipment 4. Design and Manufacture equipment for monitoring alcohol use, and/or GPS tracking 5. Market & sell equipment and services 6. Confidentiality/Privacy of customer data is maintained	Customer Expectations and Risks: 1. Always available access to AMS services for monitoring data and location tracking - Risk not meeting SLA or contract agreement. Negative impact on revenue and company reputation. 2. Always available access to customer service - Reputation and Revenue Risk 3. Timely bug fixes and feature releases - Reputation and Revenue Risk 4. Orders are delivered in a timely fashion and equipment does not malfunction - Revenue and Financial risk due to product defects or bugs. Costly RMA Risk. Reputation Risk 5. Timely RFP, Sales and deployment of systems - Missed revenue risk. Reputation Risk 6. Data confidentiality - Security breach Risk. Compliance risk. Reputation Risk. Revenue Risk. Financial Risk. Legal Risk.	All Groups: 1. Within 24 hours 2. Within 24 hours 3. Within 1 week 4. Within 2 weeks 5. Within 2 weeks 6. Within 1 week

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Business Group/Department:	Critical Business Functions:	RTO Explanation:	Recovery Time Objective (RTO):
• Finance / Accounting / Internal Apps	1. Billing 2. AP/AP 3. Banking 4. Costing & Profit Analysis 5. Taxes- Preparation & Analysis 6. GL and Reporting 7. ERP/CRM Support	1. Billing interruption - Revenue and Cash Flow Risk 2. AP/AR interruption - Revenue and Cash Flow Risk. Supplier interruption Risk, Loss of Service, Penalty Risk 3. Banking interruption - Cash Flow Risk - Low 4. Revenue Risk - Low 5. Compliance and Regulatory Risk, Investor Relations Risk 6. Compliance and Regulatory Risk, Investor Relations Risk 7. Interruption to supply ordering causing MFG delays - Revenue Risk	1. Billing done Monthly. Risk is dependent upon Billing Cycle deadlines 2. Dependent upon AR/AP deadlines 3. Within 2 Weeks 4. Within 2 Weeks 5. Dependent on interruption relative to filing dates. Filing extensions may be requested in the event of a crisis. 6. Within 2 Week 7. Within 1 Week
• Human Resources / Administration	1. Payroll / Time Keeping 2. Expense Reimbursement 3. Benefits 4. Personnel Hiring 5. Background Investigations 6. Office Services 7. Reception 8. Facilities management	1. Payroll interruption - Regulatory Risk 2. Expense Reimbursement - Low Risk 3. Benefits Administration Delay 4. Interruption in hiring candidates 5. Interruption in hiring candidates 6. Interruption in processing incoming and outgoing mail 7. Interruption of other essential duties 8. Interruption at HQ site	1. Within 1 Week 2. Within 3-4 Weeks 3. Within 2 Weeks 4. Within 2 Weeks 5. Within 2 Weeks 6. Within 2 Weeks 7. Within 3 Days 8. Within 1 Week
• Sales	1. Order placement 2. Order scheduling 3. Contract management 4. Sales forecasting 5. RFP Response	1. Order placement interruption - Cash flow and Revenue Risk, Reputation risk 2. Order scheduling interruption - Cash flow and Revenue Risk, Reputation risk 3. Sales acceptance delay - Cash and Revenue Risk 4. Forecast interruption - Cash flow and Revenue Risk 5. Delay in RFP response - Revenue Risk	1. Within 2 Weeks 2. Within 1 Week 3. Within 2 Weeks 4. Within 2 Weeks 5. Deadline dependent
• Marketing and Business Development	1. Support Sales Strategy 2. Industry Conferences 3. Market Studies and Research	1. Marketing Strategy and Product development interruption - Sales and Revenue Risk	One month or more
• Customer Service	1. Customer Training 2. Monitoring Center Operations / Event / Violation data analysis 3. Custom report generation 4. Phone System	1. Customer Training delay - Low Risk 2. Disruption to Monitoring Operations - SLA Violation Risk, Community/Victim safety liability, Reputation Risk 3. Late report generation - SLA Violation Risk, Community/Victim safety liability, Reputation Risk 4. Phones - SLA Violation Risk	1. Within 4 - 6 weeks. 2. Within 24 hrs 3. Within 1 weeks dependent upon customer deadlines 4. Within 24 hrs

Business Continuity Plan

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Business Group/Department:	Critical Business Functions:	RTO Explanation:	Recovery Time Objective (RTO):
• Software Development	1. CI/CD of AMS product software 2. Bug Fixes and Troubleshooting	1. Delay of new software features or bug fixes - Sales & Revenue risk 2. Delay of critical customer facing trouble tickets - Reputation Risk	Within 3-4 Weeks Within 1 Week
• Manufacturing / Materials	1. Manufacturing, assembly and testing of LMG equipment. 2. Procurement and Supply Chain Management 3. Service, calibration and repair of equipment 4. QA/QC Compliance	1. Interruption or delay manufacturing process - Revenue and Sales risk, Reputation risk 2. Procurement delay of supplier products - Revenue risk 3. Service delay - Revenue risk, Reputation risk 4. Disruption in preventing or correcting mfg quality or compliance issues - Revenue risk, Reputation risk	1. Within 1 Week 2. Within 3 Weeks 3. Within 1 Week 4. Within 1 Month
• Information Technology, Security and Compliance	1. Implement and maintain IT infrastructure, network services, databases, and applications 2. Secure and protect customer data and PII 3. Provide Incident Response Disaster recovery 4. Security Compliance	1. Interruption to availability of IT services - Contract risk, Penalty Risk, Revenue and Sales risk, Reputation risk 2. Security Services failure (Data Breach) - Contract risk, Penalty Risk, Compliance, Regulatory and Legal risk, Revenue and Sales risk, Reputation risk 3. Inadequate Incident Response, Disaster Recovery and Compliance - Contract risk, Penalty Risk, Compliance Risk, Regulatory and Legal risk, Revenue and Sales risk, Reputation risk 4. Security Compliance failure - Contract risk, Penalty Risk, Compliance, Regulatory and Legal risk	1. 99.7 uptime = Daily: 4m 19s Weekly: 30m 14s Monthly: 2h 11m 29s Quarterly: 6h 34m 27s Yearly: 1d 2h 17m 50s 2. Encryption and Privacy protection tools should not be down more than a few days. 3. Within 1 Week 4. Within 1 month

Recovery Strategies:

Loss of Office Facility Recovery Strategy

In the event that an AMS office experiences a significant disruption to their office facility all personnel impacted will work from home utilizing the IT remote access capabilities and company provided computers and peripherals. The business groups, support personnel, and department functions that can conduct work in this manner are outlined in each Business Group/department plan. This strategy allows for critical functions and customer services to be maintained.

The AMS Incident Management Team members can either be on-site or have a telepresence to help manage the transition and work with the BCP recovery teams. The logistics of transitioning personnel from an office environment to a work at home strategy is supported by the employees themselves and the IT Helpdesk.

Below is a risk based categorization of each business group/department. Each department's risk ranking determines their respective relocation strategy.

High Risk: Work from home in days following incident or Immediately relocate to temporary/alternate office space.

- Customer Service
- Information Technology
- Software Development

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Medium Risk: Work from home, or relocate to alternate space after high risk group is addressed.

- Finance / Accounting / Internal Apps
- Human Resources
- Manufacturing

Low Risk: Work from home, relocate to alternate office space after medium risk group is addressed.

- Sales
- Marketing and Business Development

Loss of Manufacturing Facility Recovery Strategy

The loss of a manufacturing facility is especially catastrophic as the facility, specialty tooling and instrumentation cannot quickly be replaced. Due to the nature of the work, personnel are not able to work from home. During the 2020-2021 pandemic, manufacturing personnel have been able to continue working with social distancing and PPE protocols. To reduce risk, the manufacturing facility is in a low risk earthquake zone, is not located in a flood plain, and has fire suppression systems throughout the facility. Additionally, an alternate manufacturing space is immediately available for conversion and use at the AMS HQ building where rebuilding inventories and re-tooling of the space could happen in less than one month.

Loss of People Recovery Strategy

In the event of a significant loss or unavailability of personnel at AMS, non-critical work will be stopped and available personnel will be reassigned to perform critical services. HR will work with the Incident Management Team and Managers to support issues concerning pandemic alerts, injuries, fatalities, and application of personnel policies during recovery. The planning goal is to enable each office to be properly prepared to respond to a loss of people threat condition and to preserve the Company's mission critical functions. Many but not all business functions have cross-trained backup personnel. In those situations HR and the Incident Management team will either immediately fill the position with a contractor or seek out new qualified employees.

The following matrix outlines the business group/departments and their assigned risk rating if they experienced a loss of personnel. Each business group/department recovery plan outlines specific business process procedures and support resources necessary to perform critical business functions if the primary personnel are not present.

Business Group/Department	Risk Category	Risk Description
- Executive and Senior Management - Software Developers - Hardware & Electrical Engineers - Certain IT & Infrastructure positions - Certain MFG positions	High Risk	- Critical Assignment Roles - Specialized Functions/Experience - Mission Critical Timeline
- Office Administrators - Finance-all - HR	Medium Risk	- Important Deadlines - High Volume with extended delays - Specialized Role or Single Source
- Business Development, Sales, Marketing	Low Risk	- Expanded/Delayed Timelines

Loss of Technology Recovery Strategy

The **Technology Disaster Recovery Plan** is maintained as a separate document that describes each of the following environments and the implemented measures and preparations that are in place to diminish the likelihood/impact of an IT outage or disaster.

- **U.S. Based On-Prem Environment**

- **U.S. Based Cloud Environment**
- **International Based Cloud Environments**

The Information Technology department is organized into several teams with different areas of responsibility. Depending on the level of incident will determine the makeup of the Recovery Team. However, in the event of a major disaster all department members are effectively part of the Recovery Team headed by the Senior Director of DevSecOps. Refer to the **Technology Disaster Recovery Plan** for more information.

Technology Recovery Priorities:

High Priority

Tier 1: Required for Continuous Service

- ScramNet Systems and Applications
- ScramNet GPS Systems and Applications
- Remote Access and Administration tools needed for recovery operations
- Customer Service Connectivity to Phone and SaaS applications

Loss of Vendor Services Recovery Strategy

Critical vendors and service providers that AMS business groups and departments rely upon have been identified. For the purposes of the BCP, only the most critical are listed. **See the Critical Vendors Contact List in the BIA.** The duties and responsibilities for vendors and suppliers is divided according the areas of responsibility.

References: (Separate Documents)

Critical Vendor Contact List (BIA)
Technology Disaster Recovery Plan

Exhibit C
PRODUCT AND SERVICE SCHEDULE
TO
MASTER AGENCY AGREEMENT

AGENCY: CITY OF BOZEMAN

This **PRODUCT AND SERVICES SCHEDULE** (“**Schedule**”) to the **MASTER AGENCY AGREEMENT** (the “**Agreement**”) is entered into on the date last signed by AMS by and between Alcohol Monitoring Systems, Inc. (“AMS”) and the Agency identified above. This Schedule is incorporated by reference into the Agreement effective _____ executed by the parties. Unless otherwise defined herein, capitalized terms in this Schedule are those as defined in the Agreement. This Schedule is effective on the date signed by AMS.

AMS hereby desires to provide Agency with the Equipment and sell the Agency supporting Services and Agency desires to order such Equipment and purchase such Services as defined in this Schedule during the Term.

1. DEFINITIONS

- a. **“Active Equipment”** means any Equipment unit actively using the Monitoring Software.
- b. **“Additional Monitoring Services”** means, if Agency is purchasing such services, the additional Monitoring Services provided by AMS and as further defined on Attachment 1, at the pricing set forth in Attachment 1, Schedule A
- c. **“CAM Equipment”** means, if applicable per the pricing table below, an ankle bracelet device that continuously monitors alcohol levels and if configured as a kit, the base station.
- d. **“Service Fee”** as used on the Schedule(s) means the Monitoring Service fee charged by AMS to Agency per each Equipment unit, per day using the Monitoring Services.
- e. **“Equipment”** means collectively the GPS equipment, CAM equipment, various base stations, the Remote Breath Analyzer, the Radio Frequency House Arrest bracelet, Wireless Multi-connect devices and various base stations if sold separately rather than in kit configuration.
- f. **“High Priority Alerts”** are Equipment generated alerts that signal; (i) the Client violated the exclusion/inclusion zone(s), or failed to return to or leaves without proper authorization an assigned location; (ii) device and/or strap tampering; (iii) evidence of communication and/or location failure; or (iv) any other alert types required by Agency.
- g. **“GPS Equipment”** means, if applicable per the pricing table below, a device that monitors Client's geophysical location based on exclusion and inclusion zones and includes the base station if configured as a kit.
- h. **“House Arrest Equipment”** means, if applicable per the pricing table below, an electronic ankle device that monitors Client's adherence to a home arrest curfew schedule and includes the base station if configured as a kit.
- i. **“Remote Breath Equipment”** means, if applicable per the pricing table below, a device that measures alcohol levels in the breath and may have facial recognition capabilities.
- j. **“SLA”** means the Service Level Agreement Information document, which is attached to this Schedule as Attachment 1 and is only applicable if Agency is purchasing or renting Equipment with Additional Monitoring Services. Specific SLA protocols will be agreed to in a separate SLA document signed by Agency.
- k. **“Wireless Base Station”** means, if applicable per the pricing table below, an AMS device that uses cellular transmission to connect with another device, such as a House Arrest or CAM bracelet.
- l. **“Wireless Multi-connect Device”** means, if applicable per the pricing table below, a third-party wireless device that connects multiple electronic hardware devices, such as a CAM bracelet to a base station.

2. TERRITORY: Bozeman, MT

3. EQUIPMENT AND SERVICE LIMITATIONS AND SPECIAL REQUIREMENTS

3.1 GENERAL EQUIPMENT LIMITATIONS

3.1.1 Alcohol Detection. The CAM Equipment is not designed to give immediate notification of alcohol detection.

3.1.2 Tamper Efforts. AMS makes no assurances that the any Equipment worn by a Client will detect all tamper efforts.

3.1.3 Submergence in Water or Other Liquid. Equipment is not designed for submergence in liquids. Certain Equipment can tolerate limited water exposure such as that encountered when showering.

3.1.4 Failure by Agency to Adhere to Maintenance Schedules. AMS bears no liability for Agency's failure to adhere to Equipment maintenance notifications and/or schedules related to equipment and calibration.

3.2 REMOTE BREATH EQUIPMENT LIMITATIONS

3.2.1 Set Up. Agency is responsible for entering and updating schedules for each Client and setting up all relevant notifications, including all methods and events. Further, Agency is responsible for establishing a program providing the necessary criteria to interpret all testing results provided by AMS. The Equipment is intended to be used to determine if a Client has consumed alcohol. It is a professional device designed to be used by trained Agency personnel in conjunction with a routine Agency-run equipment maintenance and calibration oversight program. Use by untrained personnel or without periodic maintenance or calibration may result in invalid results or incorrect interpretation of results.

3.2.2 Breath Test Results. AMS will not analyze or interpret testing results, reporting histories, or provide an opinion as to whether the Client has consumed alcohol. The concentration of alcohol in the blood of the Client cannot be exactly determined by using a breath alcohol-screening device. Blood alcohol concentration depends on a number of variables including, but not limited to, the amount of alcohol consumed, the rate at which it was consumed, body size, age, physical health and the rate of which the Client metabolizes alcohol. No vehicle or machinery should ever be operated after alcohol consumption, regardless of the breath test result as even small quantities of alcohol can result in driving impairment.

3.2.3 Other Limitations. The SCRAM Remote Breath Equipment is not waterproof and should not be immersed in or exposed in any way to liquids. Equipment damaged by Clients or by exposure to water will not be repaired and is subject to the lost/damaged Equipment unit replacement fee.

3.3 ADDITIONAL MONITORING SERVICES – 24/7 REQUIREMENTS. Additional Monitoring Services are supported by a separate SLA document, which must be completed for each Client. Each SLA specifies, among other things, the type, description and price of the Monitoring Services to be provided. Any modifications of the terms of the SLA shall be made solely in writing and mutually executed by the parties and any other attempt to modify the terms of the SLA shall be void. AMS is not liable for; (i) the actions or inactions of Agency or its employees, contractors and agents that result in delay or error in the Services; (ii) failure to report Client non-compliant activities to appropriate supervising authorities when potential bond, parole or probation violations have occurred; or (iii) inaccurate information provided or input into the Monitoring Software, including Client or other contact information, GPS inclusion/exclusion zone set up and offender schedule information and associated protocols.

3.4 WIRELESS EQUIPMENT AND NETWORK LIMITATIONS. AMS provides a choice of data network providers as a part of its Services for the Wireless Multi-connect Device and other Equipment. AMS accepts no responsibility or liability for wireless data coverage or lack thereof. No data will be transmitted when a data network that is supporting the Equipment is not available. Wireless Multi-connect Devices do not provide caller location or caller identification.

4 EQUIPMENT AND SERVICE PRICING: Pricing is in accordance with the GSA Schedule #GS-07F-0003Y and will be calculated with cumulative volume levels across all Equipment.

4.1 Purchased Equipment.

Equipment Type	Quantity	Price per Unit	Monitoring Fee per Unit, per Day
CAM w/ Landline Base Station	1 - 49	\$1511.43	\$4.58
	50 - 149		\$4.22
	149 - 499		\$4.06
CAM w/ Wireless Base Station	1 - 49	\$1803.63	\$5.66
	50 - 149		\$5.26
	150 - 499		\$5.05
CAM/HA Landline Base Station Stand Alone	1+	\$402.92	NA
CAM/HA Wireless Base Station Stand Alone	1+	\$633.85	\$1.09
Remote Breath	1 - 49	\$676.11	\$2.71
	50 - 149	\$660.63	\$2.62
	150 - 499	\$646.13	\$2.53
GPS Bracelet	1 - 49	\$599.84	\$2.48
	50 - 149	\$580.30	\$2.40
	150 - 499	\$559.85	\$2.31
GPS Beacon	1 - 49	\$417.47	\$0.63
	50 - 149	\$389.32	\$0.60
	150 - 499	\$375.73	\$0.58
GPS On-body Charger	1 - 49	\$130.10	NA
	50 - 149	\$122.33	
	150 - 499	\$114.56	
House Arrest w/ Landline Base Station	1 - 49	\$600.48	\$1.31
	50 - 149	\$580.94	\$1.25
	150 - 499	\$560.45	\$1.20
House Arrest w/ Wireless Base Station	1 - 49	\$896.74	\$2.38
	50 - 149	\$865.81	\$2.28
	150 - 499	\$836.77	\$2.19

4.2 Rental Equipment Price

Equipment Type	Quantity	Daily Rental Equipment Fee per Unit, per Day	Daily Service Fee per Unit, per Day	Total Daily Rental per Unit, per Day	Shelf Fee
CAM w/ Landline Base Station (Daily Rental)	1 – 49	\$2.26	\$4.58	\$6.84	\$2.24
	50 – 149	\$2.19	\$4.22	\$6.41	\$2.17
	150 - 499	\$2.11	\$4.06	\$6.17	\$2.09
CAM w/ Base Station and Ethernet (E-Daily Rental)	1 – 49	\$2.26	\$5.13	\$7.39	\$2.24
	50 – 149	\$2.19	\$4.73	\$6.92	\$2.17
	150 - 499	\$2.11	\$4.55	\$6.66	\$2.09
CAM w/ Wireless Base Station (C-Daily Rental)	1 – 49	\$2.26	\$5.67	\$7.93	\$2.24
	50 – 149	\$2.19	\$5.26	\$7.45	\$2.17
	150 - 499	\$2.11	\$5.05	\$7.16	\$2.09
Remote Breath Kit	1 - 49	\$0.98	\$2.71	\$3.69	\$0.97
	50 - 149	\$0.96	\$2.62	\$3.58	\$0.95
	150 - 499	\$0.94	\$2.53	\$3.47	\$0.93
GPS Bracelet	1 - 49	\$0.84	\$2.48	\$3.32	\$0.97
	50 – 149	\$0.81	\$2.40	\$3.21	\$0.94
	150 - 499	\$0.77	\$2.31	\$3.08	\$0.90
GPS Beacon	1 - 49	\$0.57	\$0.63	\$1.20	\$1.16
	50 - 149	\$0.56	\$0.60	\$1.16	\$1.14
	150 - 499	\$0.54	\$0.58	\$1.12	\$1.12
House Arrest w/ Landline Base Station (Daily Rental)	1 - 49	\$1.79	\$1.31	\$3.10	\$0.86
	50 - 149	\$1.72	\$1.25	\$2.97	\$0.82
	150 - 499	\$1.63	\$1.20	\$2.83	\$0.78
House Arrest w/ Base Station and Ethernet (E-Daily Rental)	1 - 49	\$2.32	\$1.83	\$4.15	\$0.86
	50 - 149	\$2.23	\$1.76	\$3.99	\$0.82
	150 - 499	\$2.12	\$1.68	\$3.80	\$0.78
House Arrest w/ Wireless Base Station (C-Daily Rental)	1 - 49	\$3.95	\$2.38	\$6.33	\$0.86
	50 - 149	\$3.74	\$2.28	\$6.02	\$0.82
	150 - 499	\$3.58	\$2.19	\$5.77	\$0.78

Note 1: If purchasing/renting the Wireless Base Station kitted with CAM or HA Equipment, the Service Fee will be invoiced at the amount for CAM or HA Kit listed above, plus the Service Fee amount listed above for the CAM or HA Wireless Base station as if it were purchased/rented as a standalone unit. The same concept applies to Daily Rental GPS Beacons.

Note 2: Rental Equipment price changes are based on tier levels are calculated on the number of Active Equipment rental units, not total number rented.

5. ADDITIONAL SERVICES

Training: AMS will provide Agency personnel with training in the use of the Products. Any such training will be at no charge to Agency.

All Equipment Consumables: No charge per the GSA Schedule terms.

RB Calibration Fee: AMS will calibrate Remote Breath Equipment for a charge of \$50 Equipment unit.

Ethernet Communication: \$0.55 per Equipment unit, per day

6 MOBILE APPLICATIONS:

TOUCHPOINT: TouchPoint is an AMS proprietary mobile application designed for use by Clients who are using AMS or other electronic monitoring devices under the Agency's supervision. AMS will provide the Agency with TouchPoint training. Clients will download TouchPoint to their cell phone and upon first use agree to the Mobile Application Terms and Conditions. The Agency will provide TouchPoint training to the Clients. If Agency is evaluating TouchPoint the evaluation period is 30 days from the Effective Date ("Evaluation Period") and TouchPoint will be provided at no charge during that time frame. After the Evaluation Period, if Agency continues to use TouchPoint, the price will be that as set forth below.

TouchPoint Price/Billing:

Per TouchPoint Client User wearing AMS Equipment, per month: no charge

Per TouchPoint Client User, per month:

1 – 999: \$14.56
1,000 – 2,499: \$13.11
2,500 – 4,999: \$11.80

Billing: AMS will invoice the Agency monthly. Payment terms will be those as set forth in the Agreement. TouchPoint price is subject to change upon availability of additional features/function. AMS will contact Agency if the price changes and if the new price cannot be agreed on by Amendment on this Agreement, TouchPoint will become unavailable with 10 days prior notice.

ALLY MOBILE APPLICATION: The Ally Mobile Application is an AMS proprietary mobile application designed for Victim notification used to alert a Victim when a Client wearing an AMS GPS Bracelet is in geographic proximity of the Victim's phone. AMS will provide the Agency with Ally Mobile Application training. Victims will download the Ally Mobile Application to their cell phone and upon first use agree to the Ally Mobile application terms and Conditions of Use. The Agency will provide Ally Mobile Application training to the Victim. The alert geographic boundary is set by the Agency in the Monitoring Software. The Client must be on a 1x1 rate plan if they are paired with a Victim. The term "**Victim**" means a person who is a participant in a victim notification program managed by Customer and who is authorized by Customer to download and activate the Ally Mobile Application on his/her personal mobile device so that the Victim can receive alerts related to the Client based on parameters set up by Customer in the Monitoring Software.

Required Actions by Customer, Client and Victim:

It is understood and agreed by the parties that the Ally Mobile Application is to be used as a part of a written victim notification program managed by Customer whereby the Client is enrolled in a GPS monitoring program requiring the wearing of a SCRAM GPS Ankle Monitor Bracelet.

The Ally Mobile Application is not a substitute for the Victim remaining vigilant to protect his/her personal safety and cannot be relied upon as the sole means of maintaining the Victim's personal safety. Each Victim must comply with all respects with the detailed requirements listed in the Ally Mobile Application Terms and Conditions which are available via a link in the Ally Mobile Application. In addition, the timely receipt and/or accuracy of alerts from the Ally Mobile Applications are dependent upon: (i) the Victim's full compliance with the requirements of the Ally Mobile Application Terms and Conditions; (ii) full compliance of the Client with the requirements of his/her GPS location monitoring program, including but not limited to, the Client not tampering with or removing his/her device; (iii) the proper set up and maintenance in the Monitoring Software by Customer of all zones, schedules and victim information for the relevant Client; and (iv) the Client's SCRAM GPS Ankle Monitor Bracelet being "active" so that notifications can be sent to the Ally Mobile Application. Customer shall be solely responsible for the management and supervision of any Client, Victims or Customer personnel using the Monitoring Software. In addition, Customer is solely responsible for (i) the development of a Victim notification program, (ii) the maintenance of a separately contracted GPS monitoring program requiring the wearing by Clients of SCRAM GPS Ankle Monitor Bracelets, (iii) the selection and implementation of the Victim enrollment process, (iv) the set up and maintenance of the monitoring and notification options available in the Monitoring Software (including maintenance of all zones, schedules and victim information) and (v) the training of Victims in the set up and use of the Ally Mobile Application. AMS is not responsible or liable for Customer's failure to properly fulfill its foregoing responsibilities. **AMS IS NOT RESPONSIBLE OR LIABLE TO CUSTOMER, CLIENT OR VICTIM IF THE ALLY MOBILE APPLICATION DOES NOT PROVIDE TIMELY OR ACCURATE NOTIFICATIONS OR ALERTS DUE TO A FAILURE OF CUSTOMER, CLIENT OR VICTIM TO COMPLY WITH ANY OF THE FOREGOING.**

Price: Per day, per Victim per Ally user:

1 – 49: \$1.05
50 – 149: \$1.02
150 – 499: \$0.99
500+: \$0.96

Billing: AMS will invoice the Agency monthly in arrears. Payment terms will be those as set forth in the Agreement. Ally price is subject to change upon availability of additional features/function. AMS will contact Agency if the price changes and if the new price cannot be agreed on by Amendment on this Agreement, Ally will become unavailable with 30 days prior notice.

7 SHELF FEE; SHELF ALLOWANCE; LOSS AND DAMAGE ALLOWANCE; LOST AND DAMAGE FEE:

Shelf Fee: A Shelf Fee is only charged if there is an amount in the Rental Equipment Fee column in the table above and there is a Shelf Allowance percentage listed below.

Shelf Allowance: All Equipment types: 20%

Loss and Damage Allowance: 5%

Loss and Damage Fee: The replacement fee for Rental Equipment lost or damage beyond repair will be the purchase price, per unit, listed above or as follows For Parts it will be the current replacement cost from the manufacturer. GPS refurbishment fee will be \$365.20 for those units that can be repaired.

8 SPECIAL TERMS: NA

IN WITNESS WHEREOF, the parties' hereto have caused this Agreement to be executed by their duly authorized representatives as of the date last signed by AMS.

THIS SCHEDULE, AND THE AGREEMENT OF WHICH IT IS A PART, IS A COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN THE PARTIES, WHICH SUPERSEDES ALL PRIOR SCHEDULE AND ANY PROPOSALS AND UNDERSTANDINGS BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER OF THIS SCHEDULE. By execution, both signers certify that each is authorized to execute the Schedule on behalf of their respective companies.

CITY OF BOZEMAN

ALCOHOL MONITORING SYSTEMS, INC.

By: _____

By: _____

Name: Renee Boundy

Name: John Hennessey

Title: Court Coordinator

Title: Chief Operating Officer

Date: _____

Signed by AMS and effective as of: _____

Effective Date

**ATTACHMENT 1 – MONITORING SERVICE LEVEL AGREEMENT INFORMATION
TO
PRODUCT AND SERVICE SCHEDULE
TO
MASTER AGENCY AGREEMENT**

1 OVERVIEW

The following information details the alert and notification protocols that AMS will provide to Agency for those Clients using Equipment that requires Additional Monitoring Services and is incorporated by reference into the Product and Services Schedule to the Master Agency Agreement between the parties.

1.1 SERVICES

- 1.1.1 **Additional Monitoring Services.** AMS will provide Additional Monitoring Services on a 24/7, 365-day basis. The Monitoring Services are provided by AMS and not a third party. Services generally consist of outbound calls made by AMS to Probation Officers, law enforcement or Clients, telephone calling or customized Monitoring Services based on alert protocol specifications entered into the Monitoring Software.
- 1.1.2 **Contact Information and Monitoring Service Level Agreement Form.** Agency will contract AMS to configure the Monitoring Software to maintain all alert protocols and contact information.
- 1.1.3 **Alert Protocols.** Agency will contact AMS to set up alert protocols that will be documented in a separate SLA for each Customer.
- 1.1.4 **Alert Response Time.** AMS will respond to outbound alerts within 30 minutes of receiving notification of alert and will follow the protocols as configured for Agency.
- 1.1.5 **Recording.** The Monitoring Software will record inbound and outbound requests made by telephone. For quality purposes AMS will provide individual recordings of the telephone transactions upon written request.
- 1.1.6 **Reporting.** Upon written request, AMS will provide Agency with the following information:
- Number of alerts received for a specific period of time
 - Average time to respond to alerts
 - Results/notes of calls

1.2 PRICE AND PAYMENT. Additional Monitoring Service standard fees are identified on Schedule A hereto, but will be formally agreed to in the SLA, and will be invoiced by AMS on a monthly basis as incurred and shall be paid by Agency the payment terms set forth in the Agreement from the date of such invoice and the remedies under the Agreement shall apply to any non-payment.

SCHEDULE A – ADDITIONAL MONITORING SERVICE FEES
TO
ATTACHMENT 1 –SERVICE LEVEL AGREEMENT
TO
PRODUCT AND SERVICE SCHEDULE
TO
MASTER AGENCY AGREEMENT

SERVICE LEVEL CHOSEN: _____

SERVICE APPLICABLE PRODUCT(s): Check the box for the Product(s) you are purchasing the Additional Services for.

CAM ☐ REMOTE BREATH ☐ HOUSE ARREST ☐ GPS ☐

ADDITIONAL MONITORING SERVICES	CAM	REMOTE BREATH, HOUSE ARREST, GPS (Per Day, Per Client)
Standard (Included in Services Fee)		
• 24/7/365 monitoring services • Online training and certifications • Automated alert notifications delivered via text, email or page • Daily summary reports • 24/7 alert generation and analysis	No Additional Charge	No Additional Charge
Premier		
• Standard, plus: • High priority alert investigation/ handling/ resolution • Manual outbound officer and offender calls • Closed loop documentation of alert handling/ resolution (1-3 calls per alert)	Not Available	\$0.92
Premier Plus		
• Premier, plus: • Outbound offender and officer calls based on defined protocols and escalation procedures per SLA • Escalated alert notifications to officers and/or supervisors (e.g. highest authority for notification) (>3 calls per alert)	Not Available	\$1.17
Customized Services		
For data entry, schedule changes, on-site training, operational assessments, agency and court reporting packages	Priced for each service in the SLA	Priced for each service in the SLA

Memorandum

REPORT TO: City Commission

FROM: Takami Clark, Communications & Engagement Manager

SUBJECT: Authorize the Interim City Manager to Sign a Professional Services Agreement with Massive Studios for First Responder Levy and Fire Station Bond Communications Services

MEETING DATE: July 23, 2024

AGENDA ITEM TYPE: Citizen Advisory Board/Commission

RECOMMENDATION: Authorize the Interim City Manager to Sign a Professional Services Agreement with Massive Studios for First Responder Levy and Fire Station Bond Communications Services

STRATEGIC PLAN: 1.1 Outreach: Continue to strengthen and innovate in how we deliver information to the community and our partners.

BACKGROUND:

Voter education is key in encouraging turnout during local elections. Without an educated public, voters may decide on issues without a full understanding of the impacts. If the Commission decides to put the First Responder Levy and Fire Station Bond on the November ballot, city staff will move forward with signing a contract with local communications experts to educate on this issue and encourage citizens to vote. Our Communications consultant will help staff with messaging and materials for us to use in effectively educating the public. If Commission decides against putting this issue on the ballot, we will not sign this contract.

The City is prohibited by state law from using public resources to advocate for or against ballot issues or voted tax increases. However, the City does have a responsibility to educate the public on the needs of the community and provide solutions for their consideration. The City's educational efforts will include facts about the levy and bond and the impact of passage or failure on City operations.

UNRESOLVED ISSUES: None.

ALTERNATIVES: None.

FISCAL EFFECTS:

The budget for this project is \$55,000 and will be paid from the FY 25 budget.

Attachments:

[m City of Bozeman Proposal_v2.pdf](#)

[PSA General Template Massive.pdf](#)

Report compiled on: July 17, 2024



First Responder Levy and Fire Station Bond Education Campaign

MASSIVE STUDIOS PROPOSAL



Campaign Proposal

Massive provides the following budget estimate for the City of Bozeman's "Safety Mill Levy Awareness Campaign" listed below. Please note all Out-of-House expenditures (currently identified as a TBD) will be discussed as to their influence on the overall budget and timeline for deliverables.

Professional Services	Budget Est.	Scheduling
Massive’s Services Include: Planning & Research Strategy & Positioning Development Copywriting Photography/Image Licensing (TBD) Design & Development Production Pre-Press Production Ad Buy & Placement Management Tracking & Reporting (when available) SUBTOTAL	 \$16,000 - \$21,000	7/22/24 - 11/05/24
Media & Channels	Budget Est.	Scheduling
Distribution & Purchases Include: Social Media Ad Buy (Focused on Meta platforms– Facebook and Instagram) On-demand Fliers (Printed in-house with City preference) PowerPoint Template Campaign Digital Assets (i.e. Anthem artwork or images and content created) Swag Additional Opportunities Currently Unidentified SUBTOTAL	 \$34,000 - \$39,000	7/22/24 - 11/05/24
Total (Do Not Exceed):	\$55,000	

Payment Schedule:

First Payment: 40% of the lowest estimated total is due upon the signing and initiation of projects that are contracted.

All additional/remaining billing for time and materials will be provided on a monthly basis with payment specified as Net 15.

Budget Notification

Massive Studios strives to meet the minimum fees proposed in the above outlined contract. If at any time Massive Studios is to exceed the maximum outlined fees, The Client will be contacted and notified of the situation. No further work will be completed until approval of additional fees or alternative means of project completion are determined.

Please note; Massive Studios reserves the right to amended contracts based on client additions or revisions not outlined in the initial contract. The estimate costs are estimated and may vary +/- 20% of the total costs. Additional expenses not itemized include, but are not limited to, out-of-house talent or cost of goods, shipping costs, travel, courier charges, and any other expense(s) incurred during project(s) development.



PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this 23rd day of July, 2024 (“Effective Date”), by and between the **CITY OF BOZEMAN, MONTANA**, a self-governing municipal corporation organized and existing under its Charter and the laws of the State of Montana, 121 North Rouse Street, Bozeman, Montana, with a mailing address of PO Box 1230, Bozeman, MT 59771, hereinafter referred to as “City,” and Massive Studios, hereinafter referred to as “Contractor.” The City and Contractor may be referred to individually as “Party” and collectively as “Parties.”

In consideration of the mutual covenants and agreements herein contained, the receipt and sufficiency whereof being hereby acknowledged, the parties hereto agree as follows:

1. **Purpose:** City agrees to enter this Agreement with Contractor to perform for City services described in the Scope of Services attached hereto as Exhibit A and by this reference made a part hereof.
2. **Term/Effective Date:** This Agreement is effective upon the Effective Date, unless earlier terminated in accordance with this Agreement.
3. **Scope of Services:** Contractor will perform the work and provide the services in accordance with the requirements of the Scope of Services. For conflicts between this Agreement and the Scope of Services, unless specifically provided otherwise, the Agreement governs.
4. **Payment:** City agrees to pay Contractor the amount specified in Exhibit A, the Scope of Services. Any alteration or deviation from the described services that involves additional costs above the Agreement amount will be performed by Contractor after written request by the City, and will become an additional charge over and above the amount listed in the Scope of Services. The City must agree in writing upon any additional charges.
5. **Contractor’s Representations:** To induce City to enter into this Agreement, Contractor makes the following representations:
 - a. Contractor has familiarized itself with the nature and extent of this Agreement, the Scope of Services, and with all local conditions and federal, state and local laws, ordinances, rules, and regulations that in any manner may affect cost, progress or performance of the Scope of Services.

b. Contractor represents and warrants to City that it has the experience and ability to perform the services required by this Agreement; that it will perform the services in a professional, competent and timely manner and with diligence and skill; that it has the power to enter into and perform this Agreement and grant the rights granted in it; and that its performance of this Agreement shall not infringe upon or violate the rights of any third party, whether rights of copyright, trademark, privacy, publicity, libel, slander or any other rights of any nature whatsoever, or violate any federal, state and municipal laws. The City will not determine or exercise control as to general procedures or formats necessary to have these services meet this warranty.

6. Independent Contractor Status/Labor Relations: The parties agree that Contractor is an independent contractor for purposes of this Agreement and is not to be considered an employee of the City for any purpose. Contractor is not subject to the terms and provisions of the City's personnel policies handbook and may not be considered a City employee for workers' compensation or any other purpose. Contractor is not authorized to represent the City or otherwise bind the City in any dealings between Contractor and any third parties.

Contractor shall comply with the applicable requirements of the Workers' Compensation Act, Title 39, Chapter 71, Montana Code Annotated (MCA), and the Occupational Disease Act of Montana, Title 39, Chapter 71, MCA. Contractor shall maintain workers' compensation coverage for all members and employees of Contractor's business, except for those members who are exempted by law.

Contractor shall furnish the City with copies showing one of the following: (1) a binder for workers' compensation coverage by an insurer licensed and authorized to provide workers' compensation insurance in the State of Montana; or (2) proof of exemption from workers' compensation granted by law for independent contractors.

In the event that, during the term of this Agreement, any labor problems or disputes of any type arise or materialize which in turn cause any services to cease for any period of time, Contractor specifically agrees to take immediate steps, at its own expense and without expectation of reimbursement from City, to alleviate or resolve all such labor problems or disputes. The specific steps Contractor shall take shall be left to the discretion of Contractor; provided, however, that Contractor shall bear all costs of any related legal action. Contractor shall provide immediate relief to the City so as to permit the services to continue at no additional cost to City.

Contractor shall indemnify, defend, and hold the City harmless from any and all claims, demands, costs, expenses, damages, and liabilities arising out of, resulting from, or occurring in connection with any labor problems or disputes or any delays or stoppages of work associated with such problems or disputes.

7. **Indemnity/Waiver of Claims/Insurance:** For other than professional services rendered, to the fullest extent permitted by law, Contractor agrees to release, defend, indemnify, and hold harmless the City, its agents, representatives, employees, and officers (collectively referred to for purposes of this Section as the City) from and against any and all claims, demands, actions, fees and costs (including attorney's fees and the costs and fees of expert witness and consultants), losses, expenses, liabilities (including liability where activity is inherently or intrinsically dangerous) or damages of whatever kind or nature connected therewith and without limit and without regard to the cause or causes thereof or the negligence of any party or parties that may be asserted against, recovered from or suffered by the City occasioned by, growing or arising out of or resulting from or in any way related to: (i) the negligent, reckless, or intentional misconduct of the Contractor; or (ii) any negligent, reckless, or intentional misconduct of any of the Contractor's agents.

For the professional services rendered, to the fullest extent permitted by law, Contractor agrees to indemnify and hold the City harmless against claims, demands, suits, damages, losses, and expenses, including reasonable defense attorney fees, to the extent caused by the negligence or intentional misconduct of the Contractor or Contractor's agents or employees.

Such obligations shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity that would otherwise exist. The indemnification obligations of this Section must not be construed to negate, abridge, or reduce any common-law or statutory rights of the City as indemnitee(s) which would otherwise exist as to such indemnitee(s).

Contractor's indemnity under this Section shall be without regard to and without any right to contribution from any insurance maintained by City.

Should the City be required to bring an action against the Contractor to assert its right to defense or indemnification under this Agreement or under the Contractor's applicable insurance policies required below, the City shall be entitled to recover reasonable costs and attorney fees incurred in asserting its right to indemnification or defense but only if a court of competent jurisdiction determines the Contractor was obligated to defend the claim(s) or was obligated to indemnify the City for a claim(s) or any portion(s) thereof.

In the event of an action filed against the City resulting from the City's performance under this Agreement, the City may elect to represent itself and incur all costs and expenses of suit.

Contractor also waives any and all claims and recourse against the City, including the right of contribution for loss or damage to person or property arising from, growing out of, or in any way connected with or incident to the performance of this Agreement except "responsibility for [City's]

own fraud, for willful injury to the person or property of another, or for violation of law, whether willful or negligent” as per 28-2-702, MCA.

These obligations shall survive termination of this Agreement and the services performed hereunder.

In addition to and independent from the above, Contractor shall at Contractor’s expense secure insurance coverage through an insurance company or companies duly licensed and authorized to conduct insurance business in Montana which insures the liabilities and obligations specifically assumed by the Contractor in this Section. The insurance coverage shall not contain any exclusion for liabilities specifically assumed by the Contractor in this Section.

The insurance shall cover and apply to all claims, demands, suits, damages, losses, and expenses that may be asserted or claimed against, recovered from, or suffered by the City without limit and without regard to the cause therefore and which is acceptable to the City. Contractor shall furnish to the City an accompanying certificate of insurance and accompanying endorsements in amounts not less than as follows:

- Workers’ Compensation – statutory;
- Employers’ Liability - \$1,000,000 per occurrence; \$2,000,000 annual aggregate;
- Commercial General Liability - \$1,000,000 per occurrence; \$2,000,000 annual aggregate;
- Automobile Liability - \$1,000,000 property damage/bodily injury per accident; and
- Professional Liability - \$1,000,000 per claim; \$2,000,000 annual aggregate.

The above amounts shall be exclusive of defense costs. The City shall be endorsed as an additional or named insured on a primary non-contributory basis on the Commercial General, Employer’s Liability, and Automobile Liability policies. The insurance and required endorsements must be in a form suitable to City and shall include no less than a thirty (30) day notice of cancellation or non-renewal. Contractor shall notify City within two (2) business days of Contractor’s receipt of notice that any required insurance coverage will be terminated or Contractor’s decision to terminate any required insurance coverage for any reason.

The City must approve all insurance coverage and endorsements prior to the Contractor commencing work.

8. Termination for Contractor’s Fault:

a. If Contractor refuses or fails to timely do the work, or any part thereof, or fails to perform any of its obligations under this Agreement, or otherwise breaches any terms or conditions of this Agreement, the City may, by written notice, terminate this Agreement and the Contractor's right to proceed with all or any part of the work ("Termination Notice Due to Contractor's Fault"). The City may then take over the work and complete it, either with its own resources or by re-letting the contract to any other third party.

b. In the event of a termination pursuant to this Section 8, Contractor shall be entitled to payment only for those services Contractor actually rendered.

c. Any termination provided for by this Section 8 shall be in addition to any other remedies to which the City may be entitled under the law or at equity.

d. In the event of termination under this Section 8, Contractor shall, under no circumstances, be entitled to claim or recover consequential, special, punitive, lost business opportunity, lost productivity, field office overhead, general conditions costs, or lost profits damages of any nature arising, or claimed to have arisen, as a result of the termination.

9. Termination for City's Convenience:

a. Should conditions arise which, in the sole opinion and discretion of the City, make it advisable to the City to cease performance under this Agreement, the City may terminate this Agreement by written notice to Contractor ("Notice of Termination for City's Convenience"). The termination shall be effective in the manner specified in the Notice of Termination for City's Convenience and shall be without prejudice to any claims that the City may otherwise have against Contractor.

b. Upon receipt of the Notice of Termination for City's Convenience, unless otherwise directed in the Notice, the Contractor shall immediately cease performance under this Agreement and make every reasonable effort to refrain from continuing work, incurring additional expenses or costs under this Agreement and shall immediately cancel all existing orders or contracts upon terms satisfactory to the City. Contractor shall do only such work as may be necessary to preserve, protect, and maintain work already completed or immediately in progress.

c. In the event of a termination pursuant to this Section 9, Contractor is entitled to payment only for those services Contractor actually rendered on or before the receipt of the Notice of Termination for City's Convenience.

d. The compensation described in Section 9(c) is the sole compensation due to Contractor for its performance of this Agreement. Contractor shall, under no circumstances, be entitled to claim or recover consequential, special, punitive, lost business opportunity, lost productivity, field office overhead, general conditions costs, or lost profits damages of any nature arising, or claimed to have arisen, as a result of the termination.

e. City may terminate this contract if the City Commission does not vote in favor of putting this issue on the ballot.

10. Limitation on Contractor's Damages; Time for Asserting Claim:

a. In the event of a claim for damages by Contractor under this Agreement, Contractor's damages shall be limited to contract damages and Contractor hereby expressly waives any right to claim or recover consequential, special, punitive, lost business opportunity, lost productivity, field office overhead, general conditions costs, or lost profits damages of any nature or kind.

b. In the event Contractor wants to assert a claim for damages of any kind or nature, Contractor shall provide City with written notice of its claim, the facts and circumstances surrounding and giving rise to the claim, and the total amount of damages sought by the claim, within thirty (30) days of the facts and circumstances giving rise to the claim. In the event Contractor fails to provide such notice, Contractor shall waive all rights to assert such claim.

11. Representatives and Notices:

a. **City's Representative:** The City's Representative for the purpose of this Agreement shall be Takami Clark, Communications & Engagement Manager, or such other individual as City shall designate in writing. Whenever approval or authorization from or communication or submission to City is required by this Agreement, such communication or submission shall be directed to the City's Representative and approvals or authorizations shall be issued only by such Representative; provided, however, that in exigent circumstances when City's Representative is not available, Contractor may direct its communication or submission to other designated City personnel or agents as designated by the City in writing and may receive approvals or authorization from such persons.

b. **Contractor's Representative:** The Contractor's Representative for the purpose of this Agreement shall be Benjamin Bennett or such other individual as Contractor shall designate in writing. Whenever direction to or communication with Contractor is

required by this Agreement, such direction or communication shall be directed to Contractor's Representative; provided, however, that in exigent circumstances when Contractor's Representative is not available, City may direct its direction or communication to other designated Contractor personnel or agents.

c. **Notices:** All notices required by this Agreement shall be in writing and shall be provided to the Representatives named in this Section. Notices shall be deemed given when delivered, if delivered by courier to Party's address shown above during normal business hours of the recipient; or when sent, if sent by email or fax (with a successful transmission report) to the email address or fax number provided by the Party's Representative; or on the fifth business day following mailing, if mailed by ordinary mail to the address shown above, postage prepaid.

12. **Permits:** Contractor shall provide all notices, comply with all applicable laws, ordinances, rules, and regulations, obtain all necessary permits, licenses, including a City of Bozeman business license, and inspections from applicable governmental authorities, and pay all fees and charges in connection therewith.

13. **Laws and Regulations:** Contractor shall comply fully with all applicable state and federal laws, regulations, and municipal ordinances including, but not limited to, all workers' compensation laws, all environmental laws including, but not limited to, the generation and disposal of hazardous waste, the Occupational Safety and Health Act (OSHA), the safety rules, codes, and provisions of the Montana Safety Act in Title 50, Chapter 71, MCA, all applicable City, County, and State building and electrical codes, the Americans with Disabilities Act, and all non-discrimination, affirmative action, and utilization of minority and small business statutes and regulations.

14. **Web Accessibility and the ADA:** Title II of the ADA prohibits discrimination against people with disabilities in all services, programs, and activities offered or made available by the City. This includes ensuring that the City's communications with people with disabilities are as effective as its communications with others.

If Contractor's Scope of Services includes the production of digital content, documents, or web applications intended to be branded for use by the City, Contractor must use the City style guide when creating a design. As per recommendations found in Section 508 of the Rehabilitation Act, all digital content, documents, or web applications must also adhere to level A and AA Success Criteria and Conformance Requirements as defined by the current [Web Content Accessibility Guidelines \(WCAG\)](#).

The City will not accept digital content that does not comply with WCAG A and AA guidelines. If the City refuses digital content because it is non-compliant with the City style guide, Section 508 of the Rehabilitation Act, and/or WCAG, Contractor will be required to make the digital content compliant and redelivered at no additional cost to the City.

15. Nondiscrimination and Equal Pay: The Contractor agrees that all hiring by Contractor of persons performing this Agreement shall be on the basis of merit and qualifications. The Contractor will have a policy to provide equal employment opportunity in accordance with all applicable state and federal anti-discrimination laws, regulations, and contracts. The Contractor will not refuse employment to a person, bar a person from employment, or discriminate against a person in compensation or in a term, condition, or privilege of employment because of race, color, religion, creed, political ideas, sex, age, marital status, national origin, actual or perceived sexual orientation, gender identity, physical or mental disability, except when the reasonable demands of the position require an age, physical or mental disability, marital status or sex distinction. The Contractor shall be subject to and comply with Title VI of the Civil Rights Act of 1964; Section 140, Title 2, United States Code, and all regulations promulgated thereunder.

Contractor represents it is, and for the term of this Agreement will be, in compliance with the requirements of the Equal Pay Act of 1963 and Section 39-3-104, MCA (the Montana Equal Pay Act). Contractor must report to the City any violations of the Montana Equal Pay Act that Contractor has been found guilty of within 60 days of such finding for violations occurring during the term of this Agreement.

Contractor shall require these nondiscrimination terms of its subcontractors providing services under this Agreement.

16. Intoxicants; DOT Drug and Alcohol Regulations/Safety and Training: Contractor shall not permit or suffer the introduction or use of any intoxicants, including alcohol or illegal drugs, by any employee or agent engaged in services to the City under this Agreement while on City property or in the performance of any activities under this Agreement. Contractor acknowledges it is aware of and shall comply with its responsibilities and obligations under the U.S. Department of Transportation (DOT) regulations governing anti-drug and alcohol misuse prevention plans and related testing. City shall have the right to request proof of such compliance and Contractor shall be obligated to furnish such proof.

The Contractor shall be responsible for instructing and training the Contractor's employees and agents in proper and specified work methods and procedures. The Contractor shall provide continuous inspection and supervision of the work performed. The Contractor is responsible for instructing its employees and agents in safe work practices.

17. **Modification and Assignability:** This Agreement may not be enlarged, modified or altered except by written agreement signed by both parties hereto. The Contractor may not subcontract or assign Contractor's rights, including the right to compensation or duties arising hereunder, without the prior written consent of the City. Any subcontractor or assignee will be bound by all of the terms and conditions of this Agreement.

18. **Reports/Accountability/Public Information:** Contractor agrees to develop and/or provide documentation as requested by the City demonstrating Contractor's compliance with the requirements of this Agreement. Contractor shall allow the City, its auditors, and other persons authorized by the City to inspect and copy its books and records for the purpose of verifying that the reimbursement of monies distributed to Contractor pursuant to this Agreement was used in compliance with this Agreement and all applicable provisions of federal, state, and local law. The Contractor shall not issue any statements, releases or information for public dissemination without prior approval of the City.

19. **Non-Waiver:** A waiver by either party of any default or breach by the other party of any terms or conditions of this Agreement does not limit the other party's right to enforce such term or conditions or to pursue any available legal or equitable rights in the event of any subsequent default or breach.

20. **Attorney's Fees and Costs:** In the event it becomes necessary for either Party to retain an attorney to enforce any of the terms or conditions of this Agreement or to give any notice required herein, then the prevailing Party or the Party giving notice shall be entitled to reasonable attorney's fees and costs, including fees, salary, and costs of in-house counsel including the City Attorney's Office staff.

21. **Taxes:** Contractor is obligated to pay all taxes of any kind or nature and make all appropriate employee withholdings.

22. **Dispute Resolution:**

a. Any claim, controversy, or dispute between the parties, their agents, employees, or representatives shall be resolved first by negotiation between senior-level personnel from each party duly authorized to execute settlement agreements. Upon mutual agreement of the parties, the parties may invite an independent, disinterested mediator to assist in the negotiated settlement discussions.

b. If the parties are unable to resolve the dispute within thirty (30) days from the

date the dispute was first raised, then such dispute may only be resolved in a court of competent jurisdiction in compliance with the Applicable Law provisions of this Agreement.

23. **Survival**: Contractor's indemnification shall survive the termination or expiration of this Agreement for the maximum period allowed under applicable law.

24. **Headings**: The headings used in this Agreement are for convenience only and are not be construed as a part of the Agreement or as a limitation on the scope of the particular paragraphs to which they refer.

25. **Severability**: If any portion of this Agreement is held to be void or unenforceable, the balance thereof shall continue in effect.

26. **Applicable Law**: The parties agree that this Agreement is governed in all respects by the laws of the State of Montana.

27. **Binding Effect**: This Agreement is binding upon and inures to the benefit of the heirs, legal representatives, successors, and assigns of the parties.

28. **No Third-Party Beneficiary**: This Agreement is for the exclusive benefit of the parties, does not constitute a third-party beneficiary agreement, and may not be relied upon or enforced by a third party.

29. **Counterparts**: This Agreement may be executed in counterparts, which together constitute one instrument.

30. **Integration**: This Agreement and all Exhibits attached hereto constitute the entire agreement of the parties. Covenants or representations not contained herein or made a part thereof by reference, are not binding upon the parties. There are no understandings between the parties other than as set forth in this Agreement. All communications, either verbal or written, made prior to the date of this Agreement are hereby abrogated and withdrawn unless specifically made a part of this Agreement by reference.

31. **Consent to Electronic Signatures**: The Parties have consented to execute this Agreement electronically in conformance with the Montana Uniform Electronic Transactions Act, Title 30, Chapter 18, Part 1, MCA.

****** END OF AGREEMENT EXCEPT FOR SIGNATURES ******

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written or as recorded in an electronic signature.

CITY OF BOZEMAN, MONTANA

MASSIVE STUDIOS
CONTRACTOR (Type Name Above)

By _____
Chuck Winn, Interim City Manager

By _____

Print Name: Benjamin Bennett

Print Title: Principal

APPROVED AS TO FORM:

By _____
Greg Sullivan, Bozeman City Attorney

Memorandum

REPORT TO: City Commission

FROM: Bob Murray, Project Engineer
Nick Ross, Director of Transportation and Engineering

SUBJECT: Authorize the City Manager to Sign a Third Amendment to the Professional Services Agreement with Sanderson Stewart to Provide Right of Way Acquisition Services on a Term Contract Basis until July 2025

MEETING DATE: July 23, 2024

AGENDA ITEM TYPE: Agreement - Vendor/Contract

RECOMMENDATION: Authorize the City Manager to sign the Third Amendment to the Professional Services Agreement with Sanderson Stewart to provide Right of Way Acquisition Services on a term contract basis until July 2025.

STRATEGIC PLAN: 4.3 Strategic Infrastructure Choices: Prioritize long-term investment and maintenance for existing and new infrastructure.

BACKGROUND: Attached is a copy of the Third Amendment to the Professional Services Agreement with Sanderson Stewart to provide Right of Way Acquisition Services.

The City entered into a Professional Services Agreement with Sanderson Stewart on July 13, 2021(21- Professional Services Agreement - Sanderson Stewart - ROW Services (bozeman.net)) to provide these services. The agreement included an expiration date of July 31, 2022 but allowed for one year extensions upon mutual written agreement of the parties. The Second Amendment extended the contract until July 31, 2024. Upon concurrence of the Commission, this amendment will extend the contract for another year. The amendment also updates the consultant's hourly rate sheet. All other provisions of the original agreement remain unchanged.

UNRESOLVED ISSUES: None.

ALTERNATIVES: As suggested by the City Commission

FISCAL EFFECTS: Fees will be negotiated on an individual task order basis in accordance with the original agreement and paid for from the Street Impact Fee Fund.

Attachments:

[Sanderson_Stewart_Charge_Out_Rates_APR_2024.pdf](#)
[Third Amendment for ROW Acquisition_Sanderson Stewart](#)

[07 2024.docx](#)

Report compiled on: July 10, 2024

CHARGE OUT RATES

EFFECTIVE APRIL 1, 2024

STAFF PERSONNEL SERVICES

Staff Engineer I	\$115.00/hour
Staff Engineer II	\$130.00/hour
Staff Engineer III	\$135.00/hour
Project Engineer I	\$145.00/hour
Project Engineer II	\$150.00/hour
Senior Engineer I	\$185.00/hour
Senior Engineer II	\$210.00/hour
Principal	\$240.00/hour
Engineer Intern	\$75.00/hour
Expert Witness/Special Consultant	\$290.00/hour
Staff Planner I	\$100.00/hour
Staff Planner II	\$115.00/hour
Planner I	\$130.00/hour
Planner II	\$145.00/hour
Senior Planner I	\$155.00/hour
Senior Planner II	\$195.00/hour
Senior Planner III	\$200.00/hour
Right-of-Way Agent	\$168.00/hour
Staff Landscape Designer I	\$100.00/hour
Staff Landscape Designer II	\$115.00/hour
Landscape Architect I	\$135.00/hour
Landscape Architect II	\$145.00/hour
Senior Landscape Architect I	\$160.00/hour
Senior Landscape Architect II	\$175.00/hour
Field Survey Technician I	\$85.00/hour
Field Survey Technician II	\$88.00/hour
Staff Surveyor I	\$110.00/hour
Staff Surveyor II	\$125.00/hour
Professional Land Surveyor I	\$135.00/hour
Professional Land Surveyor II	\$148.00/hour
Senior Professional Land Surveyor I	\$160.00/hour
Senior Professional Land Surveyor II	\$180.00/hour
Graphic Artist	\$105.00/hour
CADD Technician I	\$100.00/hour
CADD Technician II	\$105.00/hour
Designer I	\$100.00/hour
Designer II	\$110.00/hour
Senior Designer I	\$120.00/hour
Senior Designer II	\$145.00/hour
Construction Inspector	\$88.00/hour
Construction Engineering Technician	\$100.00/hour
Senior Construction Engineering Technician	\$145.00/hour
Construction Engineer I	\$145.00/hour
Construction Engineer II	\$150.00/hour
Project Administrator	\$100.00/hour
Senior Project Administrator	\$115.00/hour
Administrative/Clerical	\$95.00/hour
Senior Administrative Director	\$185.00/hour
Marketing Coordinator	\$110.00/hour
Senior Marketing Coordinator	\$125.00/hour
Marketing Director	\$175.00/hour

TRAFFIC DATA COLLECTION SERVICES

Standard Intersection Count (veh/bike/ped)	\$30.00/hour
Small Roundabout Count (veh/bike/ped)	\$41.00/hour
Large Roundabout Count (veh/bike/ped)	\$93.00/hour
Spot Location Volume (veh/bike/ped)	\$4.00/lane/hour
Spot Location Travel Speeds (veh)	\$5.00/lane/hour
Data Collection Equipment	\$30.00/count location
Rushed Processing (24-hour turnaround)	\$9.00/processing hour

SURVEY CREW SERVICES

1-Person/2-Person Crew	Per Job
Survey Equipment	\$30.00 /fieldwork hour
Survey Vehicle Mileage	IRS rate/mile + \$0.10/mile
Scanner Equipment	\$150.00/hour
Scanner Equipment (full day)	\$1,050/day

OUTSIDE CONSULTANTS

- 1) At cost if independently billed direct to client
- 2) Cost plus 5% if billed through us

INDEPENDENT LABORATORIES

- 1) At cost if independently billed direct to client
- 2) Cost plus 5% if billed through us

ADMINISTRATIVE EXPENSES

Administrative Expenses	3.5% *
Including copies, prints, phone, postage, materials, and travel	
*Based on professional services only, unless modified by contract	

Vehicle Mileage	IRS Rate

These rates are updated periodically to reflect market conditions. Rate increases will be reflected in future invoicing.



THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS THIRD AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT is made and entered into this ____ day of _____, 2024, by and between the **CITY OF BOZEMAN, MONTANA**, a self-governing municipal corporation organized and existing under its Charter and the laws of the State of Montana, 121 North Rouse Avenue, Bozeman, Montana, with a mailing address of PO Box 1230, Bozeman, MT 59771, hereinafter referred to as “City,” Sanderson Stewart, 106 East Babcock Street, Suite L1, Bozeman, MT 59715, hereinafter referred to as “Contractor.”

In consideration of the mutual covenants and agreements herein contained, the receipt and sufficiency whereof being hereby acknowledged, the parties hereto agree as follows:

1. **Extension of Term.** Section 31 of the Professional Services Agreement between the City and Contractor dated July 13, 2021 (the Agreement) is extended for an additional one (1) year period. The Agreement shall terminate on July 31, 2025.
2. **Consultant’s hourly rate.** Exhibit A of the Professional Services Agreement between the City and Contractor dated July 13, 2021 (the Agreement) specified the hourly rates. The consultant’s new hourly rate sheet is attached hereto as Exhibit A.
3. **Agreement still valid.** All remaining terms and provisions of the Agreement remain valid.

****** END OF AGREEMENT EXCEPT FOR SIGNATURES ******

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above written.

CITY OF BOZEMAN, MONTANA

CONTRACTOR (Sanderson Stewart)

By _____
Chuck Winn, Interim City Manager

By _____
Tony Gaddo, Project Manager

APPROVED AS TO FORM

By _____
Greg Sullivan, Bozeman City Attorney

Memorandum

REPORT TO: City Commission

FROM: Bernie Massey, Assistant Treasurer
Laurae Clark, Treasurer
Melissa Hodnett, Finance Director

SUBJECT: Resolution 5542 Intent to Create a Special Improvement Lighting District 781 for South 21st Sub 235 B & C SILD

MEETING DATE: July 23, 2024

AGENDA ITEM TYPE: Resolution

RECOMMENDATION: Adopt Commission Resolution No. 5542, Intent to Create Special Improvement Lighting District 781 for South 21st Sub 235 B & C SILD

STRATEGIC PLAN: 7.5. Funding and Delivery of City Services: Use equitable and sustainable sources of funding for appropriate City services, and deliver them in a lean and efficient manner.

BACKGROUND: Special improvement districts for lighting streets authorized.
(1) The council of any city or town is authorized to:
(a) create special improvement districts embracing any street or streets or public highway therein or portions thereof and property adjacent thereto or property which may be declared by said council to be benefited by the improvement to be made for the purpose of lighting such street or streets or public highway;
(b) require that all or any portion of the cost of installing and maintaining such lighting system be paid by the owners of the property embraced within the boundaries of such districts; and
(c) assess and collect such portion of such cost by special assessment against said property.
(2) The governing body may create special lighting districts on any street or streets or public highway for the purpose of lighting them and assess the costs for installation and maintenance to property abutting thereto and collect the costs by special assessment against the property

UNRESOLVED ISSUES: None

ALTERNATIVES: As suggested by the City Commission

FISCAL EFFECTS: As a result of creating this lighting district, the City will pay the associated power bills and schedule system maintenance. We will recover these costs by billing property owners each year on their City Assessment bill. It is

estimated to cost \$15.03 per acre within the district or \$548.86 annually for the entire district.

Attachments:

[Resolution 5542-Intent to Create SILD 781.docx](#)

[Exhibit A.pdf](#)

[Exhibit B.pdf](#)

Report compiled on: July 10, 2024



RESOLUTION 5542

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF BOZEMAN, MONTANA, RELATING TO SPECIAL IMPROVEMENT LIGHTING DISTRICT NO. 781 (SOUTH 21ST SUB 235 B & C SILD) DECLARING IT TO BE THE INTENTION OF THE CITY COMMISSION TO CREATE THE DISTRICT FOR THE PURPOSE OF MAINTAINING LIGHTING IMPROVEMENTS AND ASSESSING THE COSTS OF MAINTENANCE AND ENERGY THEREFOR TO BENEFITTED PROPERTY BY THE LEVY OF SPECIAL ASSESSMENT.

BE IT RESOLVED by the City Commission (the “Commission”) of the City of Bozeman (the “City”), Montana, as follows:

Section 1

Intention to Create District; Proposed Improvements. It is the intention of this Commission to create and establish in the City under Montana Code Annotated, Title 7, Chapter 12, Part 43, as amended, a special improvement lighting district to serve South 21st Sub 235 B & C SILD (the “District”) for the purpose of maintenance and energy costs. The district will pay the maintenance and energy costs for six (6) 47 watt Phillips Lumec Cobra head Road Focus small head fixture on a single swept luminaire on round tapered steel poles, and three (3) 72 Watt Phillips Lumec Cobra head Road Focus small head fixture on a single swept luminaire on round tapered steel poles mounted at 30 feet and nine (9) 73 Watt Phillips Lumec Cobra head Road Focus small head fixture on a single swept luminaire on round tapered steel poles mounted at 12 feet per City of Bozeman standards. The poles will be green powder coated over steel. The initial monthly charge per fixture per month (the “Monthly Charge”) is estimated as follows: \$1.8612 per 47 watt

LED fixture and \$2.8512 per 72 watt LED fixture and \$2.8908 per 73 watt Led fixture. This calculates to \$548.86 annually.

Section 2

Number of District. The District, if the same shall be created and established, shall be known and designated as Special Improvement Lighting District No. 781 (South 21st Sub 235 B & C SILD) of the City of Bozeman, Montana.

Section 3

Boundaries of District. The limits and boundaries of the District are depicted on a map attached as **Exhibit A** hereto (which is hereby incorporated herein and made a part hereof), which boundaries are designated and confirmed as the boundaries of the District. A listing of each of the properties in the District is shown on **Exhibit B** hereto (which is hereby incorporated herein and made a part hereof).

Section 4

Benefited Property. The District and territory included within the limits and boundaries described in Section 3 and as shown on Exhibit A are hereby declared to be the special lighting district and the territory which will benefit and be benefited by the Improvements and will be assessed for the costs of the Improvements as described in Section 1. The Improvements, in the opinion of this Commission, are of more than local and ordinary benefit. The property included within said limits and boundaries is hereby declared to be the property benefited by the Improvements.

Section 5

Assessment Methods. All properties within the District are to be assessed for a portion of the maintenance and energy costs, as specified herein. The maintenance and energy costs shall be assessed against the property in the District benefiting, based on the actual area method of assessment described in Sections 7-12-4323, MCA, as particularly applied and set forth in this Section 5. The annual maintenance and energy costs are estimated at \$548.86, and shall be assessed against each lot, tract or parcel of land in the District for that part of the costs that the area of such

lot, tract or parcel bears to the total area of all lots, tracts or parcels of land in the District, exclusive of streets, avenues and alleys. The total area of the District to be assessed is 36.51474 acres, or 1,590,582.00 square feet, exclusive of parks and open space. The initial costs of the Improvements per acre shall be \$15.031 or \$0.000345 per square foot annually.

Section 6

Payment of Assessments. Special assessments for the annual maintenance and energy costs are estimated at \$548.86, plus any increases, as may be permitted by the Public Service Commission, and any additional authorized charges shall be levied each year against all properties in the District and shall be payable in equal semiannual installments. The first year of special assessment billing will include an additional amount not to exceed \$500 for publication and mailing associated with creation of the District which shall be assessed in the same manner as the Improvements resulting in a cost not to exceed \$28.72 per acre, or \$0.00066 per square foot.

Section 7

Extraordinary Repair or Replacement. The maintenance and energy costs and assessments set forth in Section 1 and 5 are based on normal conditions and do not cover charges for repair and/or replacement. The City may make an additional charge to the District for costs of labor and actual material costs for repairs and/or replacement of the fixtures for damage caused by third parties and not paid by such third parties. The City will assess such costs and charges against the properties in the District in the same manner as the other assessment is made.

Section 8

Discontinuation of District. If at any time after the initial term of the District a petition is presented to the City Commission, signed by the owners or agents of more than three-fourths of the total amount of property within the District, asking that the maintenance and operation of the special lighting system and the furnishing of electrical current in the district be discontinued, or if a majority of the City Commission votes to discontinue the District, the City Commission shall, by resolution, provide for discontinuing the maintenance and operation of the lighting system. If the

Commission has, prior to the presentation of a petition or by a majority vote of the Commission to discontinue the District, entered into any contract for the maintenance and operation of the lighting system, the maintenance and operation may not be discontinued until after the expiration of the contract.

Section 9

Public Hearing; Protests. Written protests against the creation or modification of the District and the costs may be filed by an agent, person, firm or corporation owning real property within the proposed District whose property is liable to be assessed for the costs. Such protests must be delivered to the Deputy City Clerk at City Hall, 121 N Rouse Ave, Bozeman, Montana not later than 5:00 p.m., M.T., on Monday, August 12, 2024.

If protests are received by the deadline, the City Commission will hear and pass upon all written protests against the creation or extension of the District, on Tuesday, August 20, 2024, at 6:00 p.m., in the Commission Room at City Hall 121 N Rouse Ave, Bozeman, Montana. If no protests are received, the City Commission may, on the same date, time and location, pass a Resolution authorizing the creation or modification of the district.

Section 10

Notice of Passage of Resolution of Intention. The City Clerk is hereby authorized and directed to publish or cause to be published a copy of a notice of the passage of this resolution in the *Bozeman Daily Chronicle*, a newspaper of general circulation in the county on July 27, 2024 and August 3, 2024 in the form and manner prescribed by law, and to mail or cause to be mailed a copy of said notice to every person, firm, corporation, or the agent of such person, firm, or corporation having real property within the District listed in his or her name upon the last completed assessment roll for state, county, and school district taxes, at his last-known address, on or before the same day such notice is first published.

PASSED, ADOPTED, AND APPROVED by the City Commission of the City of Bozeman, Montana, at a regular session thereof held on the 23rd day of July 2024.

TERENCE CUNNINGHAM
Mayor

ATTEST:

ALEX NEWBY
Deputy City Clerk

APPROVED AS TO FORM:

GREG SULLIVAN
City Attorney

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Bozeman, Montana (the “City”), hereby certify that the attached resolution is a true copy of Resolution No. 5542, entitled: **A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF BOZEMAN, MONTANA, RELATING TO SPECIAL IMPROVEMENT LIGHTING DISTRICT NO. 781 (SOUTH 21ST SUB 235 B & C SILD) DECLARING IT TO BE THE INTENTION OF THE CITY COMMISSION TO CREATE THE DISTRICT FOR THE PURPOSE OF MAINTAINING LIGHTING IMPROVEMENTS AND ASSESSING THE COSTS FOR MAINTENANCE AND ENERGY THEREFOR TO BENEFITTED PROPERTY BY THE LEVY OF SPECIAL ASSESSMENT**, (the “Resolution”), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Commission of the City of Bozeman at a meeting on July 23, 2024 and that the meeting was duly held by the City Commission and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Commissioners voted in favor thereof: _____; voted against the same: _____; abstained from voting thereon: _____; or were absent: _____.

WITNESS my hand officially this 23rd day of July 2024.

ALEX NEWBY
DEPUTY CITY CLERK

**NOTICE OF PASSAGE OF RESOLUTION OF INTENTION
TO CREATE SPECIAL IMPROVEMENT LIGHTING DISTRICT NO. 781
(SOUTH 21ST SUB 235 B & C SILD)**

CITY OF BOZEMAN, MONTANA

NOTICE IS HEREBY GIVEN that on July 23, 2024, the City Commission (the “Commission”) of the City of Bozeman, Montana (the “City”), adopted a Resolution of Intention No. **5542** to create Special Improvement Lighting District No. **781** (the “District”) for the purpose of maintaining lighting and assessing the cost for maintenance and energy to **South 21st Sub 235 B & C SILD**, and paying maintenance and energy costs relating thereto.

A complete copy of the Resolution of Intention (the “Resolution”) No. **5542** is on file with the City Clerk which more specifically describes the nature of the costs, the boundaries and the area included in the District, the location of the Improvements and other matters pertaining thereto and further particulars. A list of properties in the District and the amount of the initial assessment accompanies this notice. The Resolution and accompanying exhibits may be also viewed on the City’s website at www.bozeman.net.

The district will pay the maintenance and energy costs for costs for six (6) 47 watt Phillips Lumec Cobra head Road Focus small head fixture on a single swept luminaire on round tapered steel poles, and three (3) 72 Watt Phillips Lumec Cobra head Road Focus small head fixture on a single swept luminaire on round tapered steel poles mounted at 30 feet and nine (9) 73 Watt Phillips Lumec Cobra head Road Focus small head fixture on a single swept luminaire on round tapered steel poles mounted at 12 feet per City of Bozeman standards. The poles will be green powder coated over steel. The initial monthly charge per fixture per month (the “Monthly Charge”) is estimated as follows: \$1.8612 per 47 watt LED fixture and \$2.8512 per 72 watt LED fixture and \$2.8908 per 73 watt Led fixture. This calculates to \$548.86 annually. The annual assessments for costs of the Improvements may be increased as approved by the Public Service Commission and may be increased to cover extraordinary expenses of repair and maintenance. The first year of special assessment billing will include an additional amount not to exceed \$500

for publication and mailing associated with creation of the District which shall be assess in the same manner as the Improvements resulting in a cost not to exceed \$28.724 per acre, or \$0.00066 per square foot.

Written protests against the creation or extension of the District and the costs may be filed by an agent, person, firm or corporation owning real property within the proposed District whose property is liable to be assessed for the costs. Such protests must be delivered to the City Clerk at City Hall, 121 N Rouse Ave, Bozeman, Montana not later than 5:00 p.m., M.T., on August 12, 2024.

If protests are received by the deadline, the City Commission will hear and pass upon all written protests against the creation or extension of the District, or the Improvements on **Tuesday, August 20, 2024, at 6:00 p.m.**, in the Commission Room at City Hall 121 N Rouse Ave, Bozeman, Montana. If no protests are received, the City Commission may, on the same date, time and location, pass a Resolution authorizing the creation or modification of the district.

Further information regarding the proposed District or other matters in respect thereof may be obtained from the City Clerk at City Hall, 121 N Rouse Ave, Bozeman, Montana or by telephone at (406) 582-2320.

Dated: July 23, 2024.

BY ORDER OF THE CITY COMMISSION
OF THE CITY OF BOZEMAN, MONTANA

ALEX NEWBY
Deputy City Clerk

Legal Ad

Publication Dates:

Saturday, July 27, 2024

Saturday, August 3, 2024

RESOLUTION 5542

Resolution of Intent to create SILD No. 781 for the purpose of maintaining lighting and assessing the cost for maintenance and energy to South 21st Sub 235 B & C SILD and paying maintenance and energy costs relating thereto.

AFFIDAVIT OF MAILING

STATE OF MONTANA)
 : ss
County of Gallatin)

ALEX NEWBY, Deputy City Clerk, being first duly sworn, says:

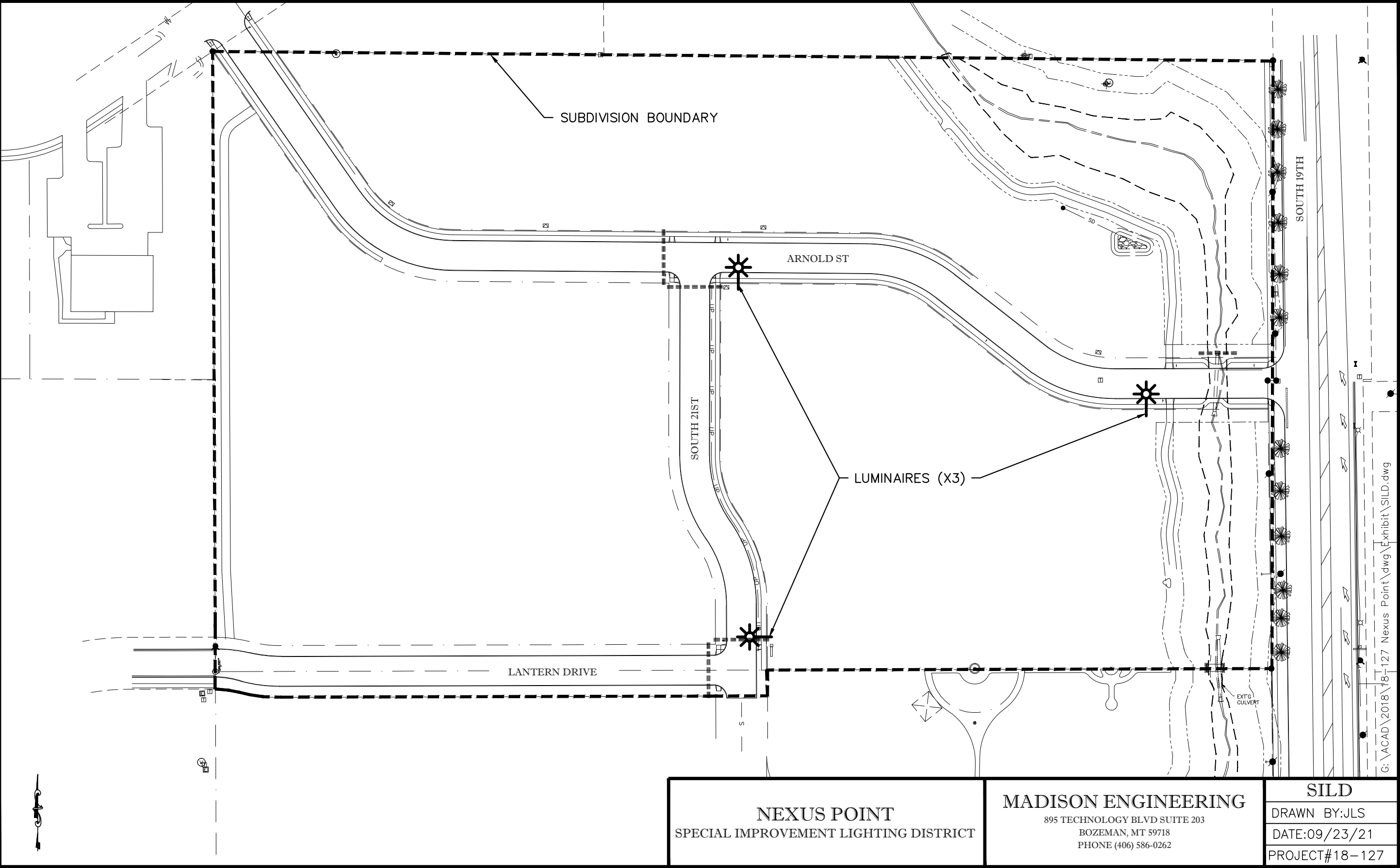
That I cause to be mailed first class the Notice in regards to the owners in Special Improvement Lighting District No. 781, as listed in Exhibit "B", on Friday, July 26, 2024, directed to the owners at the addresses shown on Exhibit "B".

ALEX NEWBY
Deputy City Clerk

Subscribed and sworn before me this 26th day of July, 2024.

(Notarial Seal)

Printed Name _____
Notary Public for the State of Montana
Residing at: see seal
My Commission expires: see seal



NEXUS POINT
SPECIAL IMPROVEMENT LIGHTING DISTRICT

MADISON ENGINEERING
895 TECHNOLOGY BLVD SUITE 203
BOZEMAN, MT 59718
PHONE (406) 586-0262

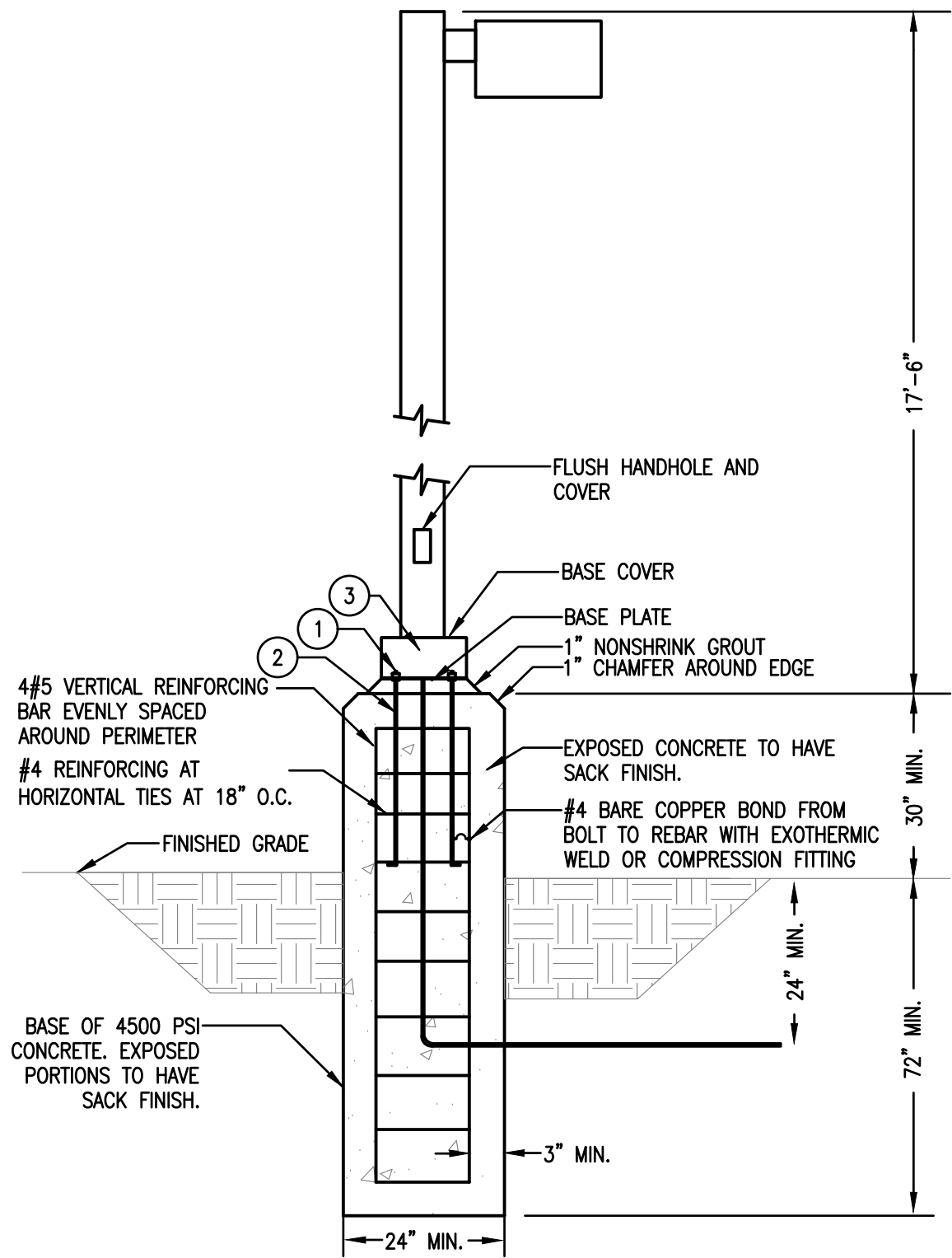
SILD
DRAWN BY:JLS
DATE:09/23/21
PROJECT#18-127

GENERAL LIGHTING NOTES:

1. NUMBER ADJACENT TO HOME RUN INDICATES POLE POSITION WITHIN PANEL TO WHICH DEVICES SHALL BE CIRCUITED.
2. CONTRACTOR SHALL COORDINATE ELECTRICAL SYSTEMS INSTALLATION TO AVOID INTERFERENCE WITH DUCTWORK/PIPING AND OTHER TRADES. CONTRACTOR SHALL COORDINATE PLACEMENT OF FIXTURES WITH ARCHITECTURAL REFLECTED CEILING PLAN. LOCATION OF FIXTURES SHALL GOVERN WHEN CONFLICTS WITH SUPPLY/EXHAUST DIFFUSERS OCCUR.
3. REFER TO SHEET E-3.00# FOR LUMINAIRE SCHEDULE (#=BUILDING TYPE ELECTRICAL DRAWING PACKAGE).
4. COORDINATE WITH ARCHITECTURAL REFLECTED CEILING PLAN (RCP) FOR CEILING TYPES.
5. ALL FIXTURES WITHIN A GIVEN ROOM/AREA ARE THE SAME TYPE AS THE SINGLE FIXTURE CALLED OUT WITHIN THAT ROOM/AREA, UNLESS OTHERWISE NOTED.
6. LINENWORK SHOWN FOR CLARITY OF SWITCHING ONLY. PROVIDE QUANTITY OF CONDUCTORS AS REQUIRED FOR CONTROL.
7. CONTRACTOR SHALL PROVIDE #10 AWG CONDUCTORS FOR ALL CIRCUITS OF 100' OR MORE UNLESS SHOWN LARGER.

KEYED NOTES:

1. REFER TO DETAIL #2, THIS SHEET FOR POLE BASE DETAIL.
2. PROVIDE 4 SQUARE JUNCTION BOX AND 120V AS INDICATED FOR RADON SYSTEM EXHAUST FAN/MOTOR (TO BE LOCATED IN ATTIC). VERIFY EXACT REQUIREMENTS FOR THE SYSTEM AND COORDINATE EXACT LOCATION WITH THE PLUMBING PLANS PRIOR TO ROUGH-IN. RE: P-4.02#
3. PROVIDE RADONWAY CHECKPOINT IIR MITIGATION SYSTEM MONITOR. CONNECT TO THE FA SYSTEM THROUGH AND 'AM' AND PROVIDE A SUPERVISORY SIGNAL IN THE EVENT OF A SYSTEM FAILURE. RE: P-4.02#
4. CLUBHOUSE LIGHTING SHOWN FOR REFERENCE ONLY. FOR MORE INFORMATION, REFER TO BLDG E CLUBHOUSE PLANS.
5. STREET LIGHTING POLES TO BE TIED TO A METERED PEDESTAL.
6. BUILDING ELECTRICAL SERVICE LOCATION. REFER TO E4.00 SHEETS FOR SPECIFIC REQUIREMENTS.
7. METER PEDESTAL FOR CITY PARK LIGHTING. COORDINATE EXACT LOCATION AND REQUIREMENTS PRIOR TO ROUGH-IN.
8. ROUTE TO CITY PARK METER PEDESTAL.



POLE BASE DETAIL KEYED NOTES:

1. PROVIDE GALVANIZED LOCKNUTS AND LOCKWASHERS.
2. PROVIDE ANCHOR BOLTS TO MATCH PATTERN AS PROVIDED BY MANUFACTURER.
3. STUB 3/4"C-6" ABOVE POLE BASE.

2 POLE BASE DETAIL
SCALE: N.T.S.

1 ELECTRICAL SITE PLAN
SCALE: 1"=50'

NEXUS/GRAF APARTMENTS MINOR SUB 235 B & C

PARCEL	Block	Lot	ACCT #	Address	Sq Ft	Owner	Owner Address	City	State	Zip
235C	2	2	335830	2941 S 21st Ave	230,656.00	Graf Apartments LLC	1450 Twin Lakes Ave Ste 201	Bozeman	MT	59718
235C	1	1	335820	2940 S 21st Ave	92,178.00	Graf Apartments LLC	1450 Twin Lakes Ave Ste 201	Bozeman	MT	59718
235C	1	2	335860	2990 S 21st Ave	172,131.00	Graf Apartments LLC	1450 Twin Lakes Ave Ste 201	Bozeman	MT	59718
235C	2	1	335810	3041 S 21st Ave	291,358.00	Graf Apartments Phase II LLC	1450 Twin Lakes Ave Ste 201	Bozeman	MT	59718
235C	1	3	335840	3050 S 21st Ave	273,376.00	Graf Apartments Phase II LLC	1450 Twin Lakes Ave Ste 201	Bozeman	MT	59718
235B	1	1	211250	2857 S 19th Ave	148,792.00	Nexus Point LLC	3661 Jagar Ln	Bozeman	MT	59718
235B	1	2		TBD Arnold ST	28,418.00	Nexus Point LLC	3661 Jagar Ln	Bozeman	MT	59718
235B	2	2		TBD Arnold ST	25,231.00	Nexus Point LLC	3661 Jagar Ln	Bozeman	MT	59718
235B	2	3		TBD Arnold ST	88,479.00	Nexus Point LLC	3661 Jagar Ln	Bozeman	MT	59718
235B	2	4		TBD S 21st Ave	20,838.00	Nexus Point LLC	3661 Jagar Ln	Bozeman	MT	59718
235B	3	1		TBD Lantern Dr	219,125.00	Nexus Point LLC	3661 Jagar Ln	Bozeman	MT	59718

Total Square Footage	1,590,582.00
Acreage	36.51

Memorandum

REPORT TO: City Commission

FROM: Mayor Terry Cunningham

SUBJECT: Mayoral Proclamation Proclaiming Americans with Disabilities Act Month

MEETING DATE: July 23, 2024

AGENDA ITEM TYPE: Administration

RECOMMENDATION: Mayoral Proclamation Proclaiming Americans with Disabilities Act Month

STRATEGIC PLAN: 1.1 Outreach: Continue to strengthen and innovate in how we deliver information to the community and our partners.

BACKGROUND: To proclaim July as American's with Disabilities Act Month

UNRESOLVED ISSUES: none

ALTERNATIVES: none

FISCAL EFFECTS: none

Attachments:
[ADA Month.docx](#)

Report compiled on: July 15, 2024



Proclamation for Americans with Disabilities Act Month

WHEREAS, the disability community is the largest minority group in the country where anyone, regardless of race, gender identity, income, or life experience, can join or leave at any time; and

WHEREAS, the historic civil rights law, The Americans with Disabilities Act, was signed on July 26, 1990, affirming the inherent dignity and access to equal opportunity for every person, regardless of disability; and

WHEREAS, in the spirit and intent of the Americans with Disabilities Act and in furtherance of the Belonging in Bozeman Plan, the City of Bozeman celebrates its continued commitment to removing barriers to equal and equitable opportunity to access our community, including full participation in programs, activities, economic opportunities, housing, health care, transportation, recreation and many other areas of daily life in Bozeman.

WHEREAS, we recognize that participation by individuals with disabilities is vital to the success of our community, and while many barriers towards that end have been removed, much more work is needed to realize the full potential of the ADA and to reduce additional barriers, labels and stigmas toward people with disabilities.

NOW, THEREFORE, I, Terry Cunningham, Mayor of the City of Bozeman, in honor of the 34th Anniversary of the Americans with Disabilities Act, do hereby proclaim the month of July 2024 as

“AMERICANS WITH DISABILITIES ACT MONTH”

In doing so, I recognize all the hard work advocates, policymakers, and people with disabilities have accomplished to ensure access to the same rights, opportunities, and privileges afforded to all our community members are afforded to people with disabilities.

Signed and Proclaimed this 16th day of July, 2024.

Terry Cunningham
Mayor, Bozeman, Montana

Memorandum

REPORT TO: City Commission

FROM: Ali Chipouras, Sustainability Program Specialist
Natalie Meyer, Sustainability Program Manager
Jon Henderson, Strategic Services Director

SUBJECT: Local Food System Preliminary Mapping Project Report

MEETING DATE: July 23, 2024

AGENDA ITEM TYPE: Plan/Report/Study

RECOMMENDATION: Special Presentation

STRATEGIC PLAN: 6.3 Climate Action: Reduce community and municipal Greenhouse Gas (GHG) emissions, increase the supply of clean and renewable energy; foster related businesses.

BACKGROUND: Solution N. of the [Bozeman Climate Plan](#) highlights the critical importance of a robust local food system to reduce emissions while supporting a more equitable and resilient community. The City identified that to implement Solution N. Cultivate a Robust Local Food System, City staff, the Sustainability Citizen Advisory Board, and City Commission needed to deepen their understanding of the local food landscape.

On [November 9, 2022](#), and [March 8, 2023](#), the Sustainability Citizen Advisory Board discussed strategies to better understand the local food landscape and the appropriate role of the City. The Sustainability Citizen Advisory Board and City staff acknowledged the importance of learning directly from community members who are actively engaged in the local food system. To do so, the Local Food System Preliminary Mapping Project was incepted with the following project goals:

- Learn about the local food landscape
- Cultivate partnerships
- Identify opportunities for how the City can support a robust local food system

The core of the Local Food System Preliminary Mapping Project was a series of discussions and interviews with constituents representing many different facets of our local food system. On [June 13, 2023](#), the City entered into a Professional Services Agreement with consultants Kate Burnaby Wright and Maclaren Latta to help facilitate the Local Food System Preliminary Mapping Project. An external Steering Committee was established to guide this

initiative. This Committee represents multiple facets of our local food system including farmers, ranchers, meat processors, business development support, food system specialists, nutritionists, and more.

Six core topics were identified to focus the conversations around:

- Food Access
- Resilience in the Face of Disruption
- Community Wellness, Education, and Culture
- Production
- Food Pathways
- Ecological Sustainability

Over the winter and spring of this year, more than 80 individuals participated and provided input. These individuals represented various dimensions of the local food system, including farmers, ranchers, food processors, distributors, composters, community organizations, entrepreneurs, and more.

The project team analyzed and distilled the information gathered through the process into key themes and takeaways. Actionable opportunities for how the City can support a robust local food system were developed. The opportunities involve leadership and support from multiple City departments, in collaboration with community partners and food system practitioners. The Local Food Systems Preliminary Mapping Project report outlines these opportunities, along with an overview of the project process and a summary of the key findings.

In Spring 2023, the project team shared the preliminary findings and a draft report with the project participants at a Special Presentation and with the Sustainability Advisory Board at their meeting on [April 10, 2024](#).

The project team integrated input from project participants, the Steering Committee, and the Sustainability Advisory Board into the report draft. In May, the project team hosted two public presentations welcoming the community's input on the draft report. The Sustainability Advisory Board discussed the draft report during a Work Session on [May 8, 2024](#).

Sustainability Program Specialist, Ali Chipouras, will provide an overview of stakeholder engagement and the future opportunities identified through the process. The presentation will include an outline of near-term action items that the City of Bozeman plans to implement. The project report, appendices, and additional resources can be found under the City of Bozeman Sustainability Division's [Local Food](#) webpage.

UNRESOLVED ISSUES: None.

ALTERNATIVES: As suggested by the City Commission.

FISCAL EFFECTS:

Implementation of near-term actions identified in the Local Food System Preliminary Mapping Project report will primarily involve staff resources. Limited funding for local food community engagement activities was approved under the Sustainability Division's 2025 Biennium Budget.

Attachments:

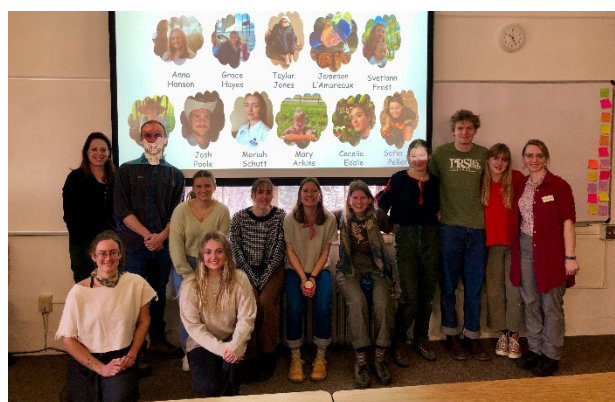
[Local Food Systems Preliminary Mapping Project Report_20240723.pdf](#)

[Local Food Systems Preliminary Mapping Project Report Appendices_20240723.pdf](#)

Report compiled on: July 11, 2024

Local Food System Preliminary Mapping Project

July 2024



Photos: Potato Fields at Gallatin Grown taken by Project Steering Committee Member Melissa Stuber (left); Project Kickoff Workshop (right, top); Chance Farms taken by Project Participant Josh Chance (right, middle); MSU Sustainable Food and Bioenergy Capstone Students (right, bottom)

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I. Executive Summary

Surrounded by mountains at the headwaters of the Missouri River, Gallatin Valley has long been known for its abundance of wild foods, rich soils, and agricultural heritage. Today, Bozeman is a rapidly growing city within a dynamic local and regional food system, where an extensive network of individuals, businesses, nonprofit organizations, institutions, and agencies have built the foundation for a robust local food system.

The [Bozeman Climate Plan](#), adopted by the City of Bozeman in 2020, identifies Solution N. Cultivate a Robust Local Food System, which highlights the role of a resilient, sustainable, and equitable local food system in reducing greenhouse gas emissions and enhancing community resilience.

In 2023, the City initiated the Local Food System Preliminary Mapping Project to deepen its understanding of the local food landscape, build partnerships, and identify opportunities to implement Solution N. The project's focus was a series of interviews and discussions with key players across various sectors of the local food system. This approach was used to identify the potential role of local government and explore opportunities for the City of Bozeman to collaborate with local partners to better support a robust local food system.



Figure 1: Photo by Project Participant Josh Chance, Chance Farms

From September 2023 to April 2024, over 80 people participated in group discussions, one-on-one interviews, surveys, and follow-up conversations. The project team, an external Steering Committee, and City staff from multiple departments collaborated to identify six **Core Topics** to focus discussions on:



More than 150 individuals who play integral roles within the local food system were identified and contacted as potential interviewees. Although not all could participate during this phase, the project aimed to spark conversations, serve as a catalyst for ongoing relationship building, and explore the City's role in the local food system.



Interview Highlights

80+	8	15
participants	group discussions	individual interviews

Insights gathered through this process were compiled, analyzed, and distilled. Additionally, the project team conducted a review of City policies and plans to understand existing intersections with the food system. Existing assets, gaps, challenges, and barriers were identified to develop a preliminary understanding of the local food system. Through the analysis, the following themes emerged, and **Key Takeaways** related to each theme were identified.

Leadership

Participants encouraged the City of Bozeman to step up in its role as a community leader by championing local food policies, leveraging resources, and integrating a commitment to local food systems and community food security into City initiatives and community planning.

Land Access + Collaboration

Accessing land for food production is a challenge that continues to intensify in the Gallatin Valley. Participants expressed interest in identifying land that could be retained or made available for local food production. They also emphasized the importance of collaboration and innovative solutions to make land available for food production and community programming.

Awareness + Outreach

There is strong interest in increasing the awareness of locally grown foods, empowering community members to grow their own food, and expanding urban community members' connection to the diverse agricultural heritage and ecological significance of the Gallatin Valley.

Housing + Resilience

The housing and affordability crisis is having a significant impact on local farms, food businesses, educators, resource providers, and community wellness.

Infrastructure + Sector Development

Resilient local food systems involve a wide range of individuals, businesses, organizations, and infrastructure that operate at multiple scales to facilitate and support production, processing, distribution, marketing, eating, and waste management. Support for social and physical infrastructure at all levels is essential.

For each theme, corresponding [Opportunities](#) for how the City can support a robust local food system were developed. The 33 **Opportunities** involve leadership and support from multiple City departments. Collaboration with community partners and food system practitioners is essential to implementing the **Opportunities**.

From the **Opportunities**, 14 [Next Steps](#) were selected as specific actions that the City of Bozeman plans to implement in the near-term. **Next Steps** were selected based on their potential impact and feasibility. These specific action items were identified as feasible by considering factors such as staff capacity, financial resources, alignment with existing work or adopted City plans and policies, existing collaboration, and interested partners. In addition to implementing the **Next Steps**, the City will continue to assess, prioritize, and collaborate on the **Opportunities**.

“The City should very much embrace the opportunity to be a pioneer of local food system development in Montana.”

- Project Participant

II. Introduction

Understanding Our Role in the Food System

The food system encompasses a range of interconnected components that facilitate the flow of food from production to consumption, spanning from local to global levels. Its function is shaped by natural elements such as climate and soil quality, alongside societal elements such as economic policies, cultural practices, and community structures. These elements influence the system at various levels, resulting in complex networks of interactions and dependencies. One thing is certain: everyone is impacted by the food system in one way or another.

Local food systems play a role in enhancing community resilience, local economic stability, environmental sustainability, and overall community wellness. This project was designed to provide the City of Bozeman with deeper insights into the local food landscape of Gallatin Valley, in order to help the City better understand its role within the system.

Although a specific area boundary was not set for the purpose of this project, the Local Food System Preliminary Mapping Project is centered on the local food system operating within the Gallatin Valley, with an understanding that these systems are connected to farms, assets, and communities beyond the valley. The project took a comprehensive approach to gain a deeper understanding of the local food system's inner workings by connecting with people from many dimensions of the food system, including farmers, ranchers, food processors, distributors, composters, community organizations, entrepreneurs, and more.



Figure 2 Lentil Table Dinner, Photo by Project Participant, Claudia Krevat, Claudia's Mesa

A Changing Landscape

In the past 20 years, the population of Gallatin County has increased 71%.¹ From 2000-2021, 67,520 acres of land in Gallatin County were converted to housing.² This rapid growth and development, combined with factors like climate change, disruptions experienced through the COVID-19 pandemic, and increasing costs have created significant challenges for local farmers, food system entrepreneurs, and community members. A report by Headwaters Economics found that from 2001-2016, farming was the only sector that lost jobs in the Gallatin Valley while every other industry continued to grow.³



Figure 3 Potato Fields at Gallatin Grown, Photo by Project Participant Melissa Stuber

¹ [Gallatin County Growth Policy \(2021\)](#). Pg. 1-3

² [Headwaters Economic \(2024\)](#)

³ [Headwaters Economics, Gallatin County's Economy, Growth, and Open Space \(2018\)](#)

Agriculture and Land Use

Although agriculture in the region has shown a decline over time, there is still significant agricultural activity in Gallatin County. The 2022 Census of Agriculture found that there were 1,009 operating farms in Gallatin County⁴. In Gallatin County, agriculture is the second most common land use (37%), behind State/Federal land (40%).⁵ The majority of agricultural land in the county is found in and around the Gallatin Valley.

Within the 19 square miles that make up Bozeman City Limits, land use is predominantly residential and commercial, with a small amount of agricultural production. Although agricultural production within the City is minimal, Bozeman still serves an important role within the local food system as a vital economic driver and hub.

The City of Bozeman is home to many key functions of the local food system such as distribution infrastructure, point of sale locations, and consumers. There are also many opportunities to increase food production within the City limits through various forms of urban agriculture. However, in order to foster a robust local food system, the City cannot focus solely on urban agriculture. It is essential to also support the broader food system in the Gallatin Valley and consider the City's connection to agricultural production beyond City limits.

Natural Resources and Climate

Fertile soil and accessible water have long sustained agriculture in the Gallatin Valley and continue to make it a desirable location for farming. Well before colonial settlement, people from many different Native Nations frequented these lands as a gathering place to hunt, collect foods and medicines, and support a vibrant Indigenous food system. However, the land and native species are increasingly at risk due to a changing climate and ongoing development that threatens the loss of fertile soil and impacts water resources.

The City of Bozeman’s municipal water supply is facing heightened challenges due to increasing demand and less reliable supply driven by shifting climate patterns. It is essential to consider the City’s water availability when planning for urban agriculture within the City. Beyond providing water for Bozeman residents, the City’s water supply is part of a broader water system and is interconnected with a network of over 1,000 miles of ditches and canals that provide water for a variety of uses, including drinking water and irrigation for agriculture, throughout the Gallatin Valley. Development and water use within and around the City impact the water system in a variety of ways, including groundwater recharge and the flow of water through irrigation ditches. It is important to

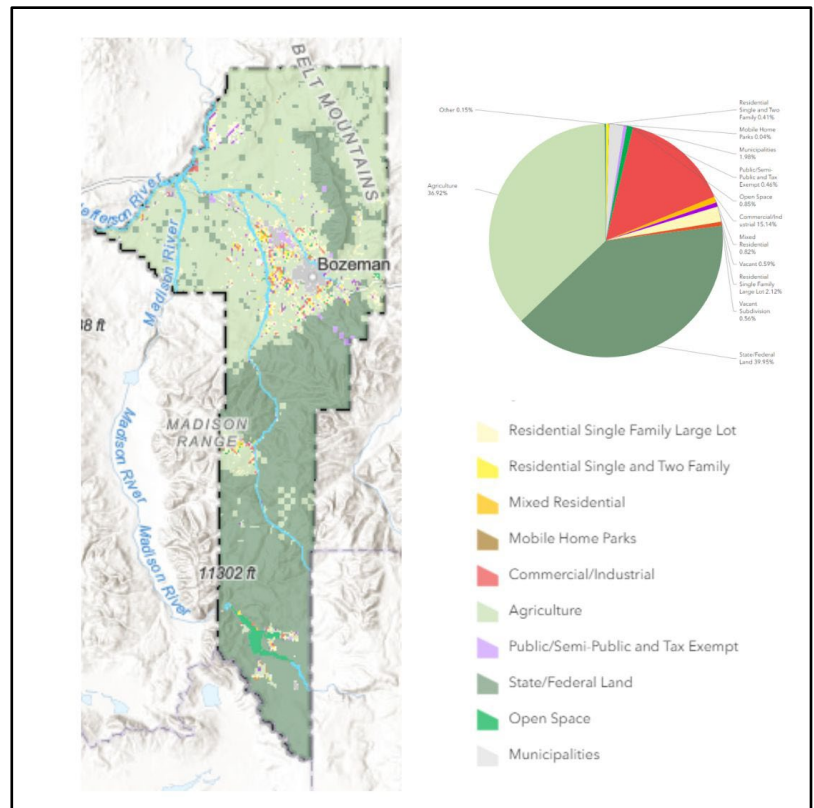


Figure 4 Existing Land Use in Gallatin County, [Envision Gallatin Land Use & Housing Strategy](#)

⁴ USDA Census of Agriculture, Gallatin County (2022)

⁵ Gallatin County Envision Gallatin, *Gallatin County Land Use Profile* (2023)

consider these factors during urban planning for sustainable growth and fulfilling the agricultural needs of the valley.

Agriculture in Montana has always navigated climate variability and occasional extreme events. With a changing climate, this variability and the frequency of extreme events is intensifying. According to projections from the Montana Climate Assessment⁶, average monthly temperatures are expected to increase in all seasons, with summer and winter experiencing the greatest warming. Potential consequences include shifts in growing seasons, reduced snowpack diminishing water availability for irrigation, and an increase in crop diseases and pests.

Although it is unclear exactly how climate change will impact agriculture in Gallatin Valley, it is evident that farmers, ranchers, and gardeners will need to continue to adapt. In addition to adapting to ensure successful production, agriculture can also play an important role in mitigating climate change. Agricultural operations can reduce greenhouse gas emissions by adopting more sustainable agriculture practices, including practices that increase carbon sequestration and decrease food miles by displacing the need to import foods that can be produced locally.

“Every component of agriculture—from prices to plant pollinators and crop pests—exhibits complex relationships to climate, depending on the location, weather variability, and agricultural and economic practices and policies.

Social and economic resilience to withstand and adapt to variable conditions has always been a hallmark of Montana farmers’ and livestock producers’ strategies for coping with climate variability.”

– MT Climate Assessment, 2017

Community Resiliency

A resilient community is one that has the capacity to anticipate, adapt to, and recover from various stressors, such as the housing affordability crisis, and shocks, such as the Bridger Canyon Fire and COVID-19 pandemic. A fundamental characteristic of a resilient community is self-reliance, including the ability to produce and distribute food locally. The COVID-19 pandemic underscored the importance of self-reliance when national and global supply chains were disrupted. Enhancing our local food system not only bolsters resilience during times of disruption, but also contributes to community health and wellness by providing access to nutritious foods and creating opportunities for improved mental health and social cohesion.

As housing and living expenses continue to increase, more community members are at risk for or are already facing food insecurity and become even more vulnerable during shocks and stressors. In 2023, the Gallatin Valley Food Bank reported a 34% increase in households receiving help for the first time from the previous year.⁷ Bozeman Public Schools also reported an increase in students eligible for free and reduced lunch from 20.7% of Bozeman students in 2023 to 24.3% in 2024.⁸

The local food system must have the social and physical infrastructure needed to respond and adapt effectively during times of disruption. There must be redundancy built into the system to ensure that if one component fails, the entire system does not collapse.

Food can serve as a powerful connector that brings together community members throughout Bozeman and the Gallatin Valley, fostering community connections and a deeper sense of place. Shared meals, community gardens, and local food markets not only provide sustenance, but also create opportunities for cultural exchange and mutual support. By investing in a robust local food system, we can build a community that is more inclusive, cohesive, and prepared to face future challenges together.

⁶ [Montana Climate Assessment, 2017](#)

⁷ [HRDC Food & Nutrition Programs of HRDC Annual Report, 2022 - 2023](#); See Appendix D: Table D7: Gallatin Valley Food Bank Annual Data

⁸ [Appendix D: Table D8: Bozeman Public Schools Free & Reduced Meals Eligibility](#).

III. Acknowledgments

The Local Food System Preliminary Mapping Project would not have been possible without the community members who dedicated their time, knowledge, and expertise to help deepen the City's understanding of our local food landscape. Representing multiple facets of the food system, each participant brought a unique perspective and a wealth of experience. Sincere appreciation is extended to each participant for their invaluable contributions.

Project Team

- **Ali Chipouras** – City of Bozeman Sustainability Specialist
- **Natalie Meyer** – City of Bozeman Program Manager
- **Kate Burnaby Wright** – Consultant
- **Maclaren Latta** – Latta Consultants, Consultant

External Steering Committee

- **Christina Angell** – Root Cellar Foods, Owner
- **Jake Feddes** – Feddes Family Meats/Amsterdam Meat Shop, Owner
- **Laurie Little Dog** – Lived Expert; Bozeman Health Family Birth Center; MSU Student
- **Mary Stein** – Montana State University (MSU) Sustainable Food Systems and Bioenergy Systems, Program Leader (retired); Buffalo Nations Food System Initiative, Program Manager
- **Matt Rothschilder** – Gallatin Valley Botanical/Rocky Creek Farm, Co-Owner/Farmer
- **Mattie Griswold** – Regenerative Food Systems Consultant
- **Melissa & Travis Stuber** – Gallatin Grown Farms, Co-Owners/Farmers
- **Rachelle Sartori** – MSU Extension Nutrition Education Program Director
- **Sam Blomquist** – Prospera Business Network, Food & Agriculture Program Director

City of Bozeman

- **Addi Jadin** – Parks & Recreation
- **Alex Nordquest** – Forestry
- **Anna Mack** – Water Conservation
- **Brian Heaston** – Engineering
- **Brit Fontenot** – Economic Development
- **Chris Saunders** – Community Development
- **Dani Hess** – Communication and Engagement
- **Jesse DiTommaso** – Economic Development
- **Jesse Philips** – Parks & Recreation
- **Jessica Ahlstrom** – Water Conservation
- **Nakeisha Lyon** – Planning
- **Sarah Rosenberg** – Planning
- **Takami Clark** – Communication and Engagement

Sustainability Advisory Board

- **Brooke Lahneman**
- **Douglas Fischer**
- **Emma Bode**
- **Isabel Shaida**
- **Kalani Goodhard**
- **Kristin Blackler**
- **Lumay Wang Murphy**
- **Nathan Gracey**
- **Rebecca Kurnick**
- **Mayor Terry Cunningham** – City Commission Liaison
- **Jon Henderson** – Staff Liaison, Director of Strategic Services

Project Participants

Each individual and organization listed below engaged with the Local Food System Preliminary Mapping Project through various interactions, including group discussions, one-on-one interviews, online surveys, and direct correspondence. Their insights have been instrumental in shaping the direction and outcomes of this project. It is important to note that this list is not exhaustive; there are additional contributors who provided input, and many others whose work in the local food system contributed to this report.

- **Adam Paccione** - Red Tractor Pizza, Owner
- **Ali Moxley** - A.Moxley Consulting
- **Ali Thornton** - Gallatin Valley Farm to School
- **Alyssa Freese**
- **Aysha Carter** - Roots Nature School, Owner
- **Becky Weed** - Thirteen Mile Farm, Rancher & Owner; Gallatin County Cattlemen
- **Ben Dueling** - SporeAttic, Owner
- **Ben Frentsos** - Greater Gallatin United Way
- **Bill Stoddart** - 45North Partners, Business Consultant
- **Brendan Weiner** - Gallatin Valley Land Trust
- **Brianna Routh, PhD, RDN** – MSU, Assistant Professor and Extension Specialist
- **Brittany Selvig** - Bozeman School District (BSD7)
- **Bruce Maxwell** - MSU Agroecology Researcher
- **Natural Resources Conservation Service (NRCS)**
- **Claire Luby** - MSU Assistant Professor
- **Claudia Krevat** - Claudia's Mesa, Private Chef and Food Advocate
- **Clearwater Credit Union**
- **Dr. Alison Brennan** - MSU Department of Human Development and Community Health Assistant Professor and Extension Mental Health Specialist
- **Dr. Brianna Routh**
- **Dr. Colette Kirchhoff** - WWAMI Farm to Clinician Course
- **Dr. Dilpreet Bajwa** - MSU Professor, Department Head Mechanical & Industrial Engineering
- **Elizabeth Swank**
- **Emily Stifler Wolfe** - Facilitator & Coach, Former Journalist
- **Erik Nelson** - Nest Partners
- **Erik Walnum** - Unwaffle, Owner; Private Chef
- **Esther Smith** - Health in Motion Physical Therapist and Wellness
- **Gallatin College Culinary Arts Program**
- **Heather McDonnell Babineau-Z** - Whole and Nourished, Owner
- **India Maxwell** – Together Bakery, Co-Owner
- **Jacob Zimmerer** - Buffalo Nations Food Systems Initiative
- **Jason & Yvonne Kimm** - Kimm Seed Potatoes & Kimm's Organic Potatoes
- **Jennifer Boyer** - Gallatin County Commissioner, Farmer
- **Jeremy Nadison** - Rhythm Project, Finance
- **Jill Holder** - HRDC, Gallatin Valley Food Bank, Food and Nutrition Director
- **Jonquil Nelson** - Sage Gardeners, Founder & Executive Director
- **Josh Chance** - Chance Farm, Owner & Farm Manager
- **Kara Landolfi** - MSU Culinary Services, Supply Chain Manager
- **Kareen Erbe** - Broken Ground, Owner & Design Consultant
- **Karin & Matt Broughton** - Organic Vegetable Farmers
- **Karl Johnson** - YES Compost, Owner
- **Kathleen Williams** - USDA Rural Development, Montana State Director
- **Kirsten Pfannmuller** - Bozeman School District (BSD7)
- **Kris Nichols** - American Red Cross
- **Mac Burgess** - Townes Harvest Garden; Associate Professor Plant Sciences and Plant Pathology
- **Meara Cassidy** – Kokoro Flowers
- **MSU Sustainable Bioenergy and Food System Capstone Course Students**
- **Michal DeChellis** - AERO, Program Manager
- **Pat Weaver** - Community Food Co-op

- **Peter Brown** - Arthur M. Blank Family Foundation
- **Rachael Hicks** - Three Hearts Farm
- **Randy Lindberg** - Quality Foods Distributing
- **Roland Ebel** - MSU, Assistant Research Professor
- **Ryan Green & Adrienne Huckabone** - Happy Trash Can Curbside Composting
- **Sarah Friedrich** - Career Transitions, Gallatin Valley Farmers' Market Manager
- **Serena Rundberg** - Inspired Madness (Feed Cafe, Steep Mountain Tea), Owner
- **Susan Duncan** - Small Scale Ag Entrepreneur, Local Grass Fed Beef; Association of Gallatin Agricultural Irrigators, Board Member
- **Tammy Howard** - National Center for Appropriate Technology, Agriculture Specialist
- **Wyatt Nelson** - Montana Local Food Distribution LLC, Owner

“We need something akin to a common vision of what we want in our food system. That won’t emerge from one person or one institution, and neither government nor the private sector will succeed alone.”

– Project Participant



Figure 5 Project Participant Esther Smith (right); Project Participants Melissa & Travis Stuber, Gallatin Grown (middle); Photo by Project Participant Josh Chance, Chance Farms (top right); Photo by Project Participant Jonquil Nelson, Sage Gardeners (bottom right)

IV. Key Terms

Many words and phrases have various meanings and can be interpreted differently, depending on the context. The definitions provided below are intended to clarify how key terms are used in this report.

Agriculture + Urban Agriculture ⁹

Agriculture: The cultivation or tilling of soil or use of other growing mediums for the purpose of producing vegetative materials for sale or for use in a commercial operation and/or the raising or tending of animals for commercial sale or use. Agriculture does not include gardening for personal use, keeping of house pets or animals, service animals as defined by the Americans with Disabilities Act, or landscaping for aesthetic purposes.

Urban Agriculture: The cultivation, processing, and distribution of agricultural products in urban and suburban areas.¹⁰ Urban agriculture refers to practices such as: micro-farms, community gardens, vertical and rooftop gardens, food forests, ancestral gardens, edible landscaping, native habitat for foraging, apiculture, backyard poultry, and other intensive small-scale production practices.

Urban Farm: A facility where food crops or nonfood, ornamental crops such as flowers are cultivated, processed, and distributed. Urban farming is generally practiced for profit or food-producing activities.

Urban Farming System: Glass-enclosed framed structure used for the production of fruits, vegetables, flowers, and any other plants that require special conditions of temperature. Examples: greenhouse, planthouse.

Agritourism: Agritourism is where agriculture and tourism intersect, as farms, ranches and production facilities invite the public onto their property to get a taste of the country and enjoy great agricultural products.¹¹ It is a way to diversify income, connect people to the land and a brand, and requires that each farm, ranch, or facility has the capacity to manage another enterprise within the overall operation.

Ancestral Gardens: This term refers to land where Native peoples grow ancestral foods and seeds, including Indigenous teaching gardens, Indigenous-managed gardens or ‘landscaping’, and other plots. Buffalo Nations Food Systems Initiative and Montana Indigenous Food Sovereignty Initiative manage several ancestral gardens in the greater Bozeman area.

Asset: An asset in the context of this report refers to any resource, entity, or factor that significantly contributes to the strength and resilience of local food systems. These can include natural resources, community organizations, individual contributions, businesses, community values, infrastructural elements that support the production, distribution, and consumption of local foods, and more.

Community Gardens: An area of land managed and maintained by a group of community members used to grow and harvest food crops and/or nonfood, ornamental crops such as flowers, for personal or group use, consumption, donation or sale, or for educational purposes.¹² Community gardens may be private or public, managed as individual plots or collectively as a whole.

Community Supported Agriculture (CSA): Community Supported Agriculture (CSA) is a model connecting individuals and local farms in mutually supportive relationship, allowing people to share in both the risks and the rewards of farming. CSA members, or subscribers, purchase a share, which is commonly known as a membership

⁹ Definitions adapted from the [City of Bozeman Unified Development Code](#)

¹⁰ USDA

¹¹ <https://agr.mt.gov/Topics/A-D/Agritourism>

¹² [City of Bozeman Unified Development Code Update Proposed Language](#)

or subscription. In return, they receive a share of produce and/or other farm products, most commonly on a weekly basis. In addition to the foods received, CSA members have the opportunity to develop relationships with the farm and its farmers, learn more about how food is grown, and try new or less familiar types of foods, which their kids may be less likely to resist eating because the foods come from a known source. For farmers, the CSA model provides funding early in the growing season to support planning and cashflow, a chance to get to know the people who eat the food they grow, and less time spent marketing during the long days of growing season.¹³

Food Access: The ability of people to obtain fresh, healthy, affordable, and culturally appropriate foods through market and non-market resources.¹⁴ Characteristics of a food environment that impact food access include affordability, availability, convenience, promotion, quality, and sustainability properties.¹⁵

Food Security: Food security exists when all people, at all times, have physical and economic access to sufficient, safe and nutritious food that meet their dietary needs and food preferences for an active and healthy life.¹⁶

Incubator Farm: An incubator farm provides new farmers with access to land, resources, and training to develop their skills and launch their businesses. There are varying formats and structures for incubator farms.¹⁷

Indigenous Food Sovereignty: The ability of an indigenous nation or community to control its own food system and food-producing resources free of control or limitations put on it by an outside power (such as a settler/colonizer government). Food sovereignty includes creating access to healthy food resources of one's own choice, assuming control over food production and distribution, and integrating cultural practices and values concerning diet, food production, distribution, and the entire food system.¹⁸

Local Food: For the purpose of this report, 'local food' refers to foods that are grown, raised, and gathered within the Gallatin Valley and adjacent communities to be eaten locally.

Local Food Council: Local food councils or policy advisory boards work to address food systems issues and needs at a local (city/municipality or county), state, regional, or tribal nation level. They represent multiple stakeholders or sectors, can take various forms, and may be sanctioned by a government body or exist independently of government. Different councils address food systems issues in unique ways and adopt various goals, depending on the needs of the community. Councils typically work by shaping and helping enact policies, leveraging resources, coordinating efforts, engaging community members, building relationships, and/or working to influence practices.¹⁹

Nutrition Security: Nutrition security refers to consistent access, availability, and affordability of foods and beverages that promote well-being, prevent disease, and, if needed, treat disease.²⁰ The use of this term reflects a growing recognition that while some foods provide sufficient calories to satiate appetites, not all foods provide the nutrients required to nourish physical and mental health.

Practitioners + Project Participants: In this report, "practitioners" refer to community members who actively work in local food systems in our area, have expertise in various facets of the food system, and/or have directly

¹³ Sources: [CSA Innovation Network](#); [The National Agricultural Library](#); [Local Harvest](#).

¹⁴ MSU Extension, Nutrition Education Program, [Community Food Security Important Definitions](#).

¹⁵ [World Food Summit, 1996](#)

¹⁶ [World Food Summit, 1996](#)

¹⁷ [Springfield, Missouri Community Gardens](#)

¹⁸ Montana Office of Public Instruction, Indian Education Division: [Finding Our Roots: Indigenous Foods and the Food Sovereignty Movement in the United States](#).

¹⁹ Definition compiled from: [John Hopkins Center for a Livable Future](#), [the National Agricultural Law Center](#), [Montana Food Matters](#), and [Community Food Strategies](#)

²⁰ [National Institutes of Health](#)

relevant experience, such as individuals who have lived experience with food insecurity. Practitioners interviewed during this project are also called project participants.

Resilience: The capacity of a system, be it an individual, a forest, a city or an economy, to deal with change and continue to develop.²¹ Building resilience is not about preventing disruption to a system or making something “fail-safe,” but making sure that it is “safe to fail” – meaning that although a failure or disruption in the system occurs, it is contained and minimized and presents opportunities for learning.²²

Resilience assumes disruptions will occur. Disruptions can be natural or human-made, and they are commonly described as either shocks or stressors.

- **Shock:** Sudden disturbance to a system. For example, in an urban food system, this might be a flood or civil demonstration that prohibits trucks from distributing food to grocery stores.
- **Stressor:** Gradual eroding of a system. In the food system, examples of this are increasing average temperatures from climate change altering the growing seasons in a region, or high levels of food insecurity.

Robust Local Food System: As envisioned in the [Bozeman Climate Plan](#), a robust local food system embodies resiliency, sustainability, and equity. It is a system that can adapt and thrive in the face of challenges, such as climate variations, disruptions to the food system, and economic shifts, all while ensuring long-term environmental and community health. It prioritizes equity in access, benefits, and opportunities for all participants, from food producers to consumers.

²¹ The Stockholm Resilience Centre sourced from [Food System Resilience: A Planning Guide for Local Governments](#)

²² [John Hopkins Center for a Livable Future, Food System Resilience: A Planning Guide for Local Governments](#), pg. 15

V. Project Approach

Project Timeline



2020: Bozeman Climate Plan Adopted

In 2020, the City of Bozeman adopted the Bozeman Climate Plan. The plan was developed through a collaborative process involving a variety of community partners. Through this process, community members identified the critical importance of a robust local food system to reduce greenhouse gas emissions and build climate resiliency, as reflected in Bozeman Climate Plan Solution N. Cultivate a Robust Local Food System.

As envisioned in the Bozeman Climate Plan, a robust local food system is a system that embodies resiliency, sustainability, and equity. It is a system that can adapt and thrive in the face of challenges, such as climate variations, disruptions to the food system, and economic shifts, all while ensuring long-term environmental and community health. It prioritizes equity in access, benefits, and opportunities for all participants, from food producers to consumers.

Bozeman Climate Plan

Solution N. Cultivate a Robust Local Food System

6.N.1. Support the Formation of a Local Food Council

6.N.2. Help Develop a Food System Assessment and Security Plan

6.N.3. Encourage Local Agriculture and Preservation of Working Lands

6.N.4. Support Local Food Production, Processing, and Distribution

Fall 2022 – Spring 2023: Project Inception

The City identified that to implement Solution N. Cultivate a Robust Local Food System, City staff, the Sustainability Citizen Advisory Board, and City Commission needed to deepen their understanding of the local food landscape.

On November 9, 2022, and March 8, 2023, the Sustainability Citizen Advisory Board discussed strategies to better understand the local food landscape and the appropriate role of the City. The board and City staff acknowledged the importance of learning directly from community members actively engaged in the local food system. The Local Food System Preliminary Mapping Project was inceptioned to learn about the local food landscape, cultivate partnerships, and identify opportunities for how the City can support a robust local food system.

Project Goals

- **Learn About the Local Food Landscape:** Deepen the City of Bozeman's understanding of the current local food system landscape and how City activities intersect. Identify gaps, opportunities, and potential barriers to food production, processing, distribution, access, and waste recovery.
- **Cultivate Partnerships:** Build relationships and identify potential partnerships and collaborations with diverse constituents across the local food system.
- **Identify Opportunities:** Distill practitioner insights into recommendations for potential next steps that the City could pursue, establishing a basis for future projects and actions.

Fall 2023: Interview Strategy Development

In July 2023, the City hired consultants Kate Burnaby Wright and Maclaren Latta to guide the Local Food System Preliminary Mapping Project.

Establish Steering Committee and Kick-off Workshop

An external Steering Committee with diverse food system expertise was established to provide guidance for the project. In September 2023, a collaborative project kick-off workshop involving the project team, external Steering Committee members, and City staff from various departments was held to identify focus areas for the interviews. Six **Core Topics** and five **Key Questions** were identified to guide the interview process.

Core Topics

1. Food Access

Consistent physical and economic access to nutritious foods is foundational to an equitable and resilient community. Access to nutritious food supports healthy, active lifestyles and overall well-being.

2. Resilience in the Face of Disruption

During disaster events the ability to provide the community with an adequate food supply is critical. The COVID-19 pandemic demonstrated the vulnerabilities in the food system and the importance of strengthening local food systems. Understanding the current capacity to produce and supply food through disruption is an important component of resilience planning.

3. Community Wellness, Education, and Culture

Food systems do not exist in a vacuum. Social and cultural factors influence local food systems, and local food systems influence norms, behavior, and social cohesion. Understanding the connections between local food systems and wellness, education, community norms, different lived experience, and diverse cultural perspectives will help increase resiliency, sustainability, and equity.

4. Production

Farmers, ranchers, and growers are the foundation of local food systems and have an intimate understanding of the challenges related to food production. The City of Bozeman seeks to be informed by their experience responding to shifts in demand for local food, navigating housing and workforce challenges, addressing distribution and processing barriers, pursuing funding opportunities, barriers to land access, adapting to climate change, and collaborating with private, public, and nonprofit partners.

5. Food Pathways and Systems

Processors, distributors, institutions, restaurants/chefs, grocers, financiers, and other food system experts hold essential knowledge and experience with the ecological, social, and economic factors that influence food systems — and visa-versa. Interviewing a broad range of practitioners actively working in our community will result in grounded findings and practical recommendations.

6. Ecological Sustainability

It is widely understood that agriculture influences soil health, carbon cycles, and other ecological systems. The City of Bozeman seeks to understand how local food systems in the Gallatin Valley can contribute to reaching Bozeman's climate goals and supporting environmental health in the region.

Key Questions

- A. Assets.** What exists? What are important assets in our community?
- B. Challenges & Opportunities.** What are the gaps, barriers, vulnerabilities, and opportunities related to the key topics identified?
- C. Role of the City of Bozeman.** Which gaps, barriers, vulnerabilities, and opportunities connect to City activities?
- D. Next Steps.** What next steps can the City of Bozeman take to address the gaps, barriers, vulnerabilities and opportunities related to the key topics identified? How can the City support ongoing progress and success of private, nonprofit, and public partners? How will the City determine and prioritize the opportunities that will have the most impact?
- E. Metrics.** What key performance indicators would be the most valuable to better understand the current local food system, help inform City priorities, and track ongoing progress?

Potential Interview Populations

During their November 2022 and March 2023 meetings, the Bozeman Sustainability Advisory Board identified initial categories of local food system practitioners from a wide range of disciplines, sectors, and lived experiences. The project team worked with Steering Committee members to expand this list and establish an initial group of interviewees in Fall 2023.

Categories included:

Farmers, ranchers, producers	Processors	Distributors	Small businesses, food entrepreneurs	Retail, grocers
Restaurant, catering professionals	Food bank, food assistance	Compost, waste management	Nutrition, health professionals	Institutional culinary professionals
Education (pre-K, K-12, experiential)	Research and higher education	Government (Extension, City, County)	Agricultural organizations (AGAI, FFA, 4-H, etc)	Conservation professionals (TPL, GVLT, etc)
	Economic development (Prospera, etc)	Concerned, engaged community members	Financial professionals, economists	

Fall 2023: Montana State University Student Partnership

Since 2021, the City has collaborated with the Sustainable Foods and Bioenergy Systems (SFBS) Capstone Course at Montana State University.

Each year, the City and students select a topic that focuses on a specific project the City is working on or a challenge facing the community. The students assess the City's challenges, research approaches from other communities, and propose solutions for moving forward.

The 2023 capstone project, *Municipal Government Strategies for Nurturing a Robust Local Food System in Bozeman*, aligned with the goals of the Local Food System Preliminary Mapping Project and contributed valuable information to the project.



Figure 6: MSU SFBS 2024 Capstone Course

MSU Sustainable Foods and Bioenergy Systems (SFBS) Capstone Courses (SFBS 499):

- Dec 2021. Community Garden Expansion in the City of Bozeman.
- Dec 2022. Challenges and Opportunities Facing New-Entrant Farmers in the Gallatin Valley.
- Dec 2023. Cultivating Community: Municipal Government Strategies for Nurturing a Robust Local Food System in Bozeman.

Winter 2023 – 2024: Interviews

The list of potential interviewees evolved as practitioners identified additional individuals in the community with experience and knowledge valuable to understanding the **Core Topics** and **Key Questions**. This process included group discussions and individual interviews, supplemented by follow-up online surveys that allowed for further contributions. While the initial target was to interview 25 individuals, the process ultimately gathered input from over 80 participants.

Interview Highlights

Input from over 80 individuals
 8 group sessions
 15 individual interviews
 Follow-up via email
 11 survey responses
 Outreach to over 150 people

Group Discussions

Group discussions were organized based on the six **Core Topics**. Since farmers, ranchers, and growers are the foundation of our local food system and are intimately familiar with trends and shifts in the local system, two discussions were hosted with producers to ensure sufficient input from this population. Food Pathways and Systems was broken into three group discussions to capture the broad range of perspectives: food chain (institutions, grocers, restaurants/chefs, entrepreneurs, etc.), finance, and food system specialists. Resilience in the Face of Disruption was woven into all conversations.

March – April 2024: Analysis

Document Review

As part of the project, the consultants and the City reviewed existing City plans and policies and identified existing and potential intersections with the local food system.

Distillation of Insights

Given the parallels and intersectionality of the assets, challenges, opportunities, and potential next steps identified by practitioners across all **Core Topics**, insights from all group discussions and one-on-one interviews were analyzed by the **Key Questions**. Findings were then organized into 5 key themes: Leadership, Land Access + Collaboration, Awareness + Outreach, Housing + Resilience, and Infrastructure + Sector Development.

Core Topics

1. Food Access
2. Resilience in the Face of Disruption
3. Community Wellness, Education, & Culture
4. Production
5. Food Pathways
6. Ecological Sustainability

Key Questions

- A. Assets
- B. Challenges & Opportunities
- C. Role of the City of Bozeman
- D. Next Steps
- E. Metrics

Key Takeaway Themes

- Leadership
- Land Access + Collaboration
- Awareness + Outreach
- Housing + Resilience
- Infrastructure + Sector Development

For each theme, corresponding **Opportunities** for how the City can support a robust local food system were developed. The **Opportunities** involve leadership and support from multiple City departments in addition to collaboration with community partners and food system practitioners.

April – May 2024: Community Review

Community Review

Early drafts were shared with the external Steering Committee and the Sustainability Advisory Board for review and feedback in early April. Refined findings were presented and discussed with project participants for additional feedback in late April. In early May, the final draft was compiled and shared with the Steering Committee, the Sustainability Advisory Board, project participants, and the public for additional community review and input prior to finalizing the report.

Next Steps

From the **Opportunities**, 14 **Next Steps** were selected as specific actions that the City of Bozeman plans to implement in the near-term. **Next Steps** were selected based on their potential impact and feasibility.

VI. Key Takeaways

Group discussions and one-on-one interviews included a diverse range of food system practitioners to incorporate expertise specific to each of the **Core Topics** (Food Access; Resilience in the Face of Disruption; Community Wellness, Education and Culture; Production; Food Pathways and Systems; Ecological Sustainability) was included. As findings were reviewed by the **Key Questions** (Assets, Challenges and Opportunities, Role of the City, Next Steps, and Metrics), several themes began to emerge. Through comprehensive analysis, the insights of project participants were distilled into **Key Takeaways** and organized into five themes:

1. **Leadership**
2. **Land Access + Collaboration**
3. **Awareness + Outreach**
4. **Housing + Resilience**
5. **Infrastructure + Sector Development**



Figure 7: The project team hosting a public presentation of the Local Food Systems Preliminary Mapping Project draft report.

These **Key Takeaways**, organized by theme, are a summary of the findings from the engagement process. The **Key Takeaways** guided the development of the **Opportunities** and **Next Steps**.

1. Leadership

Participants encouraged the City of Bozeman to step up in its role as a community leader by championing local food policies, leveraging resources, and integrating a commitment to local food systems and community food security into City initiatives and community planning.

- While most production and a significant proportion of local food system infrastructure occurs outside of City limits, Bozeman serves as a central driver for the local food economy.
- Due to the dynamic and interconnected nature of the local food system, advancing policies and initiatives necessitates a collaborative approach that incorporates a network of public, private, and nonprofit entities. Collaboration between Gallatin County and the City of Bozeman is critical for land use and transportation planning.
- Involving farmers and food system practitioners in the development of policies, initiatives, and programs increases the likelihood of effectively addressing fundamental challenges, gaps, and barriers.
- To gain a thorough understanding of the local food system, City staff and leadership must actively engage in firsthand learning experiences within the community.
- The purchasing power of large organizations in the community like schools, universities, and healthcare providers can generate a stable demand for local food. These organizations also serve as important food access points. Although the City of Bozeman does not routinely purchase large quantities of food, developing and implementing internal practices that prioritize local food would allow the City to lead by example and encourage others to adopt similar policies.

- Local food councils work to address food systems issues and needs at a local (city/municipality or county), state, regional, or tribal nation level. They represent multiple stakeholders or sectors, can take various forms, and may be sanctioned by a government body or exist independently of government. Participants made clear that if a local food council were created, a collaborative effort including Gallatin County, other local municipalities, nonprofit organizations, agencies, and private sector entities would be the most effective.
- It is vital for Indigenous people living here today to guide the inclusion of their cultures, foods, and Indigenous food sovereignty into City initiatives and educational programming. As the City explores how to authentically recognize the heritage of the Indigenous peoples for whom this valley is ancestral territory, it needs to take an intentional approach to building relationships, listening, and partnerships. As one project participant cautioned, *“Do not reach out if you are not serious about putting in the time, offering space, giving those voices a seat at the table.”*

2. Land Access + Collaboration

Accessing land for food production is a challenge that continues to intensify in the Gallatin Valley. Despite the mounting pressures of development, there is still farmland with available water and rich soil suitable for small- and mid-sized operations in and around Bozeman. There are also smaller plots of land in and around Bozeman that could support other forms of urban agriculture. Participants expressed interest in identifying land that could be made available for local food production and emphasized the importance of collaboration and innovative solutions to make this land available for food production and community programming.

- New entry farmers cannot afford land without taking on significant risks or relying on pre-existing assets.
- Access to community-owned farmland, incubator farms, and longer-term affordable farm leases would help support new entry farmers and experienced-but-landless farmers.
- Urban agriculture can take many forms, including community gardens, ancestral gardens, micro-farms, greenhouses, edible landscaping, native habitat for foraging, and aggregation and storage facilities. It does not require large acreage.
- The City is interested in expanding the existing community garden program and exploring other opportunities for urban agriculture on City-owned parkland. However, the City lacks the necessary capacity to effectively manage and grow these initiatives on its own. The most viable model that emerged would be to partner with community organization(s) that could lead new initiatives and manage the community garden program and new urban agriculture initiatives.
- Numerous individuals and organizations within the community are actively engaged in food production and are currently supporting farmers, ranchers, entrepreneurs, and gardeners at various scales. Given capacity constraints facing all these entities, the community would benefit from an entity that adds capacity, supports collaboration, and is dedicated to implementing a shared vision for community gardens, diversified urban agriculture, and supporting local farmers who grow food for local markets. The City could play a role in bringing together partners to expand collaboration, develop this vision, and identify next steps.

3. Awareness + Outreach

There is strong interest in increasing the awareness of locally grown foods and expanding urban community members' connection to the diverse agricultural heritage of this valley.

- As the community continues to grow, there is an increasing need to help bridge the urban-rural divide and foster connections to our land, water, and heritage. Cultivating a deeper sense of place and connecting people to the origins of their food (where food is produced, who is producing it) naturally strengthens community relationships, as well as supporting local food systems.
- The City is well positioned to help institutions, residents, visitors, and other community members understand the significance of local food in supporting community resilience, the local economy, community wellness, and ecological sustainability.
- There is a need to increase both (a) awareness of foods grown locally in the Gallatin Valley and (b) understanding of how individuals, institutions, and funders can support the local food system.
- A creative and multi-layered approach to education and outreach is essential to effectively engage a diverse array of community members. By embracing varied educational methods and outreach strategies, the City could potentially broaden participation and deepen connections within the community.
- In recent years, wildlife conflicts, especially with bears, have become increasingly common in Bozeman. Managing wildlife attractants should be a focus of educational efforts, especially when expanding urban agriculture and composting. Wildlife considerations are expected to include using bear-proof containers or designated spaces for compost, strategically planting fruit trees away from areas known to be frequented by bears, removing fallen fruits and harvesting ripe fruits promptly, etc.

4. Housing + Resilience

The housing and affordability crisis is having significant impacts on local farms, food businesses, educators, resource providers, and community wellness.

- As the City seeks housing solutions and focuses on infill and compact development, there is an opportunity to seek innovative solutions that can ensure residents have access to natural assets such as outdoor spaces, native landscapes, and urban agriculture. These natural assets within the City can provide residents with a connection to wild and cultivated foods as part of our daily lives while also supporting health and wellbeing in multiple ways. For instance, natural environments support mental health and child development, enhance social cohesion through community interaction in meaningful spaces, and enhancing food security through access to community-grown foods.
- There is interest and potential to work with landowners and community partners to establish sites that provide space for both urban agriculture and affordable housing. Creative projects seeking to merge agriculture with development can be complex, however, and project participants expressed the need for creative financing and coaching to navigate concept development so project design is pragmatic, capable of supporting food production, and truly benefits the community.
- There is opportunity for the City to actively promote awareness of existing community resources and programs that reduce barriers to accessing local, nutritious foods.

5. Infrastructure + Sector Development

Resilient local food systems involve a wide range of individuals, businesses, organizations, and infrastructure to facilitate and support production, processing, distribution, marketing, eating, and waste management. They operate at multiple scales, involve food chain coordination across dynamic food pathways, and help communities withstand both consistent stressors and shocks to the system. Yet margins are extremely tight for many local farms and food businesses, increasing stress and impacting sustainability.

- Although critical aggregation and distribution assets currently exist, there is interest in expanding the capacity for aggregation, storage, distribution, and value chain coordination in collaboration with existing hubs such as Root Cellar Foods, HRDC Market Place, and Quality Foods Distributing.
- Project participants identified a permanent, year-round farmers market facility as a valuable asset. A consistent location, adjacent storage, standardized processes, and additional resources would benefit farmers, shoppers, and food recovery efforts.
- A grower co-op that could support value chain coordination, cooperative space, and/or collective farming could be an effective tool to support farmers, who currently ‘do it all’ including growing produce, raising crops, animal husbandry, marketing, repairs, accounting, permitting, grant-writing, income-diversifying activities (e.g. agritourism), and more.
- Affordable, licensed commercial kitchen space is scarce and navigating existing spaces can be challenging. This creates barriers for entrepreneurs developing and producing value-added local food products.
- While many resources exist, local food entrepreneurs expressed a need for comprehensive technical assistance and mentoring. This support could help entrepreneurs navigate product development details (packaging, licensing, storage, labeling, invoicing, etc.), financing and funding opportunities, and regulatory processes.



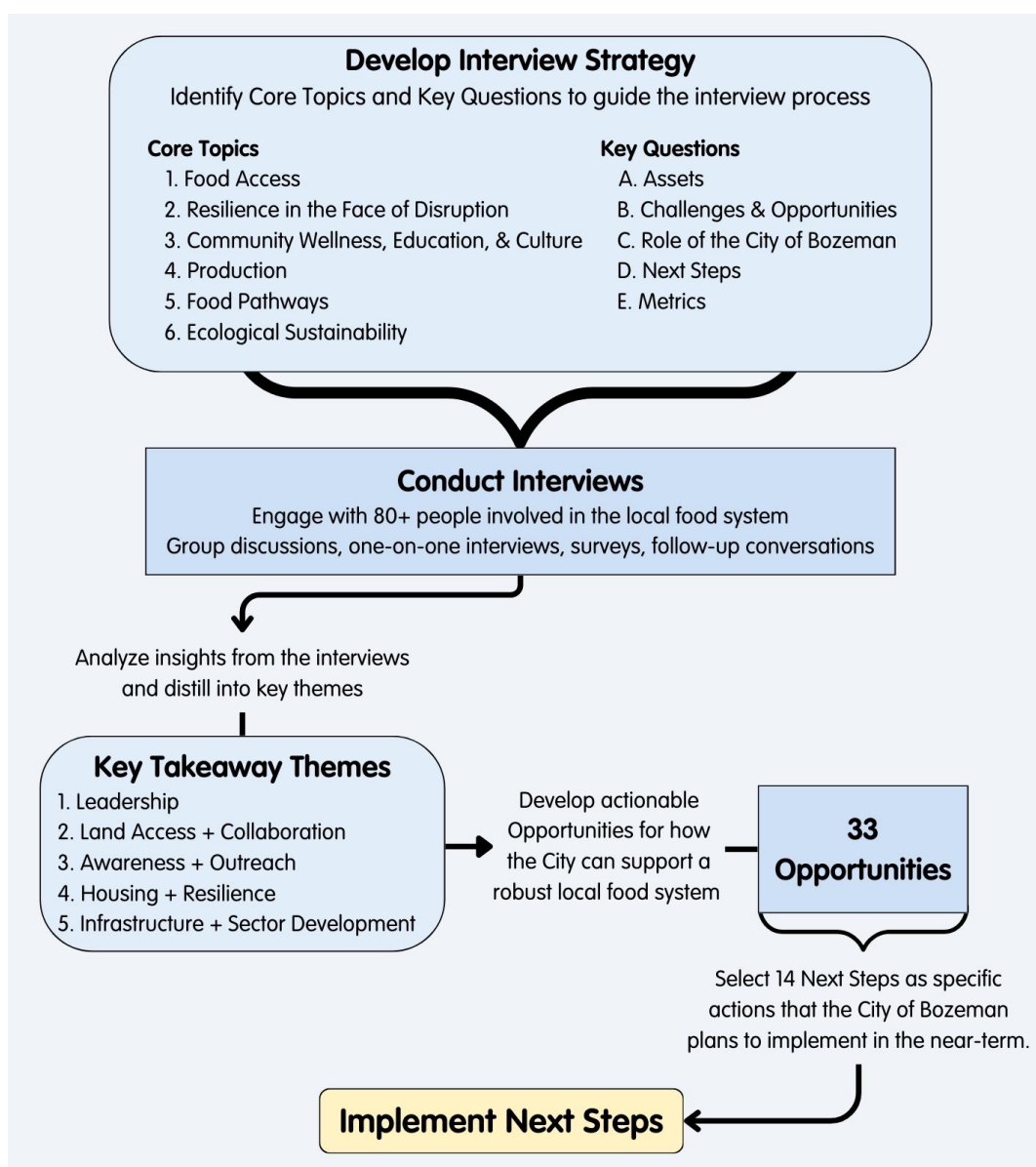
Figure 8: City Staff tour the Spring Creek Communal Garden

VII. Opportunities

Actionable **Opportunities** for how the City of Bozeman can nurture a robust local food system were identified for each theme (Leadership, Land Access + Collaboration, Awareness + Outreach, Housing + Resilience, and Infrastructure + Resilience). **Opportunities** involve leadership and support from multiple City departments. Collaboration with community partners is essential to implementing the **Opportunities**.

From the **Opportunities**, 14 **Next Steps** were selected as specific actions that the City of Bozeman plans to implement in the near-term. **Next Steps** were selected based on their potential impact and feasibility. These specific action items were identified as feasible by considering factors such as staff capacity, financial resources, alignment with existing work or adopted City plans and policies, existing collaboration, and interested partners. **Next Steps** are highlighted in color within each theme and are compiled into one list in section **VIII. Next Steps**.

Figure 9 Local Food Systems Preliminary Mapping Project Process



	1. Leadership Opportunities Key Takeaways: Participants encouraged the City of Bozeman to step up in its role as a community leader to champion local food policies, leverage resources, and integrate a commitment to local food systems and community food security into City initiatives and community planning.
1.1	Continue communication with Local Food System Preliminary Mapping Project participants and additional potential partners to discuss findings and feedback, implement next steps, and prioritize and pursue Opportunities.
1.2	Develop and adopt a City of Bozeman local food procurement policy for internal operations and City-hosted events. Actively share this resource with institutions, businesses, and community members.
1.3	Provide opportunities for City staff and leadership to participate in site visits and educational programs, fostering engagement with community partners and firsthand learning about the local food system. Potential site visits include: • Nonprofit organizations working to enhance local food security and Indigenous food sovereignty resources (e.g. Ancestral gardens, Ancestral Seed Cooperative, MSU American Indian Hall). • Community gardens, food forests, and other community food production sites that use different management models (e.g. Garden City Harvest sites in Missoula, 6th Ward Garden Park in Helena). • Local farms with different models such as mixed production, hydroponic, 'mobile' infrastructure, organic businesses nested within commodity operations, and farms actively transitioning to regenerative practices (e.g. Corner Farm Village LLC in Missoula). • Sector assets and infrastructure (e.g. food processing facilities, distribution, cold storage). • Community volunteer opportunities (e.g. local community gardens, when farms invite volunteers, Gallatin Valley Food Bank).
1.4	Build relationships with members of the Indigenous peoples' community living in Bozeman. Begin exploring the potential for partnerships related to resilient food system development and strengthening community members' connection to the diverse agricultural heritage of this valley. • Use respectful channels and processes to set up a conversation with MSU Native American Studies/Buffalo Nations Food Sovereignty Initiative students and staff about Indigenous food sovereignty.
1.5	Share the results of this report with Gallatin County and engage with the County on their Future Land Use Map, Housing Strategy, and future agriculture preservation planning.

1.6	Identify incentives and other financial mechanisms used by other similar municipalities and local governments to support food access, especially related to accessing local and nutritious food. Determine what creative mechanisms and incentives Bozeman could establish to support the purchase and procurement of locally grown foods. Examples suggested during this project: • Provide or help secure a match for Double SNAP Dollars and Food Rx programs. • Offer incentives for local organizations to access, serve, and teach with locally produced foods (e.g. Child Care Connections, care facilities, schools, etc.). • Underwrite farmers' market vendor booth fees for local growers and added-value food businesses that use locally grown ingredients.
1.7	Incorporate Community Supported Agriculture (CSA) Incentives or "market bucks" for local farms and farmers markets into wellness and employee appreciation programming for City of Bozeman employees.
1.8	Initiate dialog with key partners and peer communities about the potential to develop a Local Food Council in this area. • Learn about different Local Food Council structures and the role these councils play in other communities. Connect with Missoula County for a discussion and/or a learning visit with multiple stakeholders who are involved in their City-County Food Policy Advisory Board that was established in 2020. • Explore the potential development of a Local Food Council by identifying community needs that could be addressed through a Local Food Council. Consider different formats for Local Food Councils and what scale, structure, and potential goals would be most effective at addressing community needs. • Key partners to co-lead this exploration may include Gallatin County, the Open & Local Coalition, Human Resources Development Council (HRDC), Gallatin Valley Land Trust (GVLT), MSU Extension, Buffalo Nations Food System Initiative, local farmers, and local food business leaders.
1.9	Collaborate with partner organizations and the State Legislature to promote policies and initiatives that support and enhance our local food economy.

	2. Land Access + Collaboration Opportunities Key Takeaway: Accessing land for food production is a challenge that continues to intensify in the Gallatin Valley. Participants expressed interest in identifying land that could be retained or made available for local food production. They also emphasized the importance of collaboration and innovative solutions to make land available for food production and community programming.
2.1	Continue working to strengthen and expand the City of Bozeman’s community garden program. • Complete necessary maintenance and upgrades to City-managed gardens. • Evaluate how Cash-in-Lieu of Parkland grants could support the expansion of the community garden program and help increase the capacity of leading organizations to guide this initiative. • Convene an initial facilitated conversation with nonprofits and agencies that could be potentially interested in partnering to manage and develop the City’s community garden program. • Reach out to partners interested in helping the City add raised beds to existing garden sites, making these sites more accessible for seniors and individuals with mobility considerations.
2.2	Work with partners, including farmers, to identify City-owned or City-managed lands that would be appropriate for community gardens and other forms of urban agriculture.
2.3	Explore the formation of an entity or ‘urban agriculture collaborative’ that can partner with the City to manage, develop, and expand urban agriculture initiatives, such as community gardens. This entity could serve as a central hub for resources, education, and community engagement in urban agriculture. • Convene community organizations and knowledge holders to discuss interests, barriers to collaboration, and potential next steps. • An urban agriculture collaborative could support: ○ Management and expansion of public growing spaces (e.g. community gardens, food forests/edible landscaping, lease-able micro-farm spaces, ancestral gardens, therapy/teaching gardens, tool library, gleaning, etc.). ○ A volunteer network, with the potential to “tag” individuals with specific skill sets (e.g. master gardener, native plants, horticultural therapy, youth at risk, trauma-informed mentoring/leadership). ○ An education calendar making clear which constituents are served by whom, when, and where. ○ Resources to help people connect with programs, navigate resources, and connect with local food access and mutual aid opportunities.

2.4	Invite key partners such as Gallatin County and MSU to consider a broader evaluation of lands in or near the City, including properties owned by other public entities and interested private landowners. Working with these partners, identify spaces that could be appropriate for: • New entry farm incubation and small- to mid-scale long-term agricultural leasing. • Urban agriculture and infrastructure, such as: micro-farms, community gardens, ancestral gardens, edible landscaping, native habitat/foraging, greenhouses, aggregation, and storage. Work to make these lands available for local food production. • Innovative partnerships for larger creative projects that could include affordable housing.
2.5	Work with community partners including Gallatin County, neighboring local governments, farmers, nonprofits, agencies, MSU, and relevant private sector entities to develop a long-term shared vision for diversified agricultural production in and around Bozeman.

	3. Awareness + Outreach Opportunities Key Takeaway: There is strong interest in increasing the awareness of locally grown foods, empowering community members to grow their own food, and expanding urban community members' connection to the diverse agricultural heritage and ecological significance of the Gallatin Valley.
3.1	Transition the “Local Food System Preliminary Mapping Project” webpage into a central City location for “Resilient Local Food System” information and resources.
3.2	Expand existing City planting incentives and outreach programs to include food-bearing species. Coordinate with partners and experts to address wildlife concerns. • Incorporate resources about edible plants, low water use gardening strategies, and climate resilient native edible plants into existing Water Conservation and Forestry programs and outreach (e.g. drought tolerant plant guide, landscaping classes, demonstration gardens, turf replacement, etc.). • Initiate vegetable starts program in partnership with local produce growers.
3.3	Strengthen the sense of place and the connection between community members and our natural environment by building a strong connection to our local food system and natural environment. • Incorporate diverse agricultural heritage into historic preservation planning and programming. • Partner with local organizations to incorporate art, signage, or other informational methods that highlight the valley's natural resources and diverse agricultural heritage. If development occurs on land that has a strong tie to agricultural heritage, ensure that the story of the place is told through interpretive signage or other methods. • Highlight the significance of the area's natural resources through art installations and interpretive signage (e.g. Mountain Time Arts Revitalize Relatives) . • Coordinate with Tribal Agencies and MSU Native American Studies program to explore community educational opportunities around historic and contemporary Indigenous land stewardship and agriculture practices. • Offer educational opportunities and events to the community on the heritage and history of Gallatin Valley's food systems and agriculture. • Coordinate with Gallatin County 4-H and MSU College of Agriculture students around agricultural heritage and making connection between current and past agricultural practices. • Identify potential participants for an oral history program exploring contemporary agricultural practices and local food systems. • Incorporate local food systems and agricultural heritage into children's summer camps and programming.

3.4	Once developed, actively share Bozeman’s local food procurement policy with businesses and institutions as a reference for adopting their own policies.
3.5	Evaluate and prioritize outreach strategies that encourage residents, visitors, and institutions to participate in meaningful ways in Bozeman’s resilient local foods culture and “buy local.” • Utilize city communication channels to share information about local food such as advertising for farmers markets, sharing stories about local food happenings, etc.
3.6	Partner with local educators to develop outreach and education programs that empower community members to grow their own food, incorporate creative approaches to engage a wide range of community members. • Establish programs that appeal to renters and community members who may not have access to gardening space (e.g. hosting a class on growing herbs inside and in smaller spaces). • Offer programing that covers the full cycle: growing food, preparing nutritious food, canning and storing food, composting, purchasing local food (e.g. the difference between local, organic, etc.). • Create multi-generational programs (e.g. parent and child gardening workshop).
3.7	As Bozeman expands its compost program, consider how incentives to reduce food waste could support successful implementation.

	4. Housing + Resilience Opportunities Key Takeaway: The housing and affordability crisis is having a significant impact on local farms, food businesses, educators, resource providers, and community wellness.
4.1	Continue to prioritize developing and improving multimodal transportation options that facilitate access to local food sources such as HRDC’s Market Place facility, community gardens, etc.
4.2	Host a working session with food system practitioners and interested MSU students to review Unified Development Code (UDC) updates from an agriculture perspective before a final draft enters the process for adoption. Consider enhancing urban agriculture within the City, and how urban development can potentially impact agricultural lands in the County and workforce housing.
4.3	Define the City’s role in ensuring community food security during emergencies and planning for community food resilience. Collaborate with partners focused on food access, food security, and mutual aid. Identify strategies that the City can deploy to expand awareness of these programs, reduce barriers to their use, and increase people’s ability to navigate food access opportunities.
4.4	Develop resources about urban agriculture to share with developers, neighborhood associations, property management companies, and residents. - Develop an “Urban Agriculture for Homeowners and Developers” guide. This could include edible food forest “template”, edible native species for low water use landscaping, best practices for developing community gardens, etc. - Proactively share the Model Homeowners Association (HOA) covenants.
4.5	Explore the potential to work with partners (e.g. Headwaters Community Housing Trust, HRDC, etc.) and others to establish creatively financed affordable housing projects that incorporate urban agriculture assets (e.g. edible native landscaping, community gardens, etc.).
4.6	Continue to support efforts to establish affordable workforce housing. Expand efforts to support creative projects that incorporate urban agriculture assets with affordable housing.
4.7	As the City reviews and updates City codes, policies, and plans, use a resilient local food systems lens.

	5. Infrastructure + Sector Development Opportunities Key Takeaway: Resilient local food systems involve a wide range of individuals, businesses, organizations, and infrastructure that operate at multiple scales to facilitate and support production, processing, distribution, marketing, eating, and waste management. Support for social and physical infrastructure at all levels is essential.
5.1	Collaborate with partners on community infrastructure projects that enhance the local food system such as a permanent farmers market location, community kitchen space, etc. - Engage food system practitioners to identify gaps and areas of improvement within community infrastructure. - Incorporate these insights into planning for future City assets and improvements to existing City facilities.
5.2	Convene business development and support resource providers to map various programs available for different business sizes and types and identify gaps. Develop communication and information about the resources available.
5.3	Work with partners to pursue grant opportunities related to local food system development that are open for municipalities or strengthened by municipal partnership.
5.4	Learn what workforce needs exist throughout the local food system and develop or support opportunities for intentional engagement with students across K-12 and higher education. These initiatives can build awareness of future career opportunities, foster relevant skills development, and build relationships between students and individuals working in the food sector. Identify education gaps related to local food systems and facilitate opportunities to address these gaps. For example, facilitate externships for teachers to learn about careers in agriculture and mentorships for students to work with individuals in the food sector.
5.5	Track reports of municipal barriers to the development of local food system infrastructure. On an annual basis, or as plans are reviewed, cross-reference this resource to ensure real and perceived barriers are evaluated and addressed. - Facilitate opportunities for networking, collaboration, and shared learning among food system practitioners that also help the City identify ways it can support local food systems. - Share resources such as funding and financing opportunities, resources to navigate regulations and compliance, and mentorship programs.

VIII. Next Steps

Leadership 1.1	Continue communication with Local Food System Preliminary Mapping Project participants and additional potential partners to discuss findings and feedback, implement next steps, and prioritize and pursue opportunities.
Leadership 1.2	Develop and adopt a City of Bozeman local food procurement policy for internal operations and City-hosted events. Actively share this resource with institutions, businesses, and community members.
Leadership 1.3	Provide opportunities for City staff and leadership to participate in site visits and educational programs, fostering engagement with community partners and firsthand learning about the local food system.
Leadership 1.4	Build relationships with members of the Indigenous peoples' community living in Bozeman. Begin exploring the potential for partnerships related to resilient food system development and strengthening community members' connection to the diverse agricultural heritage of this valley.
Leadership 1.5	Share the results of this report with Gallatin County and engage with the County on their Future Land Use Map, Housing Strategy, and future agriculture preservation planning.
Land Access + Collaboration 2.1	Continue working to strengthen and expand the City of Bozeman's community garden program.
Awareness + Outreach 3.1	Transition the "Local Food System Preliminary Mapping Project" webpage into a central City location for "Resilient Local Food System" information and resources.
Awareness + Outreach 3.2	Expand existing City planting incentives and outreach programs to include food-bearing species. Coordinate with partners and experts to address wildlife concerns.
Awareness + Outreach 3.3	Strengthen sense of place and the connection between community members and our natural environment by building a strong connection to our local food system and natural environment.
Housing + Resilience 4.1	Continue to prioritize developing and improving multimodal transportation options that facilitate access to local food sources such as HRDC's Market Place facility, community gardens, etc.
Housing + Resilience 4.2	Host a working session with food system practitioners and interested MSU students to review the Unified Development Code.
Housing + Resilience 4.3	Define the City's role in ensuring community food security during emergencies and planning for community food resilience.
Infrastructure + Sector Development 5.1	Engage food system practitioners to identify missing elements and areas of improvement within community infrastructure that could enhance the local food system. Incorporate these insights into planning for future City assets and improvements to existing City facilities. Collaborate with partners on community infrastructure projects when the involvement of the City can help advance the project.
Infrastructure + Sector Development 5.2	Convene business development and support resource providers to map various programs available for different business sizes and types and identify gaps. Develop communication and information about the resources available.



Local Food System Preliminary Mapping Project

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Appendix A: Assets and Challenges

Group discussions and one-on-one interviews included a diverse range of food system practitioners to ensure expertise specific to each of the Core Topics (Food Access, Resilience in the Face of Disruption, Community Wellness, Education and Culture; Production; Food Pathways and Systems; Ecological Sustainability) was included.

In the context of this report, an “asset” refers to any resource, entity, or factor that significantly contributes to the strength and resilience of local food systems. Assets may include natural resources, community organizations, individual contributions, businesses, community values, and/or physical infrastructure that supports the production, distribution, and consumption of local foods, and more.

The following sections summarize the assets and challenges identified through the interview process. These assets and challenges are organized by **Core Topics**, while also recognizing the intersections and overlaps among them. For a comprehensive list of the organizations, agencies, and other entities named as supporting or involved in local food systems, see [Appendix F: Asset List](#). Please note this is a summary and does not include everything that was discussed during the process; additional notes and resources are available.

Universal Assets + Challenges

Universal Assets

In the context of this report, “universal assets” refer to elements universally recognized by participants as foundational in supporting and sustaining the local food system.

Key Assets: soil and water, local farmers, community, social infrastructure

Gallatin Valley has long been known for its abundance of wild foods, rich soils, and agricultural heritage. Surrounded by mountains at the headwaters of the Missouri River, the valley also experiences relatively reliable annual precipitation and runoff. When asked what assets support this area’s local food systems, nearly all project participants recognized **soil and water** as essential assets.

Local farmers were identified as the most critical asset. Without farmers to produce food for local markets, the local food system could not exist. The role local farmers and ranchers play extends far beyond food production. They possess extensive knowledge and expertise about the local food system, serve as stewards of the land, and often take on the role of educators within the community. Producers’ insights and practices are vital for the preservation of the valley’s agricultural heritage and the enhancement of a robust local food system.

The **community** in and around Bozeman was widely recognized by food system practitioners as a valuable asset. Participants emphasized that many residents share a commitment to health, environmental sustainability, and supporting local growers. There are a significant number of residents with the financial capacity to support a strong local food economy, and the larger community is notably generous in supporting those who are facing food insecurity, especially students and youth. Participants recognized significant potential to increase community investment in the physical, social, and coordination infrastructure needed to support a robust local food system.

Relationships and the **extensive network** of individuals, businesses, non-profit organizations, institutions, and government entities supporting the local food system is another fundamental asset. Throughout this network there is a wealth of knowledge, social capital, motivation, and entrepreneurial energy.

Universal Challenges

Key Challenges: affordability, land access, food insecurity, development patterns

Affordability was the most significant and consistent challenge identified by project participants. The price of land, the cost of living, and labor all increase stress, decrease feasibility, and lead to a lack of sustainability. This is consistent with Bozeman Health’s 2023 Community Health Needs Assessment (CHNA)¹, which identified the #1 priority as access to affordable housing, and the #2 priority as access to healthy produce at an affordable price.

The **loss of existing farmers and lack of new farmers** is strongly attributed to affordability. Business owners and MSU staff reported multiple instances of new hires and students who chose not to come or decided they couldn’t afford to stay due to the cost of living.

“We moved because we wanted to relocate for our families and other work at the time. It was a benefit to have lower costs moving but not the sole reason. However, we were able to find our own facility with reasonable rent in Kalispell, and I’m doubtful we would have ever found that in Gallatin. We always had a shared space when located in the Bozeman area.”

— Vanessa Walston, co-founder of Farmented Foods, MSU graduate

An increase in **food insecurity** is another universally recognized challenge in the community. The Human Resources Development Council (HRDC) reports that the need is growing. From FY21-22 to FY22-23, the number of households receiving help for the first time increased by 34%. See [Table D7: Gallatin Valley Food Bank Annual Data](#). Bozeman Public Schools also reported an increase in students eligible for free/reduces lunch from 20.7% in 2023 to 24.3% in 2024. See [Table D8: Bozeman Public Schools Free & Reduced Meals Eligibility](#).

The **pattern and rate of development** was recognized by every discussion session as a crucial challenge. Participants noted that the valley, known for its prime farmland, is rapidly being developed. From 2000-2021, 67,520 acres of land in Gallatin County were converted to housing.² Participants emphasized the importance of collaboration between the City of Bozeman and Gallatin County and the need for county-wide planning efforts to protect farmland.

Project Participants commented:

“[Gallatin Valley has] the best farmland in the state, which is currently getting covered at an astounding rate with houses and chain stores.”

“I think there’s a barrier that we’ve done a Triangle Growth Plan instead of a county-wide growth plan.”

“We need people in the community who can help us break the zoning logjam. Unless we do — unless we find new, unconventional methods to achieve land access for farmers — we’re going to be limited.”

“We need to seek a time when City, County Commissioners — Bozeman, Belgrade alike — filter every decision they make through this lens of food security and a healthy landscape. As long as people fundamentally believe that high profit developments are and will continue to be the driver of Montana’s economy, I don’t think we’re going to make progress.”

¹ <https://www.bozemanhealth.org/about-us/community-benefit/>, summary: https://res.cloudinary.com/dpmkpsih/image/upload/bozeman-health-site-321/media/e7bcb741dd824cb9a8f8c2c75a822e44/dec2023_bh_chna-executive-summary.pdf

² [Headwaters Economic \(2024\)](#)

Food Access

Assets: Food Access

Key Assets: food access points (schools, food pantries, grocery stores, youth and senior programs), Human Resource Development Council (HRDC), financial assistance programs, local farms and distribution channels

It is essential for all community members to have consistent and affordable access to food, particularly nutritious, local, and culturally appropriate options. Bozeman hosts a broad selection of grocery stores. Of these, the Bozeman Co-op and Town and Country were identified by participants as locations that consistently have local food available for purchase.

For community members facing food insecurity due to barriers such as affordability and difficulties accessing food sites, it is crucial to have resources that can aid in overcoming these challenges. Key food access points for community members experiencing food insecurity include schools, food pantries, grocery stores that accept supplemental nutrition benefits, and youth and senior programs.

Human Resources Development Council (HRDC)

The Human Resource Development Council (HRDC) offers a variety of resources that support food access for multiple vulnerable populations across the region. In 2023, HRDC distributed 1,667,276 pounds of food to help families and seniors offset their cost of living.³ Related HRDC programs include:

- Gallatin Valley Food Bank (GVFB)
- Fork & Spoon Homestyle Kitchen (Montana's first pay-what-you-can restaurant)
- Summer Lunch
- Kids Pack
- Senior Groceries Program
- Grow-A-Row

In 2023, HRDC opened Market Place, a new facility that offers significantly expanded food aggregation, storage, distribution, and processing capacity. Through this facility, Gallatin Valley Food Bank (GVFB) helps supply Big Sky Community Food Bank, Headwaters Area Food Bank, West Yellowstone Food Bank, Bounty of Bridgers at MSU, Cat in the Bag at Gallatin College, and pantries at both Belgrade and Bozeman Public Library. Gallatin Valley Food Bank also provides food to Blueprint (a transitional youth-centered housing program), schools, churches, and occasionally to other youth programs, senior centers, and programs like Meals on Wheels.

Financial Assistance Programs

Government financial assistance programs such as SNAP (Supplemental Assistance Nutrition Program) and WIC (Women, Infants and Children) help families facing food insecurity afford groceries. There are 35 retail locations within the City of Bozeman that are authorized to accept WIC and/or EBT (SNAP). Many of the locations that accept EBT do not accept WIC. See [Table A2: Authorized Retailers for EBT and WIC](#).

Schools

Schools from pre-kindergarten through university were identified as important food access points. Lunch is available at all Bozeman School District (BSD7) schools; and breakfast is available at most. BSD7 staff noted that they purchase local food when possible and are interested in doing so more often. Free and reduced lunch assistance is available to support financially burdened families. See [Table D8: Bozeman Public Schools Free & Reduced Meals Eligibility](#). Participants noted that the community is strong and has proved to support each other

³ [Human Resources Development Council, 2023 Impact Report](#)

during times of need. Residents recently raised \$25k in 2 days to pay school lunch debt. Montana State University provides resources for students facing insecurity including an on-campus food pantry, food security scholarships, and more.

Local Farms and Food

Many local farms are registered to accept Senior Farmers Market Nutrition Program (SFMNP) vouchers and/or WIC farm-direct vouchers (see [Table A3: Local Farms that Accept WIC and SFMNP](#)). In addition, local farms such as MSU Towne’s Harvest Garden and local aggregator Root Cellar Foods have partnered with pilot ‘produce prescription’⁴ programs designed to get local produce to people facing both food insecurity and diet related diseases.

Many local farms donate surplus harvest directly to pantries. In addition to accepting direct donations, HRDC accepts food from Hunters Against Hunger Program, a Montana Food Bank Network program that enables hunters to donate legally harvested game, and Grow-A-Row, a HRDC program accepting home-grown produce.

Many local farms also share foods through private channels and work-share arrangements. For example, Amaltheia Organic Dairy invites volunteers to help on Sundays, in exchange for produce. MSU Towne’s Harvest Garden, a five-acre diversified farm supporting a student-run community supported agriculture program, has offered students work share opportunities and runs a mobile farm stand located at Legion Villa, a Section 8 housing complex that serves low income, elderly members of the community.

Other entities identified include Hopa Mountain, which worked with partners to launch the Local Food for Local Families, a cooperative effort to support and connect producers, food hubs, food pantries and others to increase access to Montana grown and processed agricultural products. Montana Food Bank Network is another resource, and while a majority of the foods they source and distribute through their Helena warehouse come from national commodity channels, members of their staff are exploring ways to increase the amount of locally grown foods they offer.

The network of organizations and volunteers working to increase food and nutrition security is significant. This section has offered just a thumbnail sketch of assets and activities in the Bozeman area.

Challenges: Food Access

Key Challenges: affordability, transportation and accessibility, perceptions and stigma

Affordability was identified as a primary challenge to food access that continues to grow. Housing costs increasingly consume a larger portion of family incomes, and other rising living costs further exacerbate the issue. Nutrition benefit programs exist to increase the affordability of both local and mainstream food supplies, yet these programs can be difficult to navigate for families and individuals with limited resources. An increasing number of Spanish speakers is a growing barrier for community members seeking to navigate these programs.

Physical barriers to access food and nutrition benefit programs were identified, such as a lack of multi-modal **transportation** options. Participants noted that insufficient transit options make it difficult to reach community farms, HRDC’s new Market Place, and other food access sites.

Organizations offering nutrition benefits face challenges in establishing and maintaining programs due to **insecure funding** and technical barriers. As an example, schools are interested in providing free healthy local

⁴ [Montana Produce Prescription \(‘Food Rx’\) Collaborative](#)

meals to all students, but sustainable funding remains a challenge. HRDC was identified as an invaluable resource, but it was noted that no single organization can address these issues alone.

The **availability of local food** was also identified as a challenge due to a short growing season. Participants identified a need for resources and connections to freeze, dehydrate, can, ferment, and otherwise add value to local produce so that it can be utilized year-round.

Additional barriers relate to the understanding of food security. Participants noted that food security is complex and often misunderstood with simplistic stereotypes or unconscious bias. **Stigma** associated with needing help deters many from seeking assistance. It's important to note that this avoidance can be about more than stigma. Participants noted that some parents fear that struggling to provide for their families might attract the attention of child protective services, further discouraging them from seeking help.

Table A-1: Food Access and Resilience Asset List (Organizations and Programs)

The following table lists food access programs and organizations working on food and nutrition security named during this project. *This is an excerpt of the complete list of organizations and entities identified as assets during this project ([Appendix F. Asset List](#)).*

Human Resources Development Council		
Nonprofit, Bozeman	Fork and Spoon	Montana's first pay-what-you-can restaurant.
Nonprofit, Local	Gallatin Valley Food Bank	Primary food bank location. Helps to supply Big Sky Community Food Bank, Headwaters Area Food Bank, West Yellowstone Food Bank, Bounty of Bridgers at MSU, Cat in the Bag at Gallatin College, and pantries at both Belgrade and Bozeman Public Library. Provides food to Blueprint, schools, churches, and occasionally to other youth programs, senior centers, and programs like Meals on Wheels.
Nonprofit, Local	Grow-A-Row	Gallatin Valley Food Bank accepts home-grown produce from community members.
Nonprofit, Local	Kids Pack	Provides nutritionally balanced, kid-friendly foods to area students in grades K -12 every Friday for them to eat during the weekend.
Nonprofit, Local	Senior Groceries Program	Provides nutrition assistance for eligible older adults.
Nonprofit, Local	Summer Lunch	Free, healthy meals are available at sites across the Gallatin Valley.

Financial Assistance/Supplemental Nutrition Programs		
Federal	Federal Distribution Program of Indian Reservations	Although designed to serve only American Indians living on reservations, this program is part of Montana's food security network
State	Senior Farmers Market Nutrition Program (SFMNP)	A tool for seniors on limited incomes to access fresh local foods. Seniors redeem coupons directly with approved farmers. Farmers work directly with the Community Food and Agriculture Coalition (CFAC) for authorization, then are reimbursed for the value of the coupons they collect by a local agency. (This avoids the delay of mailing coupons to the program managers for reimbursement.) Local Agency sites where farmers redeem coupons: Bozeman Senior Center, Gallatin Conservation District (Manhattan), Western Sustainability Exchange (Livingston)
Federal	Supplemental Nutrition Assistance Program (SNAP)	Helps families facing food insecurity afford nutritious groceries essential to health and well-being
Federal	Temporary Assistance for Needy Families (TANF)	Helps low-income families with children achieve economic self-sufficiency.
Federal	Women, Infants and Children (WIC)	Helps to provide supplemental foods, health care referrals, and nutrition education for low-income pregnant, breastfeeding, and non-breastfeeding postpartum women, and to infants and children up to age 5 who are found to be at nutritional risk
State	Double SNAP Dollars	A tool to allow people facing food insecurity to extend supplemental nutrition benefits to purchase healthier food, usually produce
	Food Rx	A tool for individuals facing both food insecurity and diet-related medical conditions to shift toward healthier diets. Two pilot programs have taken place in our valley: one run by Bozeman Health in partnership with Root Cellar Foods in 2023, and one run by Bar1Wellness in 2022.
Federal	Women, Infants and Children (WIC) Farm Direct Program	A tool allowing mothers of young children to access nutritious local produce.

School Resources		
	Bozeman Public School District (BSD7)	Breakfast is available at most schools, and lunch is available at every school; BSD7 has storage available and two large trucks
Federal	Child and Adult Care Food Program (CACF)	Similar to National School Lunch Program (NSLP) for child and adult care institutions and family or group daycare
Federal	Child and Adult Care Food Program (CACFP)	Offsets the cost of nutritious foods served at child care, day care, aftercare, and adult care facilities
State	MT Office of Public Instruction School Nutrition Programs - National School Lunch Program (NSLP)	NSLP is a USDA program that provides funding for nutritious meals in schools; Funding is based on family income
State	National Center for Appropriate Technology (NCAT) - Harvest of the Month	

Montana State University		
MSU	Bounty of the Bridgers	Campus food pantry
Regional	Buffalo Nations Food Systems Initiative (BNFSI)	Partnership with Indigenous Food Lab launching in 2024
MSU	Cat in the Bag Food Closet	Supplemental and emergency food assistance for Gallatin College Students
MSU	Food Security Scholarships	Provides a 25-pass commuter meal plan to eligible students facing challenges in accessing nutritious food
MSU	MSU Extension	Multiple resources, expertise; Researched-based university resources for the people of Montana; Skill building/how to garden
MSU	MSU Montana Dietetic Internship	Applied learning in clinical, community, and food service environments
MSU	MSU WWAMI Culinary Medicine course	Also serves nursing and dietician students

Montana State University		
MSU	Towne's Harvest Garden	Five-acre diversified farm supporting a student-run community supported agriculture program; Students work share opportunities; Mobile farm stand located at Legion Villa, a Section 8 housing complex that serves low income, elderly members of the community

Community Resources		
Local	Farmers markets	
Local	Community Organizations Active in Disaster (COAD)	
Nonprofit, Statewide	AERO (Alternative Energy Resources Organization) - Abundant Montana	Supports resilient and reliable MT food systems through building consumer demand, market channels, and community knowledge/networks; Includes food pantries and community meals in local food promotion
Local	Bozeman Public Library	Seed Library; Demonstration kitchen; Onsite food pantry; Food donation drop site; Community navigator office; Education opportunities
Business, Local	Broken Ground	Permaculture, education on how to grow food; advising/partnering with the Community Garden at Story Mill
Nonprofit, Statewide	Community Food and Agriculture Coalition	Farm Link; Food access programs; New entry farmer programs
Local	Community Gardens	See Table A3
Nonprofit, Local	Gallatin Gardeners Club	Inclusive group of gardening enthusiasts who grow home gardens and also plant, harvest and sell fresh produce from our market garden located at the MSU Horticulture farm; the Club returns all proceeds to the community in the form of grants
Nonprofit, Local	Haven	Confidential support for anyone experiencing domestic abuse
Nonprofit, Statewide	Hopa Mountain - Local Food for Local Families	Rural and tribal leader focus; Cooperative effort to support and connect producers, food hubs, food pantries and others to increase access to Montana grown and processed agricultural products

Community Resources		
Nonprofit, Livingston	Livingston Food Resource Center	Food access resource for the Livingston Community, key player in emergency response feeding
Nonprofit, Statewide	Montana Food Bank Network	
Nonprofit, Regional	Montana Food Bank Network - Hunters Against Hunger Program	In conjunction with Montana Fish, Wildlife and Parks, hunters who legally harvest big game during the hunting season can donate all or part of their meat
Nonprofit, Regional	Montana Indigenous Food Sovereignty Initiative (MIFSI)	Seeds, resources for food preservation, community gardens and resources for growing food
Nonprofit, Statewide	Montana Partnership to End Childhood Hunger	Nutrition Security dashboard in development
Nonprofit, Local	Sage Gardiners	Provides raised beds and garden-based therapy for aging seniors in Gallatin County
Business, Local	Town & Country Foods	Local worker-owned grocery, carries local and Montana products

Table A-2: Authorized Retailers for EBT (SNAP and WIC)

[Montana Department of Health & Human Services](#), 2024

[Helping Americans Find Help](#), 2024

Store	Address	Authorized Retailer for:	
Albertsons 2006	200 S 23rd Ave	EBT	WIC
Big Kmart 7027	1126 N 7th Ave	EBT	
Blue Basket Markets 4	1035 Reeves Rd	EBT	
Caseys Corner Store 1	81855 Gallatin Rd	EBT	
Caseys Corner Store 2	1211 E Main St	EBT	
Caseys Corner Store 3	1420 N 7th Ave	EBT	
Caseys Corner Store 5	4135 Valley Commons Dr	EBT	

Store	Address	Authorized Retailer for:	
Community Food Coop	908 W Main St	EBT	
Co-op Downtown	44 E Main St	EBT	
Costco Wholesale 0096	2505 Catron St	EBT	
CPI Zip Trip 46	1210 E Main St	EBT	
CVS Pharmacy 8621	115 N 19th Ave	EBT	
Dollar Tree 4897	1607A W Main St	EBT	
Gallatin Valley Farmers Market	901 N Black Ave	EBT	
Holiday Station Store 305	1951 Durston Rd	EBT	
Loaf N Jug 728	717 W College St	EBT	
Loaf N Jug 729	1910 W Main St	EBT	
Meat Shopp	722 N Rouse Ave	EBT	
Montana Harvest Bozeman	33 S Willson Ave	EBT	
Papa Murphys Pizza	1735 Oak St	EBT	
Rosauers 40	3255 Technology Blvd W	EBT	WIC
Safeway 2999	1735 W Main St	EBT	WIC
Smiths Food & Drug Center 170	1400 N 19th Ave	EBT	WIC
Target Stores T-1237	2550 Catron St	EBT	
Thriftway Super Stop 8	8192 Huffine Ln	EBT	
Town & Country Foods	219 N 19TH AVE	EBT	WIC
Town & Country Foods	1611 S 11th Ave	EBT	WIC
Town & Country Foods East Main	200 Highland Blvd	EBT	WIC
Town Pump Bozeman #5 1915	29001 Norris Rd	EBT	
Town Pump Of Bozeman #2 8927	2607 W Main St	EBT	

Store	Address	Authorized Retailer for:	
Town Pump Of Bozeman 7	1871 Baxter Ln	EBT	
Town Pump Of Bozeman 8	5050 S Cottonwood Rd	EBT	
Townes Harvest Garden	121 Pre Complex	EBT	
Wal-Mart SC 2084	1500 N 7th Ave	EBT	WIC
Winco Foods #160	2913 Max Avenue		WIC

Table A-3: Local Farms that Accept WIC and SFMNP Vouchers (2023)

Farm Name	Town	County	WIC Farm-Direct	SFMNP
Amaltheia Organic Dairy	Belgrade	Gallatin		2023
Spain Bridge Farm	Belgrade	Gallatin		2023
3 Fiddles Farm	Bozeman	Gallatin	2023	2023
Bear Canyon Farm	Bozeman	Gallatin	2023	2023
Chance Farm	Bozeman	Gallatin		2023
Cook's Honey	Bozeman	Gallatin		2023
Gallatin Gardeners Club	Bozeman	Gallatin	2023	2023
Gallatin Valley Botanical at Rocky Creek Farm	Bozeman	Gallatin	2023	
Three Hearts Farm	Bozeman	Gallatin	2023	
Towne's Harvest Garden	Bozeman	Gallatin	2023	2023
Terra Greens Produce	Manhattan	Gallatin	2023	2023
Hettinger Household	Three Forks	Gallatin		2023
New Pioneer Farm	Three Forks	Gallatin	2023	
Gallagher's Natural Beef and Produce, LLC	Clark	Park	2023	

Farm Name	Town	County	WIC Farm-Direct	SFMNP
D&D West Greenhouses	Emigrant	Park		2023
High Ground Farm	Emigrant	Park		2023
Borrowed Acre Produce	Livingston	Park		2023
Gasparakis Household	Livingston	Park		2023
Highland Harmony Farm	Wilsall	Park	2023	2023

Resilience in the Face of Disruption

Assets: Resilience in the Face of Disruption

Key Assets: local relationships, local food system (businesses + individuals), Community Organizations Active in Disaster (COAD), the ability to produce and distribute food locally, educational resources for resilience preparedness

The COVID-19 pandemic illuminated the inherent risk associated with heavy reliance on national and global supply chains. The pandemic drove home how fragile these supply chains can be and demonstrated how quickly food chains can be disrupted. Participants commented that grocery stores only have 3-4 days worth of food on hand and that when the supply chain was disrupted *“‘Just in time’ wasn’t just in time anymore.”* One participant commented that it was scary *“not being able to get the basics: flour, yeast, eggs, milk.”*

“The local food system filled gaps when conventional supply chains failed.” – Project Participant

The **Southwest Montana COAD** (Community Organizations Active in Disaster) helps communities in Gallatin, Madison, and Park County respond to disasters such as wildfire, floods, COVID-19, etc. The COAD is responsible for communicating with emergency responders and mobilizing local non-profit organizations during disasters. The American Red Cross, a COAD member organization, is responsible for emergency food response. The Red Cross relies on local vendors with commercial kitchens for feeding, and in larger scale disasters goes outside of the region to have food delivered. Several key players that support food response by providing food storage, meal preparation, transportation, and more include the Livingston Food Resource Center, the Salvation Army, and the Gallatin Valley Food Bank.

The pandemic highlighted the importance of **local relationships** and the impact of smaller, locally-owned businesses in responding to community needs. Participants cited Bozeman’s restaurant network as a valuable example. Many restaurants reached out directly to the Bozeman School District to offer their inventory, while others prepped food for front-line workers.

COVID-19 highlighted that our **ability to produce and distribute food locally** is an asset. Grocery stores, such as the Community Food Co-op, that had previously been sourcing local food had significantly more inventory and diversity of products due to their existing local relationships.

Educational resources, specifically on how to preserve foods, emerged as another asset in building community resilience. MSU Extension offers several trainings and resources; Montana Indigenous Food Sovereignty Initiative

has a manual on how to dry foods; and the internet provides access to a wide range of ‘how to’ videos. See [Table A4: Community, Wellness, Education, and Culture Assets](#) for other education-based assets.

Looking towards long-term community food resilience and nutritional security, several participants mentioned that food resilience planning and resilience assessment tools exist and could be researched and used to enhance food resilience in the Bozeman area.

The assets listed in [Table A1: Food Access and Resilience Asset List \(Organizations & Programs\)](#) are related to community resilience during times of disruption. During disasters the most vulnerable populations become even more vulnerable. Consistent and affordable access to nutritious, local, and culturally appropriate food options help to mitigate the impact of crises on community members facing food insecurity.

Challenges: Resilience in the Face of Disruption

Key Challenges: Risk of supply chain disruptions, increasing risk of future disruption, and lack of community resilience planning

The pandemic exposed the vulnerability of food supply chains. Participants also identified potential future disruptions, including extreme weather events, climate change, global conflicts, and technology breakdowns.

Participants noted the need to improve community resilience planning to reduce our vulnerability. They felt there are currently no adequate answers to critical questions such as: How do we address crisis situations? What investments in our local food system will mitigate vulnerabilities to regional, national, or global shocks? What is the City’s role?

“The recent pandemic exposed the supply chain fragility, but the seemingly rapid post-pandemic recovery diffuses the alarm in many peoples’ eyes.” – Project Participant

“When you think about [it], why does local government exist? To provide services for basic living in a community. What is more basic than clean water and adequate food? And clean air. We need a few basic things, housing... and food.” – Project Participant

Community Wellness, Education, and Culture

Assets: Community Wellness, Education, and Culture

Key Assets: Educators and organizations that provide education resources, physical spaces for access to nature and growing/harvesting food

Participants identified a range of assets that offer ways to support a culture of growing and eating nourishing local foods, building relationships, and enhancing individual and community wellbeing.

Sense of Place and Connection to Food

Participants highlighted the importance of connecting community members to their food and deepening their sense of place and connection to the greater Gallatin Valley. Opportunities for fostering this connection include physical spaces that provide access to nature and potential to harvest food (habitat along the Gallagator Trail and other public trails and parks, etc.) and local farms that offer community access (Rocky Creek Farm, Towne’s Harvest Garden, the farm stand at Three Heart Farms, etc.). Several participants highlighted the RevitaliseΛἰῆλῆλ, a See Bozeman Creek artwork, that was created by Mountain Time Arts as a unique way to inspire people to think about water.

Community Gardens and Growing Spaces

There are many resources that support people in growing their own food, including spaces to grow and education opportunities. Community growing spaces such as Story Mill Community Learning Gardens and Food Forest, City of Bozeman community gardens, American Indian Hall ancestral gardens, Hannon Hall gardens, and raised beds built by Sage Gardeners provide opportunities for seniors to grow their own food. These spaces also create opportunities for education, mental health benefits, and social cohesion. Community gardens and growing spaces take a variety of forms and management structures. [Table A5: Community Gardens in the Greater Bozeman Area](#) includes a list of 38 community gardens identified during this process.

The City of Bozeman manages four community gardens. Three of these gardens host a total of 87 individual plots. Each plot is designated to a community member to manage on their own. The Learning Garden at Story Mill Community Park is managed in partnership with the Gallatin Valley Food Bank. In 2022, The Gallatin Valley Food Bank distributed 817 pounds of produce from the Story Mill Learning Garden and an additional garden onsite at the food bank.⁵

Knowledge and Education Resources

A broad range of organizations are involved in the management of raised beds and community gardens. Participants identified many organizations and businesses that provide educational opportunities and support related to growing gardens, modern homesteads, preserving and cooking food, nutrition, and more. All are seen as a valuable support network for community members seeking to grow, raise, gather, or process local foods. The presence of knowledge in our community and the implementation of both formal and informal educational programs were seen as valuable.

Access to Local Food

Locations and businesses that promote or offer access to local food were seen as important to support a culture of local food. Participants named:

- Produce Prescription programs, Gallatin Valley Food Bank, other local food access programs. See: [Table A1: Food Access and Resilience Asset List](#)
- Schools and care facilities that source local when feasible (ex. BSD7).
- Farm to table restaurants and caterers.
- Farmers' Markets, see [Open and Local's Local Farm's Flyer](#).
- Businesses that help convert lawns to food.
- Value-added food businesses seeking to educate using Montana-grown ingredients:
 - to support soil health and community, e.g. Timeless Foods lentils (Claudia's Mesa)
 - to promote regenerative agriculture, e.g. ancient grains (Together Bakery)
 - to reduce food waste and add value, e.g. by using "ugly vegetables" (Farmented)
- Local nurseries that offer native plants and educational seminars.
- Gallatin Valley Food Bank, called out for supporting a lot of connections.
- Bozeman School District, which is trying to source local.

⁵ <https://gallatinvalleyfoodbank.org/wp-content/uploads/2024/05/HRDC-FN-Annual-Report-22-23.pdf>

Challenges: Wellness, Education, and Culture

Key Challenges: Food Access, barriers to growing food, and understanding of Indigenous food sovereignty

Food Access

Conversations on this topic often began with challenges associated with food access, which are detailed in the *Food Access* section above. Participants noted that assumptions and a lack of understanding of the local and global food systems contribute to these challenges. Several expressed frustration that people often believe food security is solely about hunger relief. One participant pointed out that *“people believe our food will continue to show up in the grocery stores from places like California,”* despite food security being increasingly impacted by climate change and shifting precipitation patterns.

Participants also highlighted the perception that eating healthy and local is always more expensive, countering that *“locally grown, nurturing foods should be accessible to everyone.”* They shared that there are opportunities to help people eat healthier and more locally while on a budget, thus making nutritious, locally sourced food more accessible to all community members.

Barriers to Community Members Growing their Own Food

Participants noted that growing food is a highly beneficial activity for community members’ physical health, mental health, and overall wellbeing. Barriers to growing food mentioned during this project included:

- **Access to Land for Renters:** 55% of Bozeman’s residents are renters (see [Table D2: City of Bozeman Demographics and Economic Growth Sectors](#)). Rentals often don’t encourage gardening, and renters are reluctant to invest in a garden at a rental property.
- **Access to Community Gardens:** Community gardens have limited slots, and expanding them can be difficult. Although the City is interested in expanding its community gardens, there is a lack of capacity to run the programs, and partner organizations will be necessary for significant expansion. A member of the City’s park staff commented, *“It comes up a lot, ideas about doing more within parks, expanding or tripling what we do at Story Mill Park... community ag... but who’s the partner/parent organization to go get the grants? Who’s the volunteer coordinator? And how many staff people are needed to start amplifying it, and making it productive and useful?”* Multi-modal and transit routes to access garden space are also limited.
- **Covenants:** Covenants, such as those adopted by homeowner associations were identified as another barrier, restricting opportunities to grow food and raise animals and instead requiring yards to be maintained.
- **Time and Affordability:** Whether you’re a student, a parent, a career professional, or someone juggling multiple jobs, finding the time to plant and maintain a garden is challenging. Individual plots at home or within a community garden can be a bigger commitment than many people can manage on their own.
- **Culture:** In Bozeman, cultural and conversational norms have tended to focus on activities other than agriculture and growing food. The increased reliance on technology and shifts in cultural interaction since COVID-19 were cited as reasons why people are less familiar with growing food, less likely to attend educational programs, and less likely to volunteer.
- **Knowledge and Education:** Many people do not know how to garden, have lost that knowledge, or have never had the opportunity to learn. Participants noted a need for education beyond growing food such as how to cook and preserve food. For offering educational programming and volunteer opportunities, communication and engagement is a challenge locally. Participants expressed difficulty in getting the word out and attracting attendees. One practitioner described a program with 30 registrants but only 4 participants showed up. Participants noted that finding out about events and education opportunities

can be difficult and frustrating. With many events happening in Bozeman, it can be challenging to effectively publicize individual events.

Understanding of Indigenous Food Sovereignty

One interviewee observed that Indigenous food sovereignty is becoming popular, but it risks being co-opted into a cultural pluralism trend rather than being respected as a way of life and a responsibility. They stated, *“Suddenly it’s like really cool. And that’s sweet, there’s this growing awareness, but it can get really swept into this foodie culture, where it’s like kind of a cultural pluralism type of thing, rather than a way of life and a way of being and a responsibility.”*

Participants stressed the importance of seeking input and learning from Indigenous people to gain a better understanding of Indigenous food sovereignty and that Indigenous food sovereignty work should be led by Indigenous people.

Table A-4: Community Wellness, Education, and Culture Asset List

This is an excerpt of the complete list of organizations and entities identified as assets during this project ([Appendix F. Asset List](#))

Type/Region	Asset	Notes
Nonprofit, Statewide	AERO (Alternative Energy Resources Organization) - Abundant Montana	Supports resilient and reliable MT food systems through building consumer demand, market channels, and community knowledge/networks; Includes food pantries and community meals in local food promotion
Local	Bozeman Public Library	Seed Library; Demonstration kitchen; Onsite food pantry; Food donation drop site; Community navigator office; Education opportunities
Local	Bozeman Public School District (BSD7)	Breakfast is available at most schools; lunch is available at every school; BSD7 has storage available and two large trucks
Business, Local	Broken Ground	Permaculture, education on how to grow food, advising/partnering with the Community Garden at Story Mill
Regional	Buffalo Nations Food Systems Initiative (BNFSI)	Indigenous-led and builds collective, collaborative, and proactive capacity for Indigenous food sovereignty. Partnership with Indigenous Food Lab launching this year
Nonprofit, Local	Cancer Community Support Montana	Garden beds on site for informal therapy and nutrition programming
Business, Local	Cashman Nursery	Nursery, gardening supplies, education opportunities and gardening support

Type/Region	Asset	Notes
Federal	Child and Adult Care Food Program (CACF)	Similar to NSLP for child and adult care institutions and family or group daycare
Business, Local	Claudia's Mesa	Community dinners, education about lentils and other sustainable, local crops
Nonprofit, Statewide	Community Food and Agriculture Coalition (CFAC)	Farm Link; Food access programs; New entry farmer programs
Local	Community Gardens	See Table A3
Nonprofit, Local	Eagle Mount	Quality therapeutic recreational opportunities for people with disabilities and young people with cancer, including horticulture programs
Business, Local	Farmented	Value added business, fermented vegetables
Local	Farmers markets	
Local	Foraging Walks led by Jacob Zimmerer	Jacob is an MSU/BNFSI student who leads foraging walks in the community
Local	Gallatin City-County Health Department	Food safety information and resources, licenses and permitting, registration for cottage food businesses
Local	Gallatin Conservation District	Community garden and education opportunities on gardening, resources for producers
Nonprofit, Local	Gallatin Gardeners Club	Inclusive group of gardening enthusiasts who grow home gardens and also plant, harvest and sell fresh produce from our market garden located at the MSU Horticulture farm; The Club returns all proceeds to the community in the form of grants
Business, Local	Gallatin Valley Botanical at Rocky Creek Farm	Farm stand open to the public, hosts many events and opportunities for community members to come to the farm
Local	Gallatin Valley Farm Fair	
Nonprofit, Local	Gallatin Valley Farm to School	Connecting children and families with local foods in the garden, classroom, cafeteria, and community
	Gallatin Water Quality District	Water resources education, water quality monitoring

Type/Region	Asset	Notes
	Gallatin Watershed Collaborative	Collaborating on the future of water in the Gallatin Valley. Stewardship through partnerships, education, restoration, and individual empowerment
Nonprofit, Local	Haven	Confidential support for anyone experiencing domestic abuse
Nonprofit, Statewide	Hopa Mountain - Local Food for Local Families	Rural and tribal leader focus. Cooperative effort to support and connect producers, food hubs, food pantries and others to increase access to Montana grown and processed agricultural products
Nonprofit, Bozeman	HRDC - Fork and Spoon	Montana's first pay-what-you-can restaurant
Nonprofit, Local	HRDC - Gallatin Valley Food Bank	Primary food bank location. Helps to supply Big Sky Community Food Bank, Headwaters Area Food Bank, West Yellowstone Food Bank, Bounty of Bridgers at MSU, Cat in the Bag at Gallatin College, and pantries at both Belgrade and Bozeman Public Library. Provides food to Blueprint, schools, churches, and occasionally to other youth programs, senior centers, and programs like Meals on Wheels.
Nonprofit, Local	HRDC - Grow-A-Row	Gallatin Valley Food Bank accepts home-grown produce from community members
Nonprofit, Livingston	Livingston Food Resource Center	Food access resource for the Livingston Community, key player in emergency response feeding
	Livingston Hospital	Sourcing local foods
MSU	Montana Farm to School Institute	Collaborative program with Montana Office of Public Instruction, housed within Team Nutrition at MSU
Nonprofit, Regional	Montana Indigenous Food Sovereignty Initiative (MIFSI)	Intertribal collaboration of Indigenous young professionals and elder-mentors committed to working as relatives to build shared capacity for Indigenous food sovereignty; Seeds, resources for food preservation, community gardens and resources for growing food
Nonprofit, Statewide	Montana Partnership to End Childhood Hunger	Nutrition Security dashboard in development

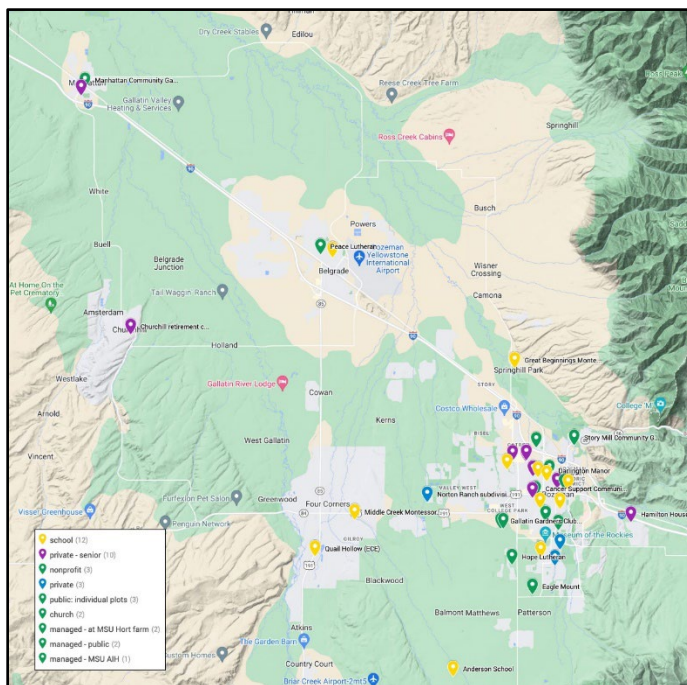
Type/Region	Asset	Notes
Nonprofit, local	Mountain Time Arts	Engaging public art projects and programs; Indigenous and environmental awareness
MSU	MSU Extension - Gallatin County	Master gardener program and other horticulture education resources, 4-H Program, resources and education opportunity for agriculture
MSU	MSU Extension - Montana Master Gardener Program	Education and service organization for gardening (part of Gallatin County Extension)
MSU	MSU Extension	Multiple resources, expertise; Researched-based university resources for the people of Montana; Skill building/how to garden
MSU	MSU Montana Dietetic Internship	Applied learning in clinical, community, and food service environments
MSU	MSU Sustainable Food & Bioenergy Systems (SFBS)	Academic program; Interns/workforce
MSU	MSU WWAMI Culinary Medicine course	Also serves nursing and dietician students
Nonprofit, National	National Center for Appropriate Technology (NCAT)	Helping people build resilient communities through local and sustainable solutions that reduce poverty, strengthen self-reliance, and protect natural resources
Statewide	NCAT - Harvest of the Month	
Nonprofit, local	Open & Local Coalition	Collaboration toward stronger community food systems and conserved agricultural lands
Nonprofit, Local	Sage Gardiners	Provides raised beds and garden-based therapy for aging seniors in Gallatin County
State	Senior Farmers Market Nutrition Program (SFMNP)	A tool for seniors on limited incomes to access fresh local foods. Seniors redeem coupons directly with approved farmers. Farmers work directly with CFAC for authorization, then are reimbursed for the value of the coupons they collect by a local agency. (This avoids the delay of mailing coupons to the program managers for reimbursement.) Local Agency sites where farmers redeem coupons: Bozeman Senior Center, Gallatin Conservation District (Manhattan), Western Sustainability Exchange (Livingston)

Type/Region	Asset	Notes
	Three Hearts Farm	Farm stand
Nonprofit, Local	Tinworks Art	Food-related installations and conversation series
Business, Local	Together Bakery	Bakery making bread with ancient grains grown in Montana
MSU	Towne's Harvest Garden	Five-acre diversified farm supporting a student-run community supported agriculture program; Students work share opportunities; Mobile farm stand located at Legion Villa, a Section 8 housing complex that serves low income, elderly members of the community

Table A-5 Community Gardens in the Greater Bozeman Area

This table includes 38 community gardens in the greater Bozeman area that were identified through the Local Food Systems Preliminary Mapping Project. Although this list may not encompass all community gardens in Bozeman, it showcases various models and management structures of community gardens in the area. It can serve as a tool to support the City of Bozeman and partners in their efforts to strengthen and expand community garden programs and consider collaborative solutions to support garden access, management, and production.

This is also available as a map online: [Community Gardens - Local Food System Prelim Mapping 2024](#)



Management Type	Name	Status, Notes, Comments
Public - Individual Plots	City of Bozeman - City Hall Garden	Active, 24 plots, In need of improvements
Public - Individual Plots	City of Bozeman - Langhor Garden	Active, 42 plots
Public - Individual Plots	City of Bozeman - Westlake Garden	Active, 21 plots, In need of improvements (behind Darlington Manor)
Public - Managed	City of Bozeman - Story Mill Community Garden + Food Forest	Active, partnership with HRDC
Managed at MSU American Indian Hall (AIH)	Heritage Gardens at American Indian Hall, MSU	
Managed at MSU Horticulture Farm	Gallatin Gardner's Club plots	Active
Managed at MSU Horticulture Farm	MIFSI plots at Towne's Harvest Garden	Active – Includes Montana Food Sovereignty initiative plots
Public - Managed	Manhattan Community Garden at Gallatin Conservation District	Active
Nonprofit	Cancer Support Community MT - Bozeman	
Nonprofit	Eagle Mount	Raised beds, Greenhouse
Nonprofit	Unity Garden at HRDC Warming Center	Active
Church	Hope Lutheran	
Church	Peace Lutheran	Active — Belgrade Middle School helps maintain
School	Anderson School	Passive solar greenhouse
School	Belgrade High School	
School	Emily Dickenson Elementary	2024: Managed by MSU Extension Gallatin County Horticulture Agent

Management Type	Name	Status, Notes, Comments
School	Great Beginnings Montessori (ECE)	Active
School	Hawthorn Elementary	
School	Headwaters Academy	Active
School	Irving Elementary	Raised beds
School	Longfellow Elementary	Raised beds (inactive?)
School	Middle Creek Montessori (ECE)	Farm
School	Morning Star Elementary	Greenhouse (inactive?)
School	Quail Hollow (ECE)	Active
School	Whittier Elementary	Passive solar greenhouse, raised beds
Private	Bozeman Cohousing	Mixed infrastructure, located within development
Private	Norton Ranch subdivision	16 plots
Private	Spring Creek Communal Garden	Active
Private - Senior, built by Sage Gardiners	Chequamegon Village Neighborhood	
Private - Senior, built by Sage Gardiners	Churchill Retirement Community	
Private - Senior, built by Sage Gardiners	Darlington Manor	Assumed to be raised beds, separate from the City's public community garden plots
Private - Senior, built by Sage Gardiners	Hamilton House	
Private - Senior, built by Sage Gardiners	High Gate Senior Living	
Private - Senior, built by Sage Gardiners	Legion Villa Apartments	

Management Type	Name	Status, Notes, Comments
Private - Senior, built by Sage Gardiners	Mountain View Care Community	Decommissioned
Private - Senior, built by Sage Gardiners	Parkhaven retirement community	
Private - Senior, built by Sage Gardiners	Spring Run Apartments	
Private - Senior, built by Sage Gardiners	Summer Wood Apartments	

Production

Assets: Production

Key Assets: Farmers, Market for Local Food, Technical Expertise, Financing

Farmers were identified as the most essential asset, alongside soil and water, categorized under Universal Assets. Participants highlighted the diverse experience and expertise among producers, coupled with a strong entrepreneurial spirit. As one project participant noted, *“There is lots of entrepreneurial spirit here. People are willing to solve problems, make it work, and persevere.”* Producers identified local market and ability to sell food locally as an essential asset. They highlighted that the community is supportive and interested in purchasing local foods. Local restaurants also provide value by sourcing local food.

Participants also named assets that make it possible to purchase local food, from farmers markets and grocery stores that carry locally sourced food to the organizations like Abundant Montana working to promote and market Montana-grown foods. Other tangible assets ranged from the businesses where farmers purchase equipment and supplies to seed companies and veterinarians. *See the next section [Food Pathways and Systems](#)*

Producers noted the importance of technical expertise and resources that offer support for agriculture practices and innovation such as MSU specialists and organizations like ATTRA (Appropriate Technology Transfer for Rural Areas), NCAT, AERO, and Barn Door.

Access to financing, whether through traditional lending institutions or newer private investment models like HomeStake Venture Partners and Dirt Capital, was seen as vital. Grant opportunities, such as Montana Department of Agriculture’s Growth Through Agriculture program, Specialty Crop Block Grants, and other funding sources, provide valuable capital for improvements and operations. Although USDA funding was mentioned, participants noted the challenges individual operations face in navigating the “alphabet soup” of USDA programs (e.g. AMS, NIFA, GusNIP, NRCS, FSA, FNS, Rural Development State Offices, APHIS, and FSIS).

Challenges: Production

Key Challenges: land access, cost, lack of growers, marketing, misunderstanding of agriculture, and operational challenges

Land Access

The most prohibitive barrier to farming in the Gallatin Valley is the high cost of land. Participants noted that new-entry farmers struggle to secure land without taking on considerable risk or leveraging existing assets, which has led to a reduction in the number of farmers and few new entrants. In 2022, an MSU Sustainable Food and Bioenergy Systems (SFBS) capstone class surveyed agriculture students, finding that while 48.1% were interested in farming in the Gallatin Valley after graduation, only 3.8% believed they would realistically start a farming operation there. This highlights the perception that farming is not a viable career option. One producer observed that *“people don’t view the prospect of farming seriously.”*

Financial Feasibility

The financial feasibility of farming is a major challenge due to high costs and difficulty competing with larger markets. Specific costs include energy (from vehicles to heating greenhouses), labor, property taxes, and the pace of inflation. Farmers find it challenging to keep up with rising costs, leading many to rely more on direct sales. Meanwhile, buyers are becoming more sensitive to price increases. Growers specializing in controlled environment agriculture sometimes find it more lucrative to grow high-value crops, like marijuana.

“We need to change this and created a diversified system: land access, perception of farming, financial feasibility—all of it.” – Project Participant

Marketing and Awareness

Raising awareness and marketing local food is another challenge. Farmers expressed a strong interest in help with promotion and increasing awareness of local farms and foods. As one farmer noted, *“It’s really just the demand for our products that drives it all. If the City can help facilitate the demand for local food, it’s going to help us out a lot.”* Another farmer added, *“Customers won’t try to purchase locally grown food if they don’t know it is available.”*

Misunderstanding of Agriculture in the Community

Participants highlighted the nuanced perceptions surrounding local food system development within the community. One rancher highlighted a common misconception about farming. People often view farmers as either “evil big ag” entities that disregard environmental concerns or as idealized, nostalgic figures from paintings like “American Gothic” or books like Laura Ingalls Wilder’s “Farmer Boy.” In reality, no two operations are the same, and farms in the valley vary widely in size and practices. Even among those selling to local markets, the diversity in operations is substantial.

Several producers expressed skepticism about the feasibility of integrating micro-farms or urban agricultural features into new developments. They pointed out a general lack of understanding of agricultural requirements. Key considerations for evaluating the potential of a piece of land for agriculture include: Is there water available? Is there infrastructure? Will the farmer be able to gain equity in the property and/or live on site? What if neighbors don’t like the mess, the smells, the dust, noise at odd hours, the greenhouse lights, or the coming and going of workers or customers? Is it financially viable? What if someone sprays and contaminates fields or orchards? What happens when neighborhood pets wreak havoc in a field or chicken coop? What happens if the management arrangement falls apart, who can step in?

Producers also expressed concern about the long-term viability of irrigation systems and water delivery to agricultural operations. There’s a prevailing sense that those without agricultural experience do not fully understand the consequences of compromising the valley’s irrigation system, such as lower water levels in wells, reduced hay for livestock, and the inability to grow crops.

Operational Challenges

Farmers face a variety of operational challenges that can vary from farm to farm and over time. Challenges include:

- Operations that require large equipment are facing increasing isolation as development spreads around them, this can make operational tasks like moving equipment more difficult.
- Accessing key resources like hay, minerals, and processing is becoming more challenging as development drives farming operations out of the valley and costs continue to increase.
- Managing and preventing disease. One participant shared the following observations: “We need to be buying our seed potato from people HERE in Montana. We’re more careful about disease control, with the MSU lab, all of that put together. But there are so many people in the valley who have no idea [about possible diseases], and they’re ordering their seed potatoes and probably other seed too — same issues — from who knows what catalog, from who knows where— bringing in diseases and other stuff that we don’t want here.”
- Liability insurance and exemptions.
- Shortage of large animal veterinarians.
- There are multiple farmers markets; navigating all of the different locations, organizers, fees, and processes is a timely and costly challenge.
- Availability and access of cold storage.
- Need for meat processing, especially for smaller operations.
- Unpredictable weather, hail damage, etc.
- It can be difficult to scale up operations and find the appropriate scale for sustainability.
- Transitioning to organic or regenerative methods can be difficult and costly.
- Stress and mental health challenges. This can be hard to discuss, and this project wasn’t designed to explore any one challenge deeply. However, resources like “[Beyond The Weather](#)” provide a glimpse at the seriousness of this challenge. Even comments like this quote from 2022, when a group of farmers came together to talk about the challenges facing farmers and opportunities to support farmers, can offer a sliver of insight into the depth of frustration: *“There are superheroes in this valley that have spent their lives trying to make it work, but it’s just not working. There should be a way to be a farmer, a hard worker, and be able to make ends meet.”*

Table A-6: Local Producers in the Greater Bozeman Area

This table includes 68 farms, ranches, and growers in the greater Bozeman area that produce food for local markets. This is not a comprehensive list of all local producers, but it includes producers that were identified through the Local Food Systems Preliminary Mapping Project and illustrates the diversity of producers in the area.

Producer	Primary Product	Location
3 Fiddles Farm	Produce	Bozeman
4 Daughters Farm	Berries U-pick	Bozeman
Albrecht	WIC (micro)	Manhattan
Amaltheia Organic Dairy	Whole Farm	Belgrade

Producer	Primary Product	Location
Barney Creek Livestock	Beef	Livingston
B-Bar Ranch	Beef	Big Timber
Bear Canyon Farm	Produce	Bozeman
Belcrest Farms	Beef	Bozeman
BiOmega3	Camelina Oil	Bozeman
Black Dog Farm	Pork, Poultry	Livingston
Black Robin Farm + Orchard	Orchard	Bozeman
Bodhi Farms	Agritourism	Bozeman
Border Farm	Agritourism	Bozeman
Borrowed Acre Produce	SFMNP (micro)	Livingston
Bos Farm	Dairy	Bozeman
Bridger Berries	Agritourism	Belgrade
Chance Farm	Produce	Bozeman
Chicken Creek Homestead	Lamb	Livingston
Cloud Nine Farm	Salad Mixes	Wilsall
Cook's Honey	Honey	Bozeman
Crazy Mountain Garlic	Garlic	Big Timber
Crooked Yard Hops	Hops	Bozeman
D&D West Greenhouses	Farm Stand	Emigrant
Farm 51	Goats	Bozeman
Farm Fresh Eggs	Eggs	Manhattan
Feddes Family Meats	Meat	Manhattan
Gallatin Gardeners Club	Produce	Bozeman

Producer	Primary Product	Location
Gallatin Grassfed	Meat	Bozeman
Gallatin Grown	Potatoes	Manhattan
Gallatin Valley Botanical at Rocky Creek Farm	Whole Farm	Bozeman
Gasparakis Household	SFMNP (micro)	Livingston
Good Mama Farm	Produce	Harrison
GroEat Garlic Farm	Garlic	Bozeman
Hettinger Household	SFMNP (micro)	Three Forks
High Ground Farm	Ancient Grains, Honey	Emigrant
Highland Harmony Farm	Beef	Wilsall
Highline Meat	Beef, Pork	Manhattan
Ike Dyk's corn field	Sweet Corn	Amsterdam
Irish Dexter grass-fed beef	Meat	Belgrade
Kimm's Organic Potatoes	Potatoes	Churchhill
Knowhere Farms	Raw Milk	Willow Creek
Kokoro Farm	Flowers, Produce	Belgrade
Lockhorn Orchard and Garden	Cider	Bozeman
Milkmaid Meats	Beef, Pork	Livingston
Montana Red Devin	Beef	Harrison
Montana Roots	Microgreens	Livingston
Montana Wagyu	Beef	Belgrade
New Pioneer Farm	Produce	Three Forks
Nightingreens	Microgreens	Bozeman

Producer	Primary Product	Location
Norris Hot Springs	Restaurant Affiliated	Norris
North Bridger Bison	Meat	Wilsall
Old Town Farmstand	Poultry, Bake Shop	Three Forks
Peyson's Produce	Produce	Manhattan
Pure Leaf Gardens	Microgreens	Belgrade
Rainbow Creek Farm	Hens, Eggs	Bozeman
Rathvinden	Farm Stand	Springhill
Serenity Sheep Farm	Lamb, Wool	Belgrade
Shields River Farm & Nursery	Nursery, Produce	Wilsall
Shields Valley Ranchers	Beef	Wilsall
Spain Bridge Farm	Produce	Belgrade
SporeAttic	Mushrooms	Bozeman
Square Deal (Little Star Diner)	Restaurant Affiliated	Bozeman
Synchronicity Agroforestry Center	Agritourism	Three Forks
Terra Greens Produce	Produce	Manhattan
Thirteen Mile Lamb & Wool	Lamb	Belgrade
Three Hearts Farm	Produce	Bozeman
Three Seed Farm	Seeds	Belgrade
Towne's Harvest Garden	Produce	Bozeman

Food Pathways and Systems

Assets: Food Pathways and Systems

Key Assets: demographics, technical resources, and infrastructure

Participants identified that the Bozeman community is enthusiastic about local food and supporting local growers. They commented that Gallatin County has various resources and capacities that put it at an advantage compared to other communities in the state, including non-profits, businesses, academic institutions, retailers, distributors, healthy soil, and residents with disposable income.

Many infrastructure assets support the local food system, as detailed in Table A7: Food System Pathways Infrastructure Assets. Critical assets include storage, aggregation, and distribution facilities, such as cold storage, the Community Food Co-op, Root Cellar Foods, and QFD.

Organizations like AERO, Abundant Montana, and Open & Local support local producers and other aspects of the food system by raising awareness and marketing local food. Additional resources that help small businesses establish, grow, and become sustainable include the MSU Food Product Development Lab, Prospera Food and Agriculture Development Center (FADC), and Montana Cooperative Development Center. Institutional buyers such as schools, universities, and hospitals also play an important role in the market for local food.

Challenges: Food Pathways and Systems

Key Challenges: supply chain coordination, scale, and infrastructure

Participants expressed frustration about the amount of food dollars that are going out of state. Purchasing local food can be challenging for businesses and institutions due to several factors:

- The volume of local produce or meat is often not at the necessary scale.
- Supply can be inconsistent. Availability can be uncertain, making it harder to pivot and create unique specials with tight staffing.
- Ordering can be time-consuming when there are not direct channels to purchase easily from. Farmers can be hard to reach and different farms work on different ordering schedules.
- Costs can be an issue, especially as labor costs increase. Even small price increases can be hard to absorb given tight margins.

Entrepreneurs working in value added businesses noted additional challenges:

- Scaling a business to be sustainable in the long term can be difficult.
- Storage is a significant issue for local foods, especially cold storage. Preparing for the summer influx requires loading up before peak demand.
- Licensed commissary kitchen space is challenging to find. Developing shared kitchen facilities is logistically and financially challenging, with significant initial project development, design, construction, and implementation costs. Managing multiple users, time slots, equipment needs, storage, maintenance, and other services requires ongoing staffing.
- Navigating technical support and finding the right resource with the specific information needed takes time. Start-ups continue adapting and changing as they develop. Having a mentor to shorten the learning curve helps.
- Value chain coordination is valuable for establishing and maintaining food pathways, yet there is limited capacity for this.

- While resources like Edible Bozeman and Abundant Montana are appreciated, some entrepreneurs expressed concern that these resources reach people who are “already converted” and may not be effective in broadening their clientele.

Meat processing has received significant attention and investment since COVID-19. Participants shared the following observations:

- For smaller operations with sporadic processing needs, securing slots can be extremely challenging, with processors booked over a year in advance.
- Given recent droughts and lower herd sizes, one mid-sized operation with consistent processing needs (e.g. less than 10 head monthly) reported that “there’s enough slots for now.”
- Sustaining staffing for meat-cutting and slaughter operations is challenging due to the required skill and demanding physicality of the work. However, recent efforts to expand in-state training opportunities are hopeful.
- Significant investment in meat processing infrastructure and equipment has been made, but “short-term infusions of cash don’t get us over these barriers.” Without parallel investment in other aspects of the system, such as finding employees or value chain coordination and product marketing, the infusion of dollars won’t overcome other challenges.

Financing was a significant challenge identified:

- “Farming always has a high barrier to entry, in terms of capital.”
- In large-scale production agriculture, capital is available. At the scale of small farms and ‘mid-tier’ infrastructure, financing can be more challenging.
- New investment models that leverage longer-term investment of private capital are needed. Innovations in revenue-based financing, collaborative finance, community investment, patient capital, and other tools are promising but still gaining momentum. Currently, investors tend to hold a high return, shorter-term, “grow-and-sell” mindset. More investment in planning and collaboration to pull together private, public, and non-profit funding for complex projects is needed.

During COVID-19, disparities were exacerbated, and people experienced the pandemic differently depending on income. Individuals involved in value-added food businesses, whether production or restaurant, had to increase staffing; redundancy helped ensure operations were supported when employees called in sick.

Table A-7: Food System Pathways Infrastructure Assets

This table includes assets and infrastructure named by local food system practitioners as important to this area’s local food systems and their operation. This is a preliminary list and includes only the infrastructure and assets identified during this project. Please note: organizations and agencies are listed separately, in Appendix E.

Type	Business Name	City	County	State
Cold Storage	Dermer Refrigeration; Cold Storage Enterprises	Bozeman	Gallatin	MT
Compost	City of Bozeman Compost	Bozeman	Gallatin	MT

Type	Business Name	City	County	State
Compost	Happy Trash Can Curbside Compost	Bozeman	Gallatin	MT
Compost	Logan Landfill	Three Forks	Gallatin	MT
Compost	YES Compost	Belgrade	Gallatin	MT
Distributor	Azure Standard			OR
Distributor	Quality Food Distributing		Gallatin	MT
Distributor	Western Montana Growers Co-op	Missoula	Missoula	MT
Distributor - Meat	Montana Local Foods Distribution	Bozeman	Gallatin	MT
Distributor - Meat	Range Market	Cardwell	Jefferson	MT
Distributor - Meat	ReGen Market	Big Sky	Gallatin	MT
Distributor - Meat	The Meat Up	Livingston	Park	MT
Distributor + Produce Processing	Root Cellar Foods	Belgrade	Gallatin	MT
Finance - Bank	First Interstate Bank	Bozeman	Gallatin	MT
Finance - Bank	Manhattan Bank	Manhattan	Gallatin	MT
Finance - Creative	Crowdfund Montana			MT
Finance - Creative	Dirt Capital			NY
Finance - Creative	HomeStake Venture Partners	Bozeman	Gallatin	MT
Finance - Creative	Iroquois Valley Farmland REIT			IL
Finance - Creative	Prospera revolving loan fund	Bozeman	Gallatin	MT
Finance - Creative	Steward			OR
Finance - Credit Union	Clearwater Credit Union	Butte (Bozeman, 2024)		MT

Type	Business Name	City	County	State
Finance - Credit Union	Rocky Mountain Credit Union	Bozeman	Gallatin	MT
Finance - Federal	USDA 'alphabet soup of opportunities': AMS, NIFA (GusNIP), NRCS, FSA, FNS, Rural Development State Offices, APHIS, FSIS, etc.			
Finance - Private Foundations				
Finance - State	Montana Department of Agriculture: Growth Through Agriculture (GTA), Specialty Crop Block Grant, marketing grants, other			
Kitchen Space	Bozeman Public Library	Bozeman	Gallatin	MT
Kitchen Space	Bridger Kitchens	Bozeman	Gallatin	MT
Kitchen Space	BSD7 Support Services	Bozeman	Gallatin	MT
Kitchen Space	HRDC Marketplace	Bozeman	Gallatin	MT
Kitchen Space	Livingston Food Resource Center	Livingston	Park	MT
Kitchen Space	MSU Hannon Hall	Bozeman	Gallatin	MT
Kitchen Space	MSU Reid Hall	Bozeman	Gallatin	MT
Nursery	Cashman Nursery	Bozeman	Gallatin	MT
Nursery	Gallatin Valley Garden Center	Bozeman	Gallatin	MT
Nursery	Hillside Nursery	Bozeman	Gallatin	MT
Nursery	Oak Gardens	Belgrade	Gallatin	MT
Nursery	Shields River Farm & Nursery	Wilsall	Park	MT
Nursery	Visser Greenhouses	Manhattan	Gallatin	MT
Other	Gallatin County Fairgrounds	Bozeman	Gallatin	MT

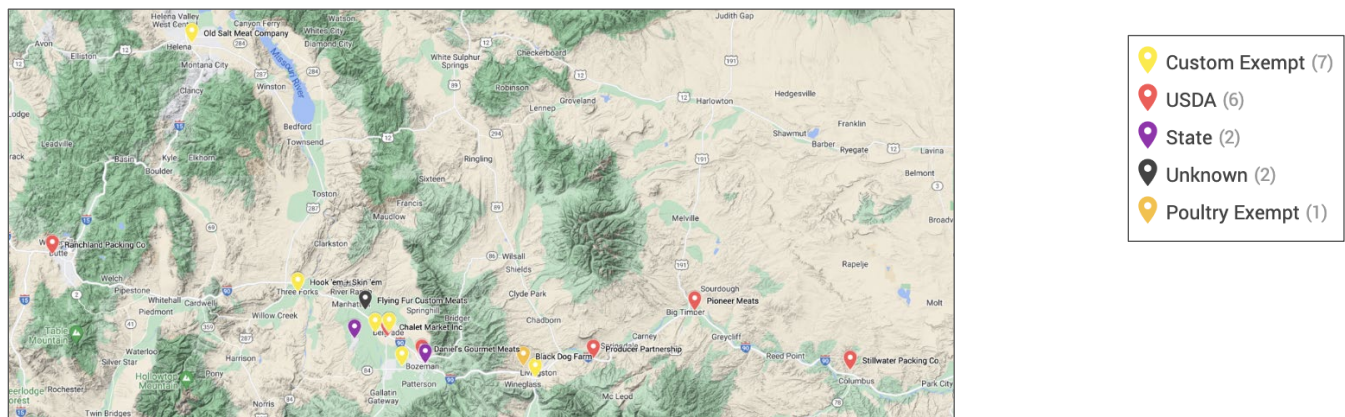
Type	Business Name	City	County	State
Other	MSU Food Production Development Lab	Bozeman	Gallatin	MT
Other	MSU Meat Science Lab	Bozeman	Gallatin	MT
Processing - Dairy	Darigold Processing	Bozeman	Gallatin	MT
Processing - Malt	Gallatin Valley Malt Co.	Manhattan	Gallatin	MT
Processing - Mill	Cold Spring Organics - anticipated mill opening: June 2024	Belgrade	Gallatin	MT
Processing - Mill	Montana Gluten Free	Belgrade	Gallatin	MT
Processing - Produce	Root Cellar Foods	Belgrade	Gallatin	MT
Spring Starts	Amaltheia Organic Dairy	Belgrade	Gallatin	MT
Spring Starts	Gallatin Valley Botanical	Bozeman	Gallatin	MT
Spring Starts	Kokoro Flower Farm	Belgrade	Gallatin	MT
Spring Starts	Old Town Farmstand	Three Forks	Gallatin	MT
Supplies - Seeds	Circle S Seeds (Three Forks) - cereal, grass, and forage seed (local business, seed from multiple source locations)	Three Forks	Gallatin	MT
Supplies - Seeds	Montana Survival Seed (out of region: Bitterroot Valley, MT)	Florence	Ravalli	MT
Supplies - Seeds	Three Seed Farm - bio-regionally adapted vegetable and flower seeds here in the Gallatin Valley	Belgrade	Gallatin	MT
Supplies - Seeds	Triple Divide Seeds (out of region: Ronan, MT)	Ronan	Lake	MT
Supplies / Equipment	Ace Hardware	Bozeman, Belgrade	Gallatin	MT
Supplies / Equipment	Ag Depot	Bozeman	Gallatin	MT

Type	Business Name	City	County	State
Supplies / Equipment	Alpine Greenhouses	Three Forks	Gallatin	MT
Supplies / Equipment	Aquatech Inc. (Belgrade)	Belgrade	Gallatin	MT
Supplies / Equipment	Churchill Equipment Co. (Manhattan)	Manhattan	Gallatin	MT
Supplies / Equipment	Frontline Ag Solutions (Belgrade)	Belgrade	Gallatin	MT
Supplies / Equipment	Home Depot/Lowes	Bozeman	Gallatin	MT
Supplies / Equipment	Kamp Implement Co. (Belgrade)	Belgrade	Gallatin	MT
Supplies / Equipment	Kenyon Noble	Bozeman, Belgrade	Gallatin	MT
Supplies / Equipment	Montana Energy Alliance (Dillon) propane for irrigation pump.	Dillon	Beaverhead	MT
Supplies / Equipment	Murdoch's Ranch & Home Supply	Bozeman, Belgrade	Gallatin	MT
Supplies / Equipment	Rocky Mountain Supply - "locally-owned, full-service cooperative"	Belgrade	Gallatin	MT
Supplies / Equipment	Spur Line		Park	MT
Supplies / Equipment	Story Distributing (+ Casey's Corner; acquired by Parkland Corp. 2020-21)	Bozeman	Gallatin	MT
Supplies / Equipment	Watson Irrigation (Townsend)	Townsend	Broadwater	MT
Supplies / Equipment	Yellowstone Tractor (Belgrade)	Belgrade	Gallatin	MT

Type	Business Name	City	County	State
Veterinarian	Intermountain Veterinary Hospital (large animal)	Belgrade	Gallatin	MT
Veterinarian	Skyline Veterinary Hospital (small animal, formerly Sorensen Small Animal Hospital)	Skyline	Gallatin	MT

Table A-8: Meat Processing Plants

USDA, State, and Custom Exempt meat processing plants in the area or used by ranchers contacted during this project. Montana Department of Livestock State and Custom Exempt certification: 11/16/2023. USDA certification: 3/25/2024.



(Explore this map online: [Meat Processors • Local Food System Preliminary Mapping 2024](#))

Name	Certification	Certification Description	Location
Amsterdam Meat Shop & Feddes Family Meats	State	Slaughter + Processing	Manhattan
Belgrade Custom Meats & Butcher	Custom Exempt	Processing	Belgrade
Black Dog Farm	Poultry Exempt	Slaughterhouse + Processing	Livingston
Central Park Meats	Custom Exempt	Processing	Belgrade
Chalet Market Inc	USDA	Meat Processing; Poultry Processing; Voluntary	Belgrade

		Processing - Meat; Voluntary Processing - Poultry	
Daniel's Gourmet Meats	USDA	Meat Processing; Poultry Processing; Voluntary Processing - Egg Products; Voluntary Processing - Meat	Bozeman
Flying Fur Custom Meats	Unknown		Belgrade
Grotto Meats	State	Processing	Bozeman
Happel's Clean Cut Meats LLC	Custom Exempt	Processing	Bozeman
Hook 'em + Skin 'em	Custom Exempt	Processing	Three Forks
Matt's Butcher Shop + Deli	Custom Exempt	Processing	Livingston
Miller Custom Meats	Custom Exempt	Processing	Three Forks
Old Salt Meat Company	Custom Exempt	Processing	Helena
Pioneer Meats	USDA	Meat Processing; Meat Slaughter; Poultry Processing; Voluntary Processing - Meat; Voluntary Slaughter - Meat	Big Timber
Producer Partnership	USDA	Meat Processing; Meat Slaughter; Voluntary Processing - Meat; Voluntary Slaughter - Meat	Livingston
Quality Meats	USDA		Aberdeen, ID
Ranchland Packing Co	USDA	Meat Processing; Meat Slaughter; Poultry Processing; Voluntary; Processing - Meat; Voluntary; Slaughter - Meat	Butte
Stillwater Packing Co.	USDA	Meat Processing; Meat Slaughter; Poultry Processing; Voluntary; Processing - Meat;	Columbus

		Voluntary; Processing - Poultry; Voluntary; Slaughter - Meat	
Whalen's Meat Packing	Unknown		Belgrade

Ecological Sustainability

Assets: Ecological Sustainability

Key Assets: soil and water

Participants highlighted that Gallatin County boasts some of the best prime soils in the state and benefits from a well-watered valley due to both natural and man-made systems. The area has relatively consistent precipitation and clean water. The changing climate is extending the growing season, while also providing more inconsistent weather patterns and challenges.

Montana State University (MSU), a land grant university that includes MSU Extension, is a significant asset, providing extensive research focused on ecological well-being, addressing local producers' questions, and connecting Montanans with this information. Additional support comes from agencies like Western SARE, NRCS, and the Gallatin Conservation District. Organizations such as the Gallatin Watershed Council, ATTRA, NCAT, and AERO also contribute resources and support.

The agricultural water system, including irrigation infrastructure and water rights, is crucial for water distribution. There is a complex tradeoff between wetlands and agriculture, as wetlands are key for carbon sequestration, and converting them to agricultural land can have negative impacts.

Challenges: Ecological Sustainability

Key Challenges: development and climate change

Participants identified development as the biggest challenge. The loss of prime soils, the conversion of agricultural lands into build environments, and the potential for permanent impairment of agricultural irrigation systems were all named as threats to food and crop production in this valley. A related threat is the increasing demand for limited water in a closed basin. One participant observed that too many people are disconnected from the importance of water and take for granted that clean water will come from the tap. The resulting lack of respect, understanding, and connection makes it challenging to get beyond basic water conservation messages. One person put it this way: *"You are at the top of the watershed. You have responsibilities to perform. If you love this place so much - identify your impact, reduce your impact, engage in pro-active positive ways. Eat local food... keep the water clean."*

Ecologists also noted that while the growing season may be growing longer, shifting precipitation patterns and an increase in extreme weather events increases risks.

Appendix B: Intersection of Existing City Plans with the Local Food System

The Local Food System Preliminary Mapping Project offered an opportunity to consider where and how the work of the City of Bozeman intersects with local food systems as outlined in its existing plans, strategies, and recommendations. Although there are other relevant documents, including several developed by Gallatin County, the Planning Coordination Committee, and other local and regional entities, this project focused on current City of Bozeman plans and policies. The table below is designed to give a high-level overview of the intersections between the City's existing plans with the local food system.

Table B-1: Intersection of City Plans with the Local Food System

City Document	Detail
Bozeman Climate Plan (2020)	Solution N. Cultivate a Robust Local Food System • 6.N.1. Support the Formation of a Local Food Council • 6.N.2. Help Develop a Food System Assessment and Security Plan • 6.N.3. Encourage Local Agriculture and Preservation of Working Lands • 6.N.4. Support Local Food Production, Processing, and Distribution
Bozeman Strategic Plan	Strategic Plan Goals that align/intersect with this project include: • 1. Engaged Community: 1.3 Public Agencies Collaboration, 1.4 Business and Institutional Partnerships • 2. Innovative Economy: 2.1 Business Growth, 2.3 Workforce Development • 4. Well-Planned City: 4.2 High Quality Urban Approach, 4.5 Housing and Transportation Choices • 5. Creative, Learning Culture: 5.3 Partnerships for Education and Learning • 6. Sustainable Environment: 6.3 Climate Action, 6.5 Parks, Trails, and Open Space
Parks, Recreation, and Active Transportation (PRAT) Plan	• 1.1 Create a Consistent Set of Basic Elements Across Neighborhoods; Add park assets that were identified as in high demand by the community in new and existing spaces (pg. 52) • In the statistically valid community survey, community gardens/food forests ranked as “low need, high demand” (pg. 43) • Community Gardens were listed as a top 10 priority for investment in recreation facilities (pg. 36)
Unified Development Code (UDC)	The UDC is currently in the process of being updated. The process is on-hold while a community engagement plan is created. Below is from the draft UDC: • 38.300.020 Add agricultural uses to allowed uses in individual zoning districts.

City Document	Detail
	• 38.320.110 Add standards to expand allowances for agriculture within the community. Recycling and composting • 38.710.070.A.2 Add recycling and composting facilities as items for depiction on site plans Relevant UDC Definitions: • Agriculture: The cultivation or tilling of soil or use of other growing medium for the purpose of producing vegetative materials for sale or for use in a commercial operation and/or the raising or tending of animals for commercial sale or use. Agriculture does not include gardening for personal use, keeping of house pets or animals as authorized under chapter 8, service animals as defined by the Americans with Disabilities Act, or landscaping for aesthetic purposes. • Agricultural water user facility: Those facilities, which include but are not limited to ditches, pipes, and other water-conveying facilities, which provide water for irrigation and stock watering on agricultural lands, with said lands being defined in MCA 15-7-202. • Community garden: An area of land managed and maintained by a group of community members used to grow and harvest food crops and/or nonfood, ornamental crops such as flowers, for personal or group use, consumption, donation or sale, or for educational purposes. The private use of private land (not intended to benefit the community at large) does not constitute a community garden. • Farm stand: An accessory table, area, structure, or kiosk for the sale of food crops, products, and/or nonfood items such as ornamental crops (i.e. flowers). See 38.320.120.C for related standards. • Urban farm: A facility where food crops or nonfood, ornamental crops such as flowers are cultivated, processed, and distributed. Urban farming is generally practiced for profit or food producing activities.
Model HOA Covenants	• The City developed Model Homeowners' Association (HOA) covenants that included provisions for gardens, urban chickens, greenhouses/garden sheds, and farm stands. The City Commission adopted Resolution 5555 to adopt the Model HOA Covenants.
Economic Vitality Strategy (April 2023)	• Goal 1.1 Provide Opportunity for Gallatin Valley Residents; Enhance the small business development ecosystem • Goal 2 Support a Diverse Economy

City Document	Detail
	• Goal 3 Build a More Resilient Region; Develop a sustainable city, foster a culture focused on climate change and resilience
Belonging in Bozeman – Equity and Inclusion Plan	Childcare & Youth Programming Goals and Recommendations: • Goal 1 Reduce barriers to out-of-school opportunities and programs for underserved children ○ 1.1 Evaluate and address barriers around participation in out-of-school programs, including transportation and cost. ○ 1.3 Explore opportunities to integrate Indigenous food systems, languages, and culture into summer and after school programs. • Goal 2 Increase capacity of after-school and summer programs ○ 2.2 Establish and continue partnerships with governmental and non-profit organizations for free use of space access, subsidies, and other mechanisms to support youth programming within Gallatin Valley. Community Resiliency Programming Goals and Recommendations: • Goal 3 Respond to the disproportionate impacts to vulnerable community members due to climate change and extreme weather ○ 3.1.d Develop emergency preparedness programs that identify ways to provide food access during supply chain disruptions. ○ 3.2 Work with partners to ensure investments in the urban tree canopy are equitably distributed across neighborhoods. • Goal 5 Prioritize food access for low-income communities ○ 1 Work with partners to improve access to healthy local food and nutrition programs through the sharing and celebration of cultural and indigenous foods. Community Safety + Civic Health Programming Goals and Recommendations: • Goal 2 Deepen engagement with underserved communities • 2.3 Establish a Community Engagement Compensation Policy that outlines ways in which community members who face barriers to participation may receive compensation for providing input on city initiatives.

Appendix C: Indicators To Consider

Potential Indicators for Opportunities

Below are potential indicators that could be used to track Opportunities, depending on what the City of Bozeman decides to prioritize.

Opportunities	Indicators
Leadership Opportunities	Indicators
1.1 Continue communication with Local Food System Preliminary Mapping Project participants and additional potential partners to discuss findings and feedback, implement next steps, and prioritize and pursue opportunities.	Number of community partners or engagement opportunities with project participants. Memo or adoption of prioritization of opportunities, timeline for implementation, and funds or potential funding sources needed to pursue priorities.
1.2 Develop and adopt a City of Bozeman local food procurement policy for internal operations and City-hosted events. Actively share this resource with institutions, businesses, and community members.	Local food procurement policy adopted.
1.3 Provide opportunities for City staff and leadership to participate in site visits and educational programs, fostering engagement with community partners and firsthand learning about the local food system.	Number of City staff and leadership who have participated in local food system educational opportunities and tours. Number of educational opportunities/tours offered. Number of partners and interested parties who have participated in educational opportunities/tours.
1.4 Build relationships with members of the Indigenous peoples' community living in Bozeman. Begin exploring the potential for partnerships related to resilient food system development and strengthening community members' connection to the diverse agricultural heritage of this valley.	Engage in conversations with MSU Native American Studies/Buffalo Nations Food Sovereignty Initiative students and staff. Potential partnerships discussed, identified, and/or initiated.
1.5 Share the results of this report with Gallatin County and engage with the County on their Future Land Use Map, Housing Strategy, and future agriculture preservation planning.	Engage with Gallatin County.
1.6 Identify incentives and other financial mechanisms used by other similar municipalities and local governments to support food access, especially related to accessing local and nutritious food.	Number and impact of creative mechanisms and incentives established.

Opportunities	Indicators
Determine what creative mechanisms and incentives Bozeman could establish to support the purchase and procurement of locally grown foods.	
1.7 Incorporate Community Supported Agriculture (CSA) incentives or “market bucks” for local farms and farmers markets into wellness and employee appreciation programming for City of Bozeman employees.	Amount of CSA incentives or “market bucks” dispersed through employee appreciation programming.
1.8 Initiate dialogue with key partners and peer communities about the potential to develop a Local Food Council in this area.	Number of conversations hosted specific to developing a local food council.
1.9 Collaborate with partner organizations and the State Legislature to promote policies and initiatives that support and enhance our local food economy.	Number of policies and initiatives to support and enhance our local food economy that the City has supported.
Land Access + Collaboration Opportunities	Indicators
2.1 Continue working to strengthen and expand the City of Bozeman’s community garden program.	Number of community gardens and number of community gardener users. Total square feet of raised beds added to community gardens. Completed maintenance and upgrades. Number of facilitated conversations initiated with potential partners to establish short-term collaborations and long-term vision for sustainable management of community gardens.
2.2 Work with partners, including farmers, to identify City-owned or City-managed lands that would be appropriate for community gardens and other forms of urban agriculture.	Map or list of City-owned or City-managed lands that could be used, or are used, for community gardens and other forms of urban agriculture.
2.3 Explore the formation of an entity or ‘urban agriculture collaborative’ that can partner with the City to manage, develop, and expand urban agriculture initiatives, such as community gardens. This entity could serve as a central hub for resources, education, and community engagement in urban agriculture.	Evaluation as to whether or not an ‘urban agriculture collaborative’ or new non-profit entity to support community gardens is feasible.

Opportunities	Indicators
2.4 Invite key partners such as Gallatin County and MSU to consider a broader evaluation of lands in or near the City, including properties owned by other public entities and interested private landowners.	Map or list of lands in or near the City that could be appropriate for community agriculture (e.g. leasing, urban ag, or mixed ag/housing projects).
2.5 Work with community partners including Gallatin County, neighboring local governments, farmers, nonprofits, agencies, MSU, and relevant private sector entities to develop a long-term shared vision for diversified agricultural production in and around Bozeman.	A long-term shared vision for diversified agricultural production in and around Bozeman.
Awareness + Outreach Opportunities	Indicators
3.1 Transition the “Local Food System Preliminary Mapping Project” webpage into a central City location for “Resilient Local Food System” information and resources.	Number of webpage visitors to the “Resilient Local Food System” online resource.
3.2 Expand existing City planting incentives and outreach programs to include food-bearing species. Coordinate with partners and experts to address wildlife concerns.	Number of people reached through programs or initiatives. Number of fruit and food-bearing species available through City planting programs.
3.3 Strengthen the sense of place and the connection between community members and our natural environment by building a strong connection to our local food system and natural environment.	Incorporation of this valley’s diverse agricultural heritage into historic preservation planning. New art installations or interpretive signs.
3.4 Once developed, actively share Bozeman’s local food procurement policy with businesses and institutions as a reference for adopting their own policies.	Distribution of local food procurement policy. List of entities that have adopted a similar policy.
3.5 Evaluate and prioritize outreach strategies that encourage residents, visitors, and institutions to participate in meaningful ways in Bozeman’s resilient local foods culture and “buy local.”	Evaluation and prioritization of outreach strategies. Number of people reached. Number of times city communication channels are used to promote local foods.
3.6 Partner with local educators to develop outreach and education programs that empower community members to grow their own food, incorporating creative approaches to engage a wide range of community members.	Number of outreach and education programs developed. Number of participants in these programs.

Opportunities	Indicators
3.7 As Bozeman expands its compost program, consider how incentives to reduce food waste could support successful implementation.	
Housing + Resilience Opportunities	Indicators
4.1 Continue to prioritize developing and improving multimodal transportation options that facilitate access to local food sources such as HRDC's Market Place facility, community gardens, etc.	Map showing intersections between food access locations and multimodal transportation options. New multimodal transportation options to facilitate access to local food sources.
4.2 Host a working session with food system practitioners and interested MSU students to review Unified Development Code (UDC) updates from an agriculture perspective before a final draft enters the process for adoption. Consider enhancing urban agriculture within the City, and how urban development can potentially impact agricultural lands in the County and workforce housing.	Number of participants in working session with partners to review Unified Development Code (UDC) from urban agriculture perspective.
4.3 Define the City's role in ensuring community food security during emergencies and planning for community food resilience.	Clearly defined role in emergencies and planning for community food resilience. Identification of key performance indicators evaluating resiliency of local food system.
4.4 Develop resources about urban agriculture to share with developers, neighborhood associations, property management companies, and residents.	Development of the "Urban Agriculture for Homeowners and Developers" guide.
4.5 Explore the potential to work with partners (e.g. Headwaters Community Housing Trust, HRDC, etc.) and others to establish creatively financed affordable housing projects that incorporate urban agriculture assets (e.g. edible native landscaping, community gardens, etc.).	Number of potential partners engaged. Number of affordable housing projects incorporating urban agriculture assets initiated.
4.6 Continue to support efforts to establish affordable workforce housing. Expand efforts to support creative projects that incorporate urban agriculture assets with affordable housing.	Number of affordable workforce housing units established. Number of creative projects incorporating urban agriculture assets with affordable housing.
4.7 As the City reviews and updates City codes, policies, and plans, use a resilient local food systems lens.	

Opportunities	Indicators
Infrastructure + Sector Development Opportunities	Indicators
5.1 Collaborate with partners on community infrastructure projects that enhance the local food system such as a permanent farmers market location, community kitchen space, etc.	Number of partners convened.
5.2 Convene business development and support resource providers to map various programs available for different business sizes and types and identify gaps. Develop communication and information about the resources available.	Number of business development and support resource providers convened. Number of people reached by resources made available.
5.3 Work with partners to pursue grant opportunities related to local food system development that are open for municipalities or strengthened by municipal partnership.	Number of grant opportunities pursued. Amount of funding secured through grants.
5.4 Learn what workforce needs exist throughout the local food system and develop or support opportunities for intentional engagement with students across K-12 and higher education. These initiatives can build awareness of future career opportunities, foster relevant skills development, and build relationships between students and individuals working in the food sector.	Number of students participating in these initiatives.

Additional Indicators to Consider by Core Topic

In addition to what's been noted above, below are indicators to consider.

Food Access and Resilience in the Face of Disruption

- Number of lives impacted by food assistance programming (HRDC Impact Report)
- Number of lives impacted as a % of population
- Pounds of food distributed to help offset cost of living (HRDC Impact Report)
- % of food distributed that is locally produced
- Amount of locally grown foods being donated
- # people served by programs supporting affordable access to locally grown foods (DSD, SFMNP, FoodRx)
- Number of people participating in SNAP, WIC, Senior Groceries, School Meal Programs, CACFP, TANF (and FDPIR, if extended to urban populations)
- % of these people also accessing locally produced food via DSD, SFMNP, FoodRx and other local food access programs
- Number of access points for emergency food
- Number of kitchens available for underhoused people to prepare food for themselves or their families

- Assessment of public transportation system and ability to reach food outlets
- Food Security Dashboard, MT-PECH

Community Wellness, Education and Culture

- Number of schools with active farm-to-school (F2S) programs
- Number of CSAs
- Number of people participating in CSAs
- Number of workplace wellness programs involving local food
- Number of acres in or near the city used for agricultural purposes
- Number of facilitated opportunities for networking and collaboration
- Number of licensed kitchens available for teaching and community events

Production

- Number of new farmers
- Number of farms
- Number of acres in agricultural production
- Sales volume of direct purchase by consumers (non-commodities)
- Number of farmer/production cooperatives
- Number of days that farmers' markets are held
- Number of food vendors participating in farmers' markets

Food Pathways

- Number of commercial kitchens available for production and value-added food business incubation
- Number of small business food manufacturers
- Number of home processors
- Number of manufacturer place promotion of products
- Number of food manufacturer licenses by type
- Number of local distributors
 - Number of local products carried by national distributors
- Number of institutions/distributors purchasing local foods
 - Number of outlets using local foods
- Number of locally owned and operated food outlets

Ecological Sustainability

- A map of carbon losses vs. carbon captures
- List of irrigation ditches within the primary area (triangle) and water rights
- Soil maps for this region
- Water quality and quantity data

Appendix D: Assorted Data

Assorted Data Tables

- Table D 1: Area Population and Housing Units, 2010 – 2023
- Table D 2: City of Bozeman Demographics and Economic Growth Sectors
- Table D 3: USDA Gallatin County Agricultural Census Data
- Table D 4: USDA Census: Gallatin County Percent of Farms that:
- Table D 5: USDA: Gallatin County Census Data 2002 – 2022
- Table D 6: Existing Land Use in Gallatin County
- Table D 7: Gallatin Valley Food Bank Annual Data
- Table D 8: Bozeman Public Schools Free & Reduced Meals Eligibility
- Table D 9: City of Bozeman Park Acreage Data
- Table D 10: Registered Cottage Food Businesses and Food Business Licenses in Gallatin County

Table D-1: Area Population and Housing Units, 2010 – 2023

Source: City of Bozeman, [2023 Economic and Market Update, pg. 2](#); (Source: US Census; ESRI Business Analyst; Economic & Planning Systems)

Description	2010	2015	2020	2023	2010 - 2023 Total	2010 - 2023 Ann. #	2010 - 2023 Ann. %
Population							
Bozeman	36,440	40,319	53,293	58,814	22,374	1,721	3.8%
Belgrade	7,281	7,738	10,460	11,314	4,033	310	3.4%
Manhattan	1,396	1,191	2,086	2,167	771	59	3.4%
Other/Unincorporated	44,541	51,491	53,121	56,671	12,130	933	1.9%
Gallatin County	89,658	100,739	118,960	128,966	39,308	3,024	2.8%
Bozeman % of County Pop.	40.6%	40.0%	44.8%	45.6%	56.9%		
Housing Units							
Bozeman	16,761	18,293	23,535	26,189	9,428	725	3.5%
Belgrade	3,154	3,308	4,339	4,714	1,560	120	3.1%
Manhattan	574	653	872	914	340	26	3.6%
Other/Unincorporated	20,841	23,715	24,088	25,678	4,837	372	1.6%
Gallatin County	41,330	45,969	52,835	57,495	16,165	1,243	2.6%
Bozeman % of County (HU)	40.6%	39.8%	44.5%	45.6%	58.3%		

Table D-2: City of Bozeman Demographics and Economic Growth SectorsSource: City of Bozeman, [2023 Economic and Market Update, pg. 6](#)

Description	Bozeman, MT
Demographics	
Population	58,814
Median Age	28.2
% Renter Households	55.4%
Median Household Income	
Owner	\$98,495
Renter	\$49,543
All Households	\$67,354
Employment (county level)	
# of Jobs (2022)	58,482
Top 3 Sectors	
#1	Retail
#2	Hotel/Restaurant
#3	Construction
Top 3 Growth Sectors ('17-'22)	
#1	Construction
#2	Hotel/Restaurant
#3	Retail
Higher Education	
Major Colleges/Universities	Montana State University
Enrollment (Fall 2022)	16,688
% of Total Population	28.4%

Table D-3: USDA Gallatin County Agricultural Census DataSource: [USDA 2017 Census Profile](#), [USDA 2022 Census Profile](#)

	2017	2022	2017 (%)	2022 (%)
Number of Producers	1,969	1,867	-	-
Sex				
Male	1,144	1,128	58.1%	60.4%
Female	825	739	41.9%	39.6%
Age				
<35	136	152	6.9%	8.1%
35 – 64	1,136	896	57.7%	48.0%
65 and older	697	819	35.4%	43.9%
Race				
American Indian/Alaska Native	4	7	0.2%	0.4%
Asian	-	1	-	0.1%
Black or African American	-	-	-	-
Native Hawaiian/Pacific Islander	-	-	-	-
White	1,957	1,845	99.4%	98.8%
More than one race	8	14	0.4%	0.7%
Other Characteristics				
Hispanic, Latino, Spanish origin	17	14	0.9%	0.7%
With military service	166	149	8.4%	8.0%
New and beginning farmers	456	543	23.2%	29.1%

Table D-4: USDA Census: Gallatin County Percent of Farms that:

	2017	2022
Have internet access	88%	88%
Farm organically	1%	1%
Sell directly to consumers	6%	6%
Hire farm labor	24%	24%
Are family farms	95%	93%

Table D-5: USDA: Gallatin County Census Data 2002 – 2022Source: [USDA Census](#)

Gallatin County	2002	2007	2012	2017	2022
Number of farms	1,074	1,071	1,163	1,123	1,009
Land in farms (acres)	708,728	776,868	702,713	700,462	655,883
Market value of ag products sold	95,000,000	95,148,000	105,970,000	112,104,000	163,081,000
Wheat for grain (acres)	50,645	51,271	51,836	39,501	57,127
Barley for grain (acres)	37,007	25,140	37,291	31,738	25,061
Vegetables harvested (acres)	43	5,401	4,125	6,368	6,198
Potatoes (acres)	5,010	5,355	4,078	6,286	5,990
Orchards (acres)	5	8	11	6	21
Number of broilers and other meat-type chickens	24	71	153	32	124
Cattle and calves	52,350	48,268	50,089	41,043	33,714
Goats	**	877	459	890	714
Hogs and pigs	7	11	306	181	221
Layers	1,196	1,478	3,383	2,415	7,105
Pullets	234	238	**	127	1,327
Sheep and lamb	5,025	3,329	1,996	3,115	2,459
Turkeys	46	**	39	16	20

Table D-6: Existing Land Use in Gallatin CountySource: [Gallatin County Envision Gallatin, Gallatin County Land Use Profile \(2023\)](#)

Category	Percentage	Acres
Agriculture	36.92%	773,339.4
State/Federal Land	39.95%	836,815.1
Commercial/Industrial	15.14%	317,201.6
Municipalities	1.98%	41,548.3
Public/Semi-Public and Tax Exempt	0.46%	9,613.9
Open Space	0.85%	17,738.8
Mixed Residential	0.82%	17,178.5
Vacant	0.59%	12,367.2
Residential Single Family Large Lot	2.12%	44,400.5
Vacant Subdivision	0.56%	11,810.5
Residential Single and Two Family	0.41%	8,572.9
Mobile Home Parks	0.04%	868.2
Other	0.15%	3,192.4

Table D-7: Gallatin Valley Food Bank Annual DataSource: [*HRDC Food & Nutrition Programs of HRDC Annual Report, 2022 - 2023*](#)

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	% increase 2021-2022 to 2022- 2023
Total individuals	10,711	11,355	8,271	7,838	9,512	21 %
Total food boxes	14,331	13,921	11,796	13,688	17,532	28 %
Total pounds distributed	1,923,006	1,897,653	1,834,867	1,519,283	1,667,276	10 %
Average daily pounds distributed	7,060	7,246	7,443	6,176	6,669	8 %
Average food boxes per month	1,194	1,160	983	1,141	1,461	28 %
Households receiving help for the first time	1,266	1,450	852	886	1,190	34 %
Total Kids Summer Lunch meals	29,333	27,864	40,716	31,848	22,366	-30 %
Total Healthy KidsPack packs	12,475	11,101	10,104	11,407	16,552	45 %
Total pounds of food rescued	1,187,777	987,133	765,326	857,389	905,977	6 %

Table D-8: Bozeman Public Schools Free & Reduced Meals EligibilitySource: [Montana Office of Public Instruction](#), 2023; 2024 data provided by Bozeman Public Schools

School Entity Name	Students Eligible For Free/ Reduced Meals (2023 NSLP Count)	Total Students Enrolled (2023)	2023 % Total Eligible For Free/ Reduced NSLP	2024 % Total Eligible For Free/ Reduced NSLP	% Increase from 2023 to 2024 for Total Eligible for Free/ Reduced NSLP
Bozeman High School	135	1276	11%	18%	7.0%
Chief Joseph Middle School	137	771	18%	24%	5.6%
Emily Dickinson School	132	531	25%	29%	4.1%
Gallatin High School	288	1500	19%	21%	2.0%
Hawthorne School	29	342	8%	9%	1.0%
Hyalite Elementary	213	552	39%	44%	5.0%
Irving School	93	192	48%	53%	5.0%
Longfellow School	48	278	17%	20%	3.0%
Meadowlark Elementary	102	529	19%	26%	7.1%
Morning Star School	43	424	10%	11%	0.9%
Sacajawea Middle School	204	828	25%	24%	-0.5%
Whittier School	132	278	47%	50%	3.0%
All Bozeman Public Schools	1556	7501	20.7%	24.3%	3.5%

Table D-9: City of Bozeman Park Acreage Data

Source: City of Bozeman, 2023 Parks, Recreation, and Active Transportation Plan, pg 26

Number of City Parks	91
Number of Linear Parks	24
City-Owned Acres of Parks	895
Open Space Acres	390
County Owned Acres (within the city)	108
Private Owned Acres	41

Table D-10: Registered Cottage Food Businesses and Food Business Licenses in Gallatin County

Total numbers from Gallatin City-County Health Department, as of April 2024. Note: some cottage food vendors may no longer be active. Some licensed businesses hold multiple food business licenses, so the actual number of food establishments is less than the total noted.

Town	Registered Cottage Food Businesses	Permitted Food Businesses Includes: schools, restaurants, coffee shops, bakeries, bars, caterers, manufacturers, warehouses
Belgrade	10	122
Big Sky	0	43
Bozeman	41	546
Gallatin Gateway	0	23
Logan	0	1
Manhattan	11	24
Three Forks	5	29
West Yellowstone	3	71
Willow Creek	0	2
TOTAL:	70	861 (est. 792 with simple duplicates removed, e.g.: 69 are second permits of a different type for the same entity at the same location)

Assorted Figures

- Figure D 1: Household Food Insecurity in Gallatin County, 2020
- Figure D 2: Gallatin County Food Access and Nutrition
- Figure D 3: Affordability of Food & Groceries
- Figure D 4: Greater Bozeman Area Crop Map

Figure D-1: Household Food Insecurity in Gallatin County, 2020

Source: [Feeding America](#), 2020

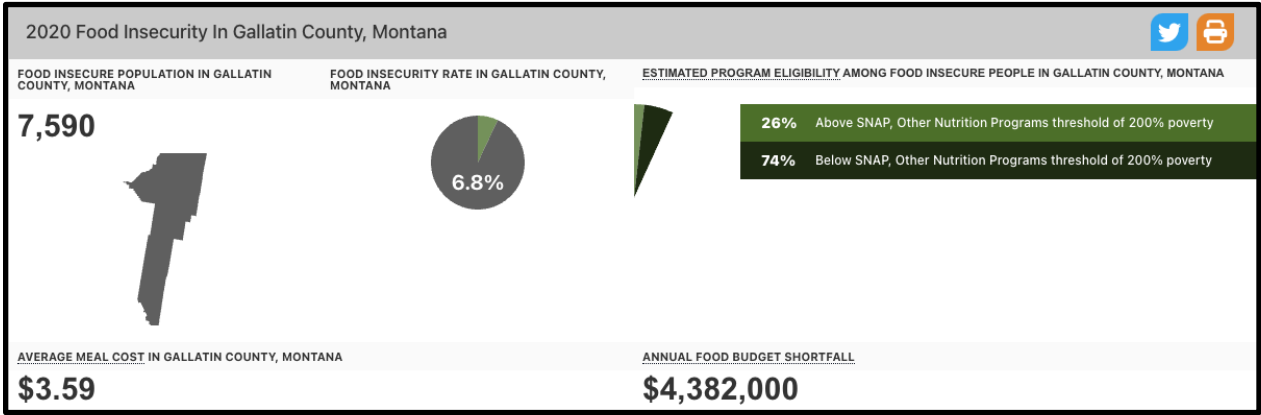
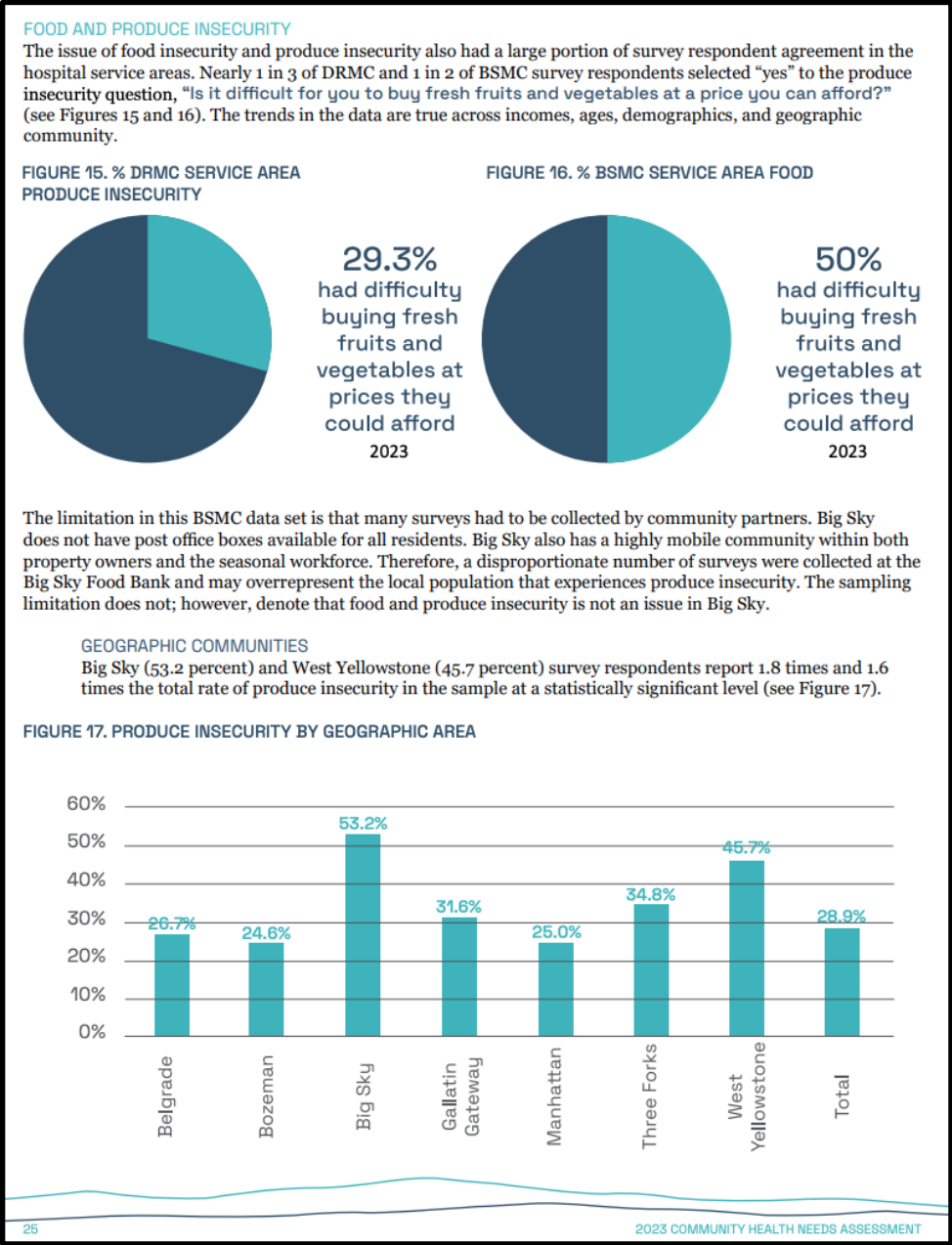


Figure D-2: Gallatin County Food Access and Nutrition

Source: 2023 [Community Health Needs Assessment](#), Bozeman Health

“In 2019, 22.5% of Gallatin County...meet the limited food access measure from the U.S. Department of Agriculture Food Access Research Atlas. Gallatin County has low food access U.S. Census Tracts with low food access including the area south of West Main Street and Cottonwood Road and South 19th Avenue in Bozeman.” (Page 20)

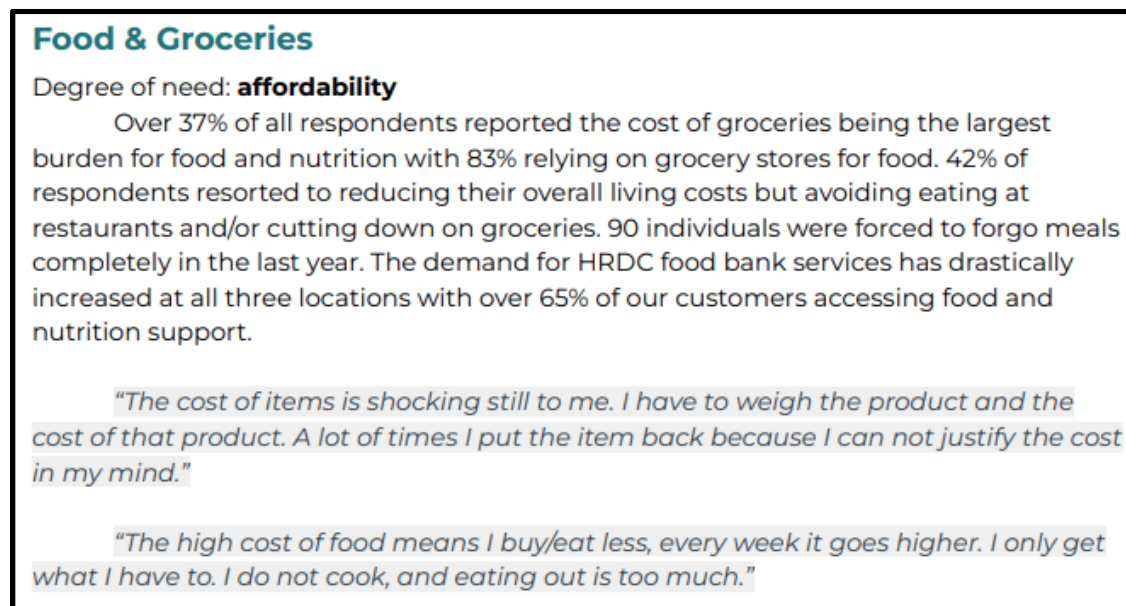


“The 2020 Bozeman Health CHNA identified low food access (do not live within one-half mile of a grocery store) as an issue for 25,500 residents (22.5 percent) of the total service area. The CHNA findings also included food insecurity, access to affordable healthy food, fruit/vegetable consumption, and rates of being overweight and obese as areas of opportunity. As a result, two-thirds of area residents reported not consuming five or more fruits and vegetables per day in 2020, which is a trend in the wrong direction (51 percent in 2011, 39 percent in 2014, 31 percent in 2017, and 33 percent in 2020). Only one-quarter (27 percent) of low-income residents reported eating five fruits/vegetables per day in 2020. Black, Indigenous, People of Color populations also reported eating less fruits/vegetables, which result in modifiable health risks.

At Bozeman Health, nutrition in the form of food insecurity is measured in Social Determinants of Health (SDOH) screeners where the number of food insecure patients are identified, and patients are provided with Produce Prescription Program (PPP) referrals that deliver fresh fruits and vegetables to their front door. The PPP is an example of our nutrition-focused programming piloted in the summer of 2023 and includes a program evaluation component that measures changes in biometrics and behaviors. Using a social determinants of health screener within the electronic health record, Bozeman Health identified patient families who are food insecure and also have a health condition that could be improved by eating fresh fruits and vegetables. These families received local fruits and vegetables delivered to their door for 16 weeks. Similar programs across the state have seen improvements in biometrics like A1C and cholesterol.” (Page 61)

Figure D-3: Affordability of Food & Groceries

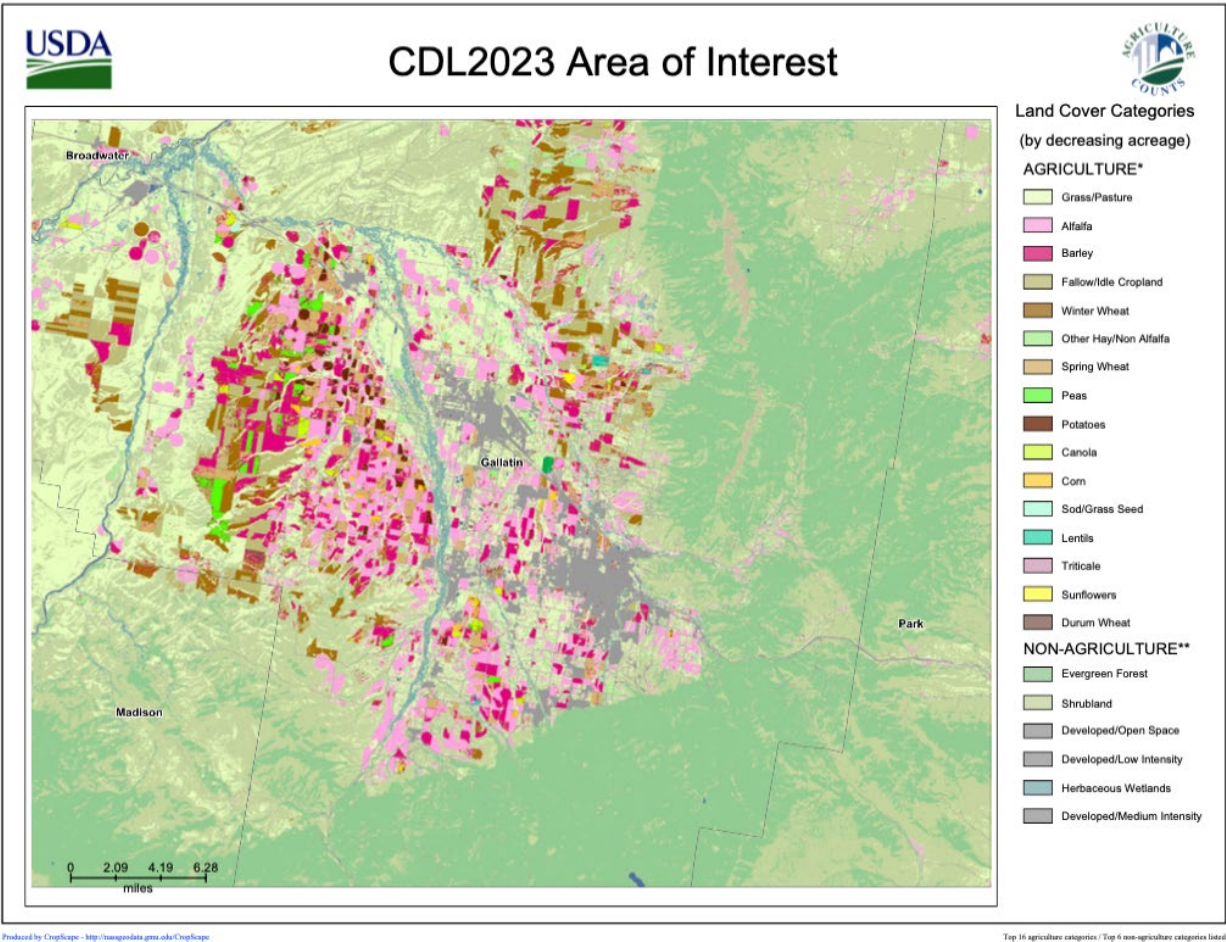
Source: [2022 Community Needs Assessment](#), HRDC



“Food and groceries was the 3rd greatest individual need for Bozeman respondents, which is a significant increase from the last assessment where it ranked 7th. At the community level, it also jumped up significantly from the 7th greatest concern to 4th. HRDC’s Gallatin Valley Food Bank in Bozeman has seen this drastic spike in need, with 137 new households accessing services just in March 2023. As of June 2023, over 1.5 million pounds of food have been distributed.” (Page 20)

Figure D-4: Greater Bozeman Area Crop Map

Source: USDA, [Cropland Data Layer](#), 2023



Appendix E: Resources + References

Regional Resources

- Community Needs Assessments
 - Gallatin County Health Department
 - [2022 Report](#)
 - [Gallatin County CHIP 2019-2021](#)
 - Bozeman Health
 - [2023 Community Health Needs Assessment](#)
 - Human Resources Development Council
 - [2022 Community Needs Assessment](#)
 - [2022 Impact Report](#)
 - [2019 Needs Assessment](#)
 - MSU Extension state-wide needs assessment/priorities for learning:
 - MSU Extension [2019 Health and Nutrition Statewide Needs Assessment](#)
 - MSU Extension [2022 Statewide Needs Assessment Report](#)
 - NEW, anticipated release fall 2024: Montana Local Food Systems survey findings. Part of MSU Extension efforts to further increase efficacy and efficiency of food system supports.
- [Economic Value and Impact of Local Food in Montana](#). Sept 2022. Highland Economics.
- Gallatin County community food system capacity assessment: Indicators of change in development, embeddedness, and integration. 2010. Robbins.
- Food Development Center Study for the Prospera Business Network and MT Department of Agriculture. May 2021. Montana Manufacturing Extension Center.
- Housing and the Food System: A Seat at the Table. 2021. Open & Local Coalition, detailed discussion notes.
- How can we better support beginning farmers & ranchers? 2022. Community Food and Agriculture (CFAC), detailed discussion notes.
- MSU Sustainable Foods and Bioenergy Systems (SFBS) Capstone Course (SFBS 499)
 - Dec 2021. Community Garden Expansion in the City of Bozeman.
 - Dec 2022. Challenges and Opportunities Facing New-Entrant Farmers in the Gallatin Valley.
 - Dec 2023. Municipal Government Strategies for Nurturing a Robust Local Food System in Bozeman.
- [Perceptions and Responses of Diversified Farm Producers in the Northern Great Plains to the Early Stage of the COVID-19 Pandemic](#). 2021. Ebel, Ahmed, Warne, Moxley, Grimberg, Jarchow, Menalled.
- [Role of Wild Food Environments for Cultural Identity, Food Security, and Dietary Quality in a Rural American State](#). 2022. Ahmed, Warne, Stewart, Shanks, Dupuis.
- [Sustaining Farmers Market Success. The Economic Contributions of Farmers Markets in Montana](#). June 2022. Bureau of Business and Economic Research, University of Montana.

Resources For Municipalities + Local Food Councils

- [Data Resources for Food System Assessments](#). 2023. Iowa State University Extension and Outreach
- [The Economics of Local Food Systems: A Toolkit to Guide Community Discussions, Assessments and Choices](#). 2016. USDA Agricultural Marketing Service.

- [Food Policy Councils: Lessons Learned](#). 2009. Harper, Shattuck, Holt-Gimenez, Alkon, Lambrick.
- [Food System Resilience: A Planning Guide for Local Governments](#). 2022. John Hopkins CLF, Elsie Moore, Erin Biehl, Meg Burke, Karen Bassarab, Caitlin Misiaszek, and Roni Neff.
- [Food System Resilience Planning and the Climate Crisis](#). 2024. Center for Agriculture & Food Systems, Vermont Law School, Harris and Nelson
- [Lessons from Food Policy Council Governance](#). 2019. John Hopkins. Bassarab. Clark. Santo. Palmer.
- [Municipal Zoning for Local Foods in Iowa: A Guidebook for Reducing Local Regulatory Barriers to Local Foods](#). Iowa State University.
- [Zoning for Urban Agriculture: A Guide for Updating Your Community's Laws to Support Healthy Food Production and Access](#). March 2024.

Community Resources

- [Beyond the Weather](#): a resource for mental health and stress management. Montana Department of Agriculture + Northern Broadcasting System.
- [Gallatin Watershed Sourcebook](#) - A Resident's Guide
- [Montana Team Nutrition Training and Resources](#)
- [Sourcing Montana Products](#), Montana Department of Agriculture
- [Urban Grower Resources from USDA](#) | Farmers.gov

Appendix F: Asset List

This table includes businesses, nonprofit organizations, government agencies, institutions, programs, and other entities identified as assets throughout the project. The column highlighted in blue indicates whether the asset is directly related or relevant to each of the Core Topics. This list is not exhaustive of all assets related to the local food system but provides a snapshot of those listed by project participants.

Table F-1: Asset List

Type	Asset	Food access + resilience	Wellness, education, culture	Food pathways	Production	Ecological sustainability	Notes
Business - Producer	3 Fiddles Farm				X		
Business - Producer	4 Daughters Farm				X		
Business	Ace Hardware			X	X		
Nonprofit	AERO (Alternative Energy Resources Organization) - Abundant Montana	X	X	X	X	X	Supports resilient and reliable MT food systems through building consumer demand, market channels, and community knowledge/networks; Includes food pantries and community meals in local food promotion
Business	Ag Depot				X		
Business - Producer	Albrecht				X		
Business	Alpine Greenhouses				X		
Business - Producer	Amaltheia Organic Dairy				X		
Business	Amsterdam Meat Shop & Feddes Family Meats			X	X		
Business	Aquatech Inc. (Belgrade)				X		
Nonprofit	ATTRA (Appropriate Technology Transfer for Rural Areas)			X	X	X	Program of NCAT. Resources for producers, technical assistance, Agri Solar, employee clearing house for small farms.
Business	Azure Standard			X	X		Distributor based in OR. Delivers to Bozeman once a month.
Business	Barn2Door			X	X		Resources for producers
Business - Producer	Barney Creek Livestock				X		
Business - Producer	B-Bar Ranch				X		
Business - Producer	Bear Canyon Farm				X		
Business - Producer	Belcrest Farms				X		

Type	Asset	Food access + resilience	Wellness, education, culture	Food pathways	Production	Ecological sustainability	Notes
Business	Belgrade Custom Meats & Butcher				X		
Business - Producer	BiOmega3				X		
Business - Producer	Black Dog Farm				X		
Business - Producer	Black Robin Farm + Orchard				X		
MSU	Blackstone LaunchPad			X	X		Fosters entrepreneurship and innovation. Venture support and mentorship available for free for MSU students and alumni
Business - Producer	Bodhi Farms				X		
Business - Producer	Border Farm				X		
Business - Producer	Borrowed Acre Produce				X		
Business - Producer	Bos Farm				X		
MSU	Bounty of the Bridgers	X					Campus food pantry
Agency, Institution, Government	Bozeman Public Library	X	X	X			Seed Library; Demonstration kitchen; Onsite food pantry; Food donation drop site; Community navigator office; Education opportunities
Agency, Institution, Government	Bozeman Public School District (BSD7)	X	X				Breakfast is available at most schools, lunch is available at every school; BSD7 has storage available and two large trucks.
Business - Producer	Bridger Berries				X		
Business	Bridger Kitchens				X		
Business	Broken Ground	X	X			X	Permaculture, education on how to grow food, advising/partnering with the Community Garden at Story Mill
MSU	Buffalo Nations Food Systems Initiative (BNFSI)	X	X	X	X	X	Indigenous-led and builds collective, collaborative, and proactive capacity for Indigenous food sovereignty. Partnership with Indigenous Food Lab launching this year.
Nonprofit	Cancer Community Support Montana		X				Garden beds on site for informal therapy and nutrition programming.
Business	Cashman Nursery		X		X	X	Nursery, gardening supplies, education opportunities and gardening support
MSU	Cat in the Bag Food Closet	X					Supplemental and emergency food assistance for Gallatin College Students
Business	Central Park Meats				X		
Business	Chalet Market Inc				X		

Type	Asset	Food access + resilience	Wellness, education, culture	Food pathways	Production	Ecological sustainability	Notes
Business - Producer	Chance Farm				X		
Business - Producer	Chicken Creek Homestead				X		
Agency, Institution, Government	Child and Adult Care Food Program (CACF)	X	X				Similar to NSLP for child and adult care institutions and family or group daycare
Agency, Institution, Government	Child and Adult Care Food Program (CACFP)	X					Offsets the cost of nutritious foods served at child care, day care, aftercare, and adult care facilities
Business	Churchill Equipment Co. (Manhattan)				X		
Business	Circle S Seeds (Three Forks) - cereal, grass, and forage seed (local business, seed from multiple source locations)				X		
Business	City of Bozeman Compost				X	X	
Business	Claudia's Mesa		X	X			Community dinners, education about lentils and other sustainable, local crops.
Business	Clearwater Credit Union (opening in Bozeman)				X		
Business - Producer	Cloud Nine Farm				X		
Business	Cold Spring Organics - anticipated mill opening: June 2024				X		
Business	Cold storage enterprises			X			
Nonprofit	Community Food and Agriculture Coalition (CFAC)	X	X	X	X	X	Farm Link, Food access programs, New entry farmer programs.
Business	Community Food Co-op			X	X		Independent, community-owned grocery store selling local and organic foods.
Misc.	Community Gardens	X	X				See Table A3
Agency, Institution, Government	Community Organizations Active in Disaster (COAD)	X					

Type	Asset	Food access + resilience	Wellness, education, culture	Food pathways	Production	Ecological sustainability	Notes
Business - Producer	Cook's Honey				X		
Business - Producer	Crazy Mountain Garlic				X		
Business - Producer	Crooked Yard Hops				X		
Business	Crowdfund Montana				X		
Business - Producer	D&D West Greenhouses				X		
Business	Daniel's Gourmet Meats				X		
Business	Darigold Processing				X		
Business	Dermer Refrigeration; Cold Storage Enterprises				X		
Business	Dirt Capital				X		
Agency, Institution, Government	Double SNAP Dollars	X					A tool to allow people facing food insecurity to extend supplemental nutrition benefits to purchase healthier food, usually produce
Nonprofit	Eagle Mount		X				Quality therapeutic recreational opportunities for people with disabilities and young people with cancer, including horticulture programs.
Business	Edible Bozeman			X			Bozeman food magazine and local food guide
Business - Producer	Farm 51				X		
Business - Producer	Farm Fresh Eggs				X		
Business	Farmented		X	X			Value added business, fermented vegetables
Misc.	Farmers markets	X	X	X	X		
Business - Producer	Feddes Family Meats				X		
Agency, Institution, Government	Federal Distribution Program of Indian Reservations	X					Although designed to serve only American Indians living on reservations, this program is part of Montana's food security network
Business	First Interstate Bank				X		
Business	Flying Fur Custom Meats				X		
Misc.	Food Rx	X					A tool for individuals facing both food insecurity and diet-related medical conditions to shift toward healthier diets. Two pilot programs have run in our valley: one run by Bozeman Health in partnership with Root

Type	Asset	Food access + resilience	Wellness, education, culture	Food pathways	Production	Ecological sustainability	Notes
							Cellar Foods in 2023, and one run by Bar1Wellness in 2022.
MSU	Food Security Scholarships	X					Provides a 25-pass commuter meal plan to eligible students facing challenges in accessing nutritious food
Misc.	Foraging Walks led by Jacob Zimmerer		X				Jacob is an MSU/BNFSI student who leads foraging walks in the community
Business	Frontline Ag Solutions				X		
Agency, Institution, Government	Gallatin City-County Health Department		X	X			Food safety information and resources, licenses and permitting, registration for cottage food businesses.
Agency, Institution, Government	Gallatin Conservation District		X	X	X	X	Community garden and education opportunities on gardening, resources for producers
Business	Gallatin County Fairgrounds				X		
Nonprofit	Gallatin Gardeners Club	X	X				Inclusive group of gardening enthusiasts who grow home gardens and also plant, harvest and sell fresh produce from our market garden located at the MSU Horticulture farm. The Club returns all proceeds to the community in the form of grants.
Business - Producer	Gallatin Grassfed				X		
Business - Producer	Gallatin Grown				X		
Business - Producer	Gallatin Valley Botanical at Rocky Creek Farm		X		X		Farm stand open to the public, hosts many events and opportunities for community members to come to the farm
Nonprofit	Gallatin Valley Farm Fair		X				
Nonprofit	Gallatin Valley Farm to School		X				Connecting children and families with local foods in the garden, classroom, cafeteria, and community.
Business	Gallatin Valley Garden Center				X		
Nonprofit	Gallatin Valley Land Trust (GVLT)				X	X	Land conservation. Trails, for access.
Business	Gallatin Valley Malt Co.				X		
Nonprofit	Gallatin Valley Newcomers Club			X			Active group that could potentially be an opportunity to connect with new people in the community (has not had a strong connection to local food before)

Type	Asset	Food access + resilience	Wellness, education, culture	Food pathways	Production	Ecological sustainability	Notes
Agency, Institution, Government	Gallatin Water Quality District		X		X	X	Water resources education, water quality monitoring.
Nonprofit	Gallatin Watershed Collaborative		X		X	X	Collaborating on the future of water in the Gallatin Valley. Stewardship through partnerships, education, restoration, and individual empowerment.
Business - Producer	Gasparakis Household				X		
Business - Producer	Good Mama Farm				X		
Agency, Institution, Government	Grant Opportunities - Growth Through Agriculture			X			MT Department of Ag
Agency, Institution, Government	Grant Opportunities - Incumbent Worker Training (IWT)			X			MT Department of Labor & Industry. Off-set a portion of skills-based training
Business - Producer	GroEat Garlic Farm				X		
Business	Grotto Meats				X		
Business	Happel's Clean Cut Meats LLC				X		
Business	Happy Trash Can Curbside Compost				X	X	
Nonprofit	Haven	X	X				Confidential support for anyone experiencing domestic abuse.
Business - Producer	Hettinger Household				X		
Business - Producer	High Ground Farm				X		
Business - Producer	Highland Harmony Farm				X		
Business - Producer	Highline Meat				X		
Business	Hillside Nursery				X		
Business	Home Depot/Lowes				X		
Business	HomeStake Venture Partners				X		Financing and venture capital, supporting local business and Montana-based investors
Business	Hook 'em + Skin 'em				X		
Nonprofit	Hopa Mountain - Local Food for Local Families	X	X	X			Rural and tribal leader focus. Cooperative effort to support and connect producers, food hubs, food pantries and others to increase

Type	Asset	Food access + resilience	Wellness, education, culture	Food pathways	Production	Ecological sustainability	Notes
							access to Montana grown and processed agricultural products
Nonprofit	HRDC - Fork and Spoon	X	X				Montana's first pay-what-you-can restaurant.
Nonprofit	HRDC - Gallatin Valley Food Bank	X	X	X			Primary food bank location. Helps to supply Big Sky Community Food Bank, Headwaters Area Food Bank, West Yellowstone Food Bank, Bounty of Bridgers at MSU, Cat in the Bag at Gallatin College, and pantries at both Belgrade and Bozeman Public Library. Provides food to Blueprint, schools, churches, and occasionally to other youth programs, senior centers, and programs like Meals on Wheels.
Nonprofit	HRDC - Grow-A-Row	X	X				Gallatin Valley Food Bank accepts home-grown produce from community members.
Nonprofit	HRDC - Kids Pack	X					Provides nutritionally balanced, kid-friendly foods to area students in grades K -12 every Friday for them to eat during the weekend.
Nonprofit	HRDC - Senior Groceries Program	X					Provides nutrition assistance for eligible older adults.
Nonprofit	HRDC - Summer Lunch	X					Free, healthy meals are available at sites across the Gallatin Valley.
Business - Producer	Ike Dyk's corn field				X		
Business	Intermountain Veterinary Hospital (large animal)			X	X		
Business - Producer	Irish Dexter grass-fed beef				X		
Business	Iroquois Valley Farmland REIT			X	X		Organic farmland finance company
Business	Kamp Implement Co.				X		
Business	Kenyon Noble				X		
Business - Producer	Kimm's Organic Potatoes				X		
Business - Producer	Knowhere Farms				X		
Business - Producer	Kokoro Flower Farm				X		
Nonprofit	Livingston Food Resource Center	X	X	X	X		Food access resource for the Livingston Community, key player in emergency response feeding.
Agency, Institution, Government	Livingston Hospital		X	X			Sourcing local foods.

Type	Asset	Food access + resilience	Wellness, education, culture	Food pathways	Production	Ecological sustainability	Notes
Business - Producer	Lockhorn Orchard and Garden				X		
Business	Logan Landfill				X		
Business	Manhattan Bank			X	X		
Business	Matt's Butcher Shop + Deli			X	X		
Business - Producer	Milkmaid Meats				X		
Business	Miller Custom Meats				X		
Nonprofit	Montana Cooperative Development Center			X			Fosters cooperative enterprises across various sectors.
Business	Montana Department of Agriculture: Growth Through Agriculture (GTA), Specialty Crop Block Grant, marketing grants, other			X	X		
Business	Montana Energy Alliance (Dillon) propane for irrigation pump.				X		
MSU	Montana Farm to School Institute		X				Collaborative program with Montana Office of Public Instruction, housed within Team Nutrition at MSU.
Nonprofit	Montana Food Bank Network	X					
Nonprofit	Montana Food Bank Network - Hunters Against Hunger Program	X					In conjunction with Montana Fish, Wildlife and Parks, hunters who legally harvest big game during the hunting season can donate all or part of their meat.
Business	Montana Gluten Free			X	X		Processing Facility
Nonprofit	Montana Indigenous Food Sovereignty Initiative (MIFSI)	X	X	X	X	X	Intertribal collaboration of Indigenous young professionals and elder-mentors committed to working as relatives to build shared capacity for Indigenous food sovereignty. Seeds, resources for food preservation, community gardens and resources for growing food
Nonprofit	Montana Land Reliance				X	X	Land conservation.

Type	Asset	Food access + resilience	Wellness, education, culture	Food pathways	Production	Ecological sustainability	Notes
Business	Montana Local Foods Distribution				X		
Nonprofit	Montana Partnership to End Childhood Hunger	X	X				Nutrition Security dashboard in development.
Business - Producer	Montana Red Devin				X		Restaurant Affiliated
Agency, Institution, Government	Montana Regional Business Center			X			Part of the newly formed Northwest & Rocky Mountain Regional Food Business Center (nwrockymountainregionalfoodbusiness.com).
Business - Producer	Montana Roots				X		
Business	Montana Survival Seed (out of region: Bitterroot Valley, MT)				X		
MSU	Montana Team Nutrition						Multiple resources, expertise: montana.edu/team nutrition .
Business - Producer	Montana Wagyu				X		
Nonprofit	Mountain Time Arts		X				Engaging public art projects and programs. Indigenous and environmental awareness
MSU	MSU Culinary Program			X			
MSU	MSU Extension - Gallatin County		X	X			Master gardener program and other horticulture education resources, 4-H Program, resources and education opportunity for agriculture.
MSU	MSU Extension - Montana Master Gardener Program		X				Education and service organization for gardening. (part of Gallatin County Extension)
MSU	MSU Extension	X	X	X	X	X	Multiple resources, expertise. Researched-based university resources for the people of Montana. Skill building/how to garden.
MSU	MSU Food Product Development Lab			X			Supports small food business via technical product research development, testing, and consulting.
MSU	MSU Meat Science Lab				X		Basic + applied research, expertise for new product development.
MSU	MSU Montana Dietetic Internship	X	X				Applied learning in clinical, community, and food service environments.
MSU	MSU Montana Manufacturing Extension Center			X			Outreach and assistance center. Reported to offer free facility audits. Relies on grant funding to provide free services.

Type	Asset	Food access + resilience	Wellness, education, culture	Food pathways	Production	Ecological sustainability	Notes
MSU	MSU Sustainable Food & Bioenergy Systems (SFBS)		X	X	X	X	Academic program. Interns/workforce.
MSU	MSU WWAMI Culinary Medicine course	X	X				Also serves nursing and dietician students.
Agency, Institution, Government	MT Office of Public Instruction School Nutrition Programs - National School Lunch Program (NSLP)	X					NSLP is a USDA program that provides funding for nutritious meals in schools; Funding is based on family income
Business	Murdoch's Ranch & Home Supply				X		
Nonprofit	National Center for Appropriate Technology (NCAT)		X	X	X	X	Helping people build resilient communities through local and sustainable solutions that reduce poverty, strengthen self-reliance, and protect natural resources.
Agency, Institution, Government	NCAT - Harvest of the Month	X	X	X			
Business - Producer	New Pioneer Farm				X		
Business - Producer	Nightinggreens				X		
Business - Producer	Norris Hot Springs				X		
Business - Producer	North Bridger Bison				X		
Business	Oak Gardens				X		
Business	Old Salt Meat Company				X		
Business - Producer	Old Town Farmstand				X		
Nonprofit	Open & Local Coalition		X	X	X	X	Collaboration toward stronger community food systems and conserved agricultural lands.
Business - Producer	Peyson's Produce				X		
Business	Pioneer Meats				X		
Business	Producer Partnership				X		
Nonprofit	Prospera - Food & Agriculture Program			X	X	X	Supports businesses in the diversified industry of agriculture, including food product makers and distributors.
Business - Producer	Pure Leaf Gardens				X		

Type	Asset	Food access + resilience	Wellness, education, culture	Food pathways	Production	Ecological sustainability	Notes
Business	Quality Foods Distribution	X		X	X		Distributes local food. Has refrigerated and dry storage in four corners; 6 refrigerator trucks, operate in MT WY & ID
Business	Quality Meats				X		
Business - Producer	Rainbow Creek Farm				X		
Business	Ranchland Packing Co				X		
Business	Range Market				X		
Business - Producer	Rathvinden				X		
Business	ReGen Market			X	X		
Business	Rocky Mountain Credit Union			X	X		
Business	Rocky Mountain Supply			X	X		
Business	Root Cellar Foods	X		X	X		Source regional food, year-round
Nonprofit	S.C.O.R.E.			X			Business support
Nonprofit	Sage Gardiners	X	X				Provides raised beds and garden-based therapy for aging seniors in Gallatin County.
Nonprofit	Senior Farmers Market Nutrition Program (SFMNP)	X	X				A tool for seniors on limited incomes to access fresh local foods. Seniors redeem coupons directly with approved farmers. Farmers work directly with CFAC for authorization, then are reimbursed for the value of the coupons they collect by a local agency. (This avoids the delay of mailing coupons to the program managers for reimbursement.) Local Agency sites where farmers redeem coupons: Bozeman Senior Center, Gallatin Conservation District (Manhattan), Western Sustainability Exchange (Livingston)
Business - Producer	Serenity Sheep Farm				X		Restaurant Affiliated
Business - Producer	Shields Valley Ranchers				X		
Business	Skyline Veterinary Hospital (small animal, formerly Sorensen Small Animal Hospital)				X		
Business - Producer	Spain Bridge Farm				X		
Business - Producer	SporeAttic				X		
Business	Spur Line				X		

Type	Asset	Food access + resilience	Wellness, education, culture	Food pathways	Production	Ecological sustainability	Notes
Business - Producer	Square Deal (Little Star Diner)				X		
Business	Steward				X		
Business	Stillwater Packing Co.				X		
Business	Story Distributing (+ Casey's Corner; acquired by Parkland Corp. 2020-21)				X		
Agency, Institution, Government	Supplemental Nutrition Assistance Program (SNAP)	X					Helps families facing food insecurity afford nutritious groceries essential to health and well-being
Business - Producer	Synchronicity Agroforestry Center				X		
Agency, Institution, Government	Temporary Assistance for Needy Families (TANF)	X					Helps to help low-income families with children achieve economic self-sufficiency.
Business - Producer	Terra Greens Produce				X		
Business	The Meat Up				X		
Business - Producer	Thirteen Mile Lamb & Wool				X		
Business - Producer	Three Hearts Farm		X		X		Farm stand
Business - Producer	Three Seed Farm				X		Bio-regionally adapted vegetable and flower seeds here in the Gallatin Valley
Nonprofit	Tinworks Art		X				Food-related installations and conversation series
Business	Together Bakery		X	X			Bakery making bread with ancient grains grown in Montana
Business	Town & Country Foods	X		X	X		Local worker-owned grocery, carries local and Montana products.
MSU	Towne's Harvest Garden	X	X		X		Five-acre diversified farm supporting a student-run community supported agriculture program; Students work share opportunities; Mobile farm stand located at Legion Villa, a section 8 housing complex that serves low income, elderly members of the community.
Business	Triple Divide Seeds (out of region: Ronan, MT)				X		

Type	Asset	Food access + resilience	Wellness, education, culture	Food pathways	Production	Ecological sustainability	Notes
Agency, Institution, Government	USDA - Farm Service Agency (FSA)				X		
Agency, Institution, Government	USDA - Natural Resource Conservation Service (NRCS)				X		
Business	Visser Greenhouses				X		
Business	Watson Irrigation (Townsend)				X		
Business	Western Montana Growers Co-op			X	X		They are farmer owned in northwest MT. Sell locally to Town & County, Co-Op, Monforton School, Lockhorn Cider, Bozeman Hilton Garden Inn (according to website map)
Agency, Institution, Government	Western SARE (part of USDA National Institute for Food & Agriculture)						Grants to advance innovations that improve profitability, stewardship, and quality of life in American agriculture.
Nonprofit	Western Sustainability Exchange (WSE)			X	X	X	Noted: resource guide, ranch practices, etc.
Business	Whalen's Meat Packing (Belgrade)			X			
Agency, Institution, Government	Women, Infants and Children (WIC)	X					Helps to provide supplemental foods, health care referrals, and nutrition education for low-income pregnant, breastfeeding, and non-breastfeeding postpartum women, and to infants and children up to age 5 who are found to be at nutritional risk
Agency, Institution, Government	Women, Infants and Children (WIC) Farm Direct Program	X					A tool allowing mothers of young children to access nutritious local produce.
Business	Yellowstone Tractor (Belgrade)				X		
Business	YES Compost				X		

Memorandum

REPORT TO: City Commission

FROM: Renata Munfrada, Community Housing Program Coordinator
David Fine, Economic Development Program Manager
Brit Fontenot, Economic Development Department Director

SUBJECT: U.S. Department of Housing and Urban Development (HUD) 2024-2028 Consolidated Housing Plan, 2024 Annual Housing Action Plan, and Fair Housing Equity Plan Public Hearing

MEETING DATE: July 23, 2024

AGENDA ITEM TYPE: Plan/Report/Study

RECOMMENDATION: **Consider the Motion:** *I move to adopt the 2024-2028 Consolidated Housing Plan, 2024 Annual Housing Action Plan, and Fair Housing Equity Plan as written via Resolution 5604.*

STRATEGIC PLAN: 4.5 Housing and Transportation Choices: Vigorously encourage, through a wide variety of actions, the development of sustainable and lasting housing options for underserved individuals and families and improve mobility options that accommodate all travel modes.

BACKGROUND: The Consolidated Housing Plan, Annual Housing Action Plan, and Fair Housing Equity Plan support the work of the Economic Development Department in the administration of the Community Development Block Grant (CDBG) fund. The CDBG Entitlement Program provides annual grants on a formula basis to entitled cities to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

Eligibility for participation as an entitlement community is based on population data provided by the U.S. Census Bureau and metropolitan area delineations published by the Office of Management and Budget. The U.S. Department of Housing and Urban Development (HUD) determines the amount of each entitlement grantee's annual funding allocation by a statutory dual formula which uses several objective measures of community needs, including the extent of poverty, population, housing overcrowding, age of housing and population growth lag in relationship to other metropolitan areas.

The Consolidated Plan is designed to help local jurisdictions assess affordable housing needs and market conditions, and to make data-driven, place-based investment decisions. The consolidated planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities that align and focus funding from the Community Planning and Development (CPD) formula block grant programs, including the CDBG programs.

UNRESOLVED ISSUES: None at this time.

ALTERNATIVES: As recommended by the City Commission.

FISCAL EFFECTS: None at this time.

Attachments:

[2024-2028 Consolidated Housing Plan Memo.pdf](#)

[Resolution 5604 Adoption of the 2024-2028 Consolidated Plan.pdf](#)

[2024-2028 Bozeman CDBG Consolidated Plan - DRAFT.pdf](#)

[2024-2028 Bozeman Fair Housing Equity Plan DRAFT.pdf](#)

[HUD Categories of Eligible Activities.pdf](#)

[CDBG Consolidated & Fair Housing Plan Presentation.pdf](#)

Report compiled on: June 13, 2024

Memorandum

REPORT TO: City Commission

FROM: Renata Munfrada, Community Housing Program Coordinator
David Fine, Economic Development Program Manager
Brit Fontenot, Economic Development Department Director

SUBJECT: 2024-2029 Consolidated Housing Plan Public Hearing

MEETING DATE: July 23, 2024

AGENDA ITEM TYPE: Action Item

RECOMMENDATION: “I move to adopt the 2024-2029 Consolidated Housing Plan, 2024 Annual Housing Action Plan, and Fair Housing Equity Plan as written via Resolution #5604.”

Background

The Consolidated Plan, Annual Housing Action Plan, and Fair Housing Equity Plan support the work of the Economic Development Department in the administration of the [Community Development Block Grant \(CDBG\)](#) fund. The [CDBG Entitlement Program](#) provides annual grants on a formula basis to entitled cities to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

Eligibility for participation as an entitlement community is based on population data provided by the U.S. Census Bureau and metropolitan area delineations published by the Office of Management and Budget. The [U.S. Department of Housing and Urban Development \(HUD\)](#) determines the amount of each entitlement grantee’s annual funding allocation by a statutory dual formula which uses several objective measures of community needs, including the extent of poverty, population, housing overcrowding, age of housing and population growth lag in relationship to other metropolitan areas.

On August 24, 2023, the City of Bozeman received notification from HUD’s Region VIII office of Community Planning and Development that the city has the sufficient population to meet the definition of a Metropolitan City under the CDBG program and is eligible to become what is known as an “entitlement jurisdiction” and is therefore eligible to receive CDBG funding directly from HUD, rather than applying for funding through the State of Montana.

The Consolidated Plan (ConPlan) is designed to help local jurisdictions assess affordable housing needs and market conditions, and to make data-driven, place-based investment decisions. The Consolidated Planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities that align and focus funding from the [Community Planning and Development \(CPD\)](#) formula block grant programs, including the CDBG program.

2024-2028 Consolidated Housing Plan

The ConPlan guides policy and investment decisions for housing, economic, economic development, and community development in Montana. It is designed to meet requirements set by HUD and various housing and community development acts passed by the U.S. Congress. The ConPlan documents needs such as affordable housing, homelessness, infrastructure, community facilities, and economic development.

The plan consolidates the planning, application, reporting, and citizen participation components of the formula programs that receive funding from HUD, with specific emphasis on the Community Development Block Grant (CDBG) program. The plan includes a five-year comprehensive, strategic plan, known as the [“Consolidated Plan for Housing and Community Development.”](#) This strategic plan assesses needs and current conditions as well as determines priorities and allocated HUD funding.

To meet the minimum requirements set forth by HUD, the ConPlan must include five main components:

1. A description of the lead agency or entity responsible for overseeing the development of the plan and a description of the process undertaken to develop the plan
2. A housing and homeless needs assessment
3. A housing market analysis
4. A strategic plan
5. A one-year Action Plan

2024 Annual Housing Action Plan

Under the five-year strategic plan, [Annual Action Plans \(AAP\)](#) further detail how the City will use funds to carry out the programs with the expected resources available, types of activities offered, distribution of funds, and other actions. In addition to submitting an AAP, the City will submit a [Consolidated Annual Performance and Evaluation Report \(CAPER\)](#), which documents accomplishments and progress towards meeting goals and objectives outlined in the ConPlan and corresponding AAP. Each CAPER is submitted to HUD within 90 days after the close of the annual plan year.

The AAP serves as the application to HUD for funding of the CDBG program. The AAP describes to HUD any changes or trends in Bozeman’s housing, homeless residents, special needs populations, and community and economic development needs. The AAP also summarizes the actions Bozeman will take to support the strategic goals identified in the ConPlan. Completing the ConPlan and AAP helps grantees determine what activities and organizations to fund in the coming year.

Fair Housing Equity Plan

In 2023, HUD published in the Federal Register a Notice of Proposed Rulemaking entitled [“Affirmatively Furthering Fair Housing.”](#) The rule implements the Fair Housing Act’s statutory mandates that HUD ensures that recipients of its funding affirmatively further fair housing (AFFH). The AFFH mandate requires that program participants proactively take meaningful actions to overcome patterns of segregation, promote fair housing choice, eliminate disparities in opportunities, and foster inclusive communities free from discrimination.

Program participants must submit to HUD for review and acceptance an Equity Plan that is developed following community engagement and contains the fair housing analysis, goals, and strategies. An Equity Plan will be submitted every five years. Program participants are required to incorporate fair housing goals from the Equity Plans into subsequent planning documents (e.g., Consolidated Plan and Annual Action Plan).

Community Engagement Approach

The Consolidated Planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities that align and focus funding from the CPD formula block grant programs. Through the ConPlan, grantee jurisdictions engage the community, both in the process of developing and reviewing the proposed plan, and as partners and stakeholders in the implementation of the CDBG program. By consulting and collaborating with other public and private entities, grantees can align and coordinate community development programs with a range of other plans, programs, and resources to achieve greater impact.

Residents play an important role in improving the quality of life in their neighborhoods and should have the opportunity to participate in processes that impact their neighborhoods and community. Community engagement and public involvement helps inform the development of the ConPlan, which will result in the setting of fair housing goals to increase fair housing choice and provide equal access to opportunity for all community members. The City will use the fair housing goals and priorities identified by community members to inform the investment and other decisions made in the Consolidated Planning process.

The Fair Housing Plan (FHP), with inclusive community participation, will result in the setting of fair housing goals to increase fair housing choice and provide equal access to opportunity for all community members. The City of Bozeman will then use the fair housing goals and priorities established to inform the investments and other decisions made in the Consolidated Planning process.

As part of the community engagement process, the City encouraged participation by low- and moderate-income residents, particularly those living in areas where federal funds are proposed to be used and those populations who have historically experienced exclusion, including racial and ethnic minorities, limited English proficient individuals, and individuals with disabilities.

Headed into the citizen participation process, staff recognized that there was overlap between this project and the engagement we performed through the Belonging in Bozeman Equity and Inclusion Plan. Both staff and the City Commission shared concerns about marginalized populations having engagement fatigue, especially after recently sharing similar and stories about vulnerability in housing needs. To avoid engagement burnout and ensure the City is still meeting HUD requirements, staff focused on incorporating feedback from the Belonging in Bozeman Plan and meeting with marginalized populations and protected classes who showed the most acute and serious housing needs.

During the citizen participation process, the City of Bozeman conducted several Resident Focus Groups which were in-depth and intentional conversations with low- and moderate-income families, seniors, residents living with disabilities, unhoused residents, and members of protected classes. These conversations expanded on themes that were developed during the City's community outreach efforts during the development of the Belonging in Bozeman (BiB) plan. One of the goals outlined in the BiB plan was to deepen engagement with underserved communities.

City staff and consultants also engaged in twelve Stakeholder Interviews with representatives from housing, community development, social services, and economic development organizations to understand trends and a wider context of issues from service providers. Emphasis was placed on organizations serving underrepresented, underserved, special needs and minority populations. These conversations identified community priority areas and goals.

In addition, the City conducted a Housing and Community Needs Survey that was open to all residents in Bozeman and Gallatin County to ensure everyone had an opportunity to give feedback on housing issues, and to allow for participation from residents and marginalized groups who may not have participated in the focus groups. The survey closed May 10 and over 950 respondents participated. The survey responses can be found within the Needs Assessment portion of the ConPlan.

Staff also presented to several City Advisory Boards, including multiple presentations to the Economic Vitality Board, the Community Development Board and the Inter-Neighborhood Council. Each of these presentations offered community members with the opportunity to provide public comment and learn more about the ConPlan, the AAP and the FHP.

The City of Bozeman strives to ensure the provision of fair housing throughout the community. As a recipient of federal funding, the City must affirmatively further fair housing by taking meaningful actions to overcome patterns of segregation, promote fair housing choice, eliminate disparities in opportunities, and foster inclusive communities free from discrimination. Federal and state fair housing laws prohibit discriminatory practices in any industry-related business or transaction that may affect the ability of protected class members to secure housing and live in the housing of their choice.

Belonging in Bozeman Housing Goals

Bozeman's [Equity Indicators Project](#) found that access to affordable housing was the top need identified by survey respondents. The [Belonging in Bozeman Equity and Inclusion Plan](#) proposed making equitable and inclusive housing a reality in Bozeman by focusing strategically on homelessness, displacement, aging in place and universal building accessibility, increasing community knowledge, and lobbying for local solutions at the state level, so that Bozeman residents of all ages, abilities, and income levels can feel confident and secure in call Bozeman home. The top housing goals and recommendations laid out in the plan are to develop a coordinated strategy to address homelessness in the Bozeman area.

Categories of Eligible Activities

HUD awards grants to entitlement community grantees to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services. At least 70 percent of CDBG funds must be used for activities that benefit low- and moderate-income persons.

Entitlement communities develop their own programs and funding priorities. However, grantees must give maximum feasibility priority to activities which benefit low- and moderate-income persons. A grantee may also carry out activities which aid in the prevention or elimination of slums or blight. Additionally, grantees may fund activities when the grantee certifies that the activities meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs. CDBG funds may not be used for activities which do not meet at least one of the national objectives.

CDBG funds may be used for activities which include, but are not limited to:

- Acquisition of real property
- Relocation and demolition
- Rehabilitation or residential and non-residential structures

- Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhoods centers, and the conversion of school buildings for eligible purposes
- Public services, within certain limits
- Activities relating to energy conservation and renewable energy resources
- Provision of assistance to profit-motivated businesses to carry out economic development and job creation and retention activities

Each activity must meet at least one of the following national objectives for the program: benefit low- and moderate-income persons, prevention or elimination of slums or blight, or address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

Generally, the following types of activities are ineligible:

- Acquisition, construction, or reconstruction of buildings for the general conduct of government
- Political activities
- Certain income payments
- Construction of new housing (with some exceptions)

HUD has published a [Guide to National Objectives and Eligible Activities for Entitlement Communities](#) which contains [Categories of Eligible Activities](#) which outlines each of the permissible uses of CDBG funding. HUD also publishes an annual [CDBG Activity Expenditure Report](#) for each entitlement jurisdiction.

CDBG Allocation

The CDBG statute identifies poverty, neighborhood blight, deteriorated housing, physical and economic distress, decline, suitability of one's living environment, and isolation of income groups, among others, as important components of community development need. The [Community Planning and Development Formula Program Allocations](#) reflect the level of funding approved for the CDBG program in each community. These annual formula grants provide critical funding for a wide range of activities to address their most pressing local needs, providing flexible resources to facilitate the creation of affordable housing development, support homeowners, provide life-saving assistance to people experiencing homelessness, create jobs, and improve public facilities, community resilience, and local economies.

Entitlement jurisdictions are metropolitan cities with populations of at least 50,000 residents as determined by the [Office of Management and Budget \(OMB\)](#). When the City of Bozeman surpassed this threshold, it became entitled to receive CDBG dollars directly from HUD, rather than applying through the State of Montana. Bozeman is now eligible to receive an earmarked annual allocation each year. Entitlement communities develop their own programs and funding priorities.

In 2024, the City of Bozeman is eligible to receive \$325,859 in CDBG funding. By comparison, the City of Missoula will get an allocation of \$533,969. The City of Billings will collect \$651,536 and the State of Montana will secure \$6,172,506 in funds. The City's allocation will total nearly \$1.6 million over the course of five years.

HUD uses a dual formula to calculate awards. Formula A has a 50% weight on the number of persons in poverty, a 25% weight on total population, and a 25% weight on the number of overcrowded households. Formula B has a 50% weight on the number of housing units built before 1940, a 30% weight on the number of persons in poverty, and a 20% weight on population growth lag from 1960. This dual formula

enables CDBG dollars to specifically target communities with the most pressing needs and the least ability to address those needs with their own resources.

Economic Vitality Board Recommendation

A public hearing before the [Economic Vitality Board](#) (EVB) was held on June 5, 2024, to provide the public an opportunity to comment on the plan development process, community engagement strategy, and to identify other significant housing and community development needs in the city.

The EVB discussed how far the limited funds would go and what types of projects or activities could be funded with this CDBG allocation and what the scale and impact of those activities might be. The board stated that the City's priorities should match the scale of funding and staffing and other resources available. The EVB supported staff's recommendation to prioritize transitional and emergency housing for the unhoused residents living in this community.

The EVB unanimously agreed that addressing homelessness is a critical need in the community and that the City should focus on the most at-risk population. The City should target funding at lower AMI ranges and activities where there are not currently sufficient funding sources. The EVB discussed how crucial transitional and emergency housing is and that this is an issue that keeps coming up in community engagement efforts year over year, and that it is important for the City to listen to the community. The board stated that hundreds of people transition in and out of the current homeless shelter, and that funding projects to house and support these individuals can be life-changing and even lifesaving.

In addition to supporting transitional and emergency housing as a top funding priority, the EVB recommended that housing rehabilitation and preservation, as well as universal design for the elderly and persons living with disabilities should be prioritized in the ConPlan and AAP. The board stated that maintaining existing affordable housing stock prevents displacement of our residents and workforce. Adequate workforce housing helps small business attract and retain staff and stay open. This supports local businesses and stabilizes the economy. Similarly, universal design projects help house the elderly and persons living with disabilities so they can remain independent in the community.

The EVB voted unanimously to recommend that transitional and emergency housing for the unhoused, universal design for the elderly and persons with disabilities, and housing rehabilitation and preservation be prioritized in the ConPlan and AAP. Furthermore, the board recommended that CDBG funding be used to support the unhoused, particularly with transitional and emergency housing in any capacity that is an allowable use of CDBG.

Conclusion

The ConPlan is a guiding document and a tool the City of Bozeman can use to influence how federal housing and community development dollars are spent in our community. The ConPlan merges into one process, and one document, all the planning and applicable requirements of the CDBG program. This long-term plan must be done at least every five years. It must indicate general priorities for allocating CDBG monies and must describe the rationale for the fund allocation priorities. The purpose of this public hearing is to give the community the opportunity to provide feedback to City staff about the 2024-2029 Consolidated Plan, 2024 Annual Community Housing Action Plan, and Fair Housing Equity Plan. In addition, the City Commission will be asked to determine the City's top strategic priorities to be included in the 2024 Action Plan, and to determine the City's top funding priorities for the use of CDBG funds.



RESOLUTION 5604

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF BOZEMAN, MONTANA, ADOPTING THE 2024-2029 CONSOLIDATED HOUSING PLAN, 2024-2029 FAIR HOUSING EQUITY PLAN, AND THE 2024 ANNUAL HOUSING ACTION PLAN.

WHEREAS, the Consolidated Plan, Annual Action Plan, and Fair Housing Plan support the work of the City of Bozeman in the administration of the Community Development Block Grant (CDBG) fund. The CDBG Entitlement Program provides annual grants on a formula basis to entitled cities to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low-and moderate-income persons.

WHEREAS, eligibility for participation as an entitlement community is based on population data provided by the U.S. Census Bureau and metropolitan area delineations published by the Office of Management and Budget. The U.S. Department of Housing and Urban Development (HUD) determine the amount of each entitlement grantee's annual funding allocation by statutory dual formula which uses several objective measures of community needs, including the extent of poverty, population, housing overcrowding, age of housing and population growth lag in relationship to other metropolitan areas.

WHEREAS, the Consolidated Plan guides policy and investment for housing, economic, and other community development in Montana. It is designed to meet requirements set forth by HUD and various housing and community development acts passed by the U.S. Congress. The Consolidated Plan documents needs as affordable housing, homelessness, infrastructure, community facilities, and economic development.

WHEREAS, on August 24, 2023, the City of Bozeman received notification from HUD's Region VIII Office of Community Planning and Development that the city has the sufficient population to meet the definition of a Metropolitan City under the CDBG program and is eligible to become what is known as an "entitlement jurisdiction" and is therefore eligible to receive CDBG funding directly from HUD.

WHEREAS, on May 18, 2024 the City of Bozeman received notification from the Office of Community Planning and Development (CPD) that the City’s Fiscal Year 2024 allocation for the Community Development Block Grant (CDBG) is \$325,859.00. These grant funds provide the financial tools to support low- and moderate-income individuals, families, and communities to address homelessness, affordable housing challenges, aging infrastructure, and economic hardship.

WHEREAS, the Belonging in Bozeman Equity and Inclusion Plan outlines a collective vision for the City of Bozeman where housing is available, affordable, accessible, and safe. The plan proposes making equitable and inclusive housing a reality in Bozeman by focusing strategically on homelessness, displacement, aging in place and universal building accessibility, increasing community knowledge, and lobbying for local solutions at the state level, so that Bozeman residents of all ages, abilities, and income levels can feel confident and secure in call Bozeman their home.

WHEREAS, on June 15, 2024, a public hearing was held before the Economic Development Board to provide the public an opportunity to comment on the plan development process, community engagement strategy, and to identify other significant housing and community development needs in the community. The Board unanimously agreed that addressing homelessness is a critical need in the community and that the City should focus on the most at-risk population with CDBG funding.

WHEREAS, the Bozeman Strategic Plan, adopted on April 16, 2018, via Resolution 4852, calls for the City of Bozeman to vigorously encourage, through a wide variety of actions, the development of sustainable and lasting housing options for underserved individuals and families and improve mobility options that accommodate all travel modes.

WHEREAS, The Bozeman City Commission has demonstrated a strong commitment to funding and facilitating safe, accessible, and affordable housing in Bozeman.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Bozeman, Montana, to wit:

Section 1

The 2024-2029 Consolidated Housing Plan, 2024-2029 Fair Housing Plan, and the 2024 Annual Housing Action Plan for the City of Bozeman, attached hereto as Exhibit A, are hereby adopted serving as a framework to identify housing and community development priorities that align with focus funding from HUD’s Community Planning and Development Programs.

Section 2

The City Manager is hereby authorized to submit the 2024-2029 Consolidated Housing Plan, 2024-2029 Fair Housing Equity Plan, and the 2024 Annual Action Plan to the U.S. Department of Housing and Urban Development for approval.

Section 3

The City Manager is further authorized to take all necessary actions to implement the strategies and objectives outlined in the Consolidated Plan, including but not limited to the allocation and administration of federal funds received through HUD programs.

Section 4

Effective Date

The Resolution shall be in full force and effective upon passage.

PASSED, ADOPTED, AND APPROVED by the City Commission of the City of Bozeman, Montana, at a regular session thereof held on the ____ day of _____, 20____.

TERRY CUNNINGHAM

Mayor

ATTEST:

MIKE MAAS

City Clerk

APPROVED AS TO FORM:

GREG SULLIVAN

City Attorney



DRAFT

Community Development Block Grant (CDBG) Consolidated Plan for Fiscal Years 2025-2029

What is the Consolidated Plan?: *This document is a requirement of the U.S. Department of Housing and Urban Development (HUD) as a condition of receiving a direct allocation of Community Development Block Grant (CDBG) funds. It provides the vision, goals, and plan specifically for allocating CDBG funds granted to the City by HUD. These funds must benefit low- and moderate-income households.*

*This document is not intended to replace the City's other housing plans, most notably the **Community Housing Action Plan**, which provides a comprehensive strategy across the housing continuum and prioritizes a broader set of resources.*

PREPARED FOR:

City of Bozeman Economic Development Dept.
121 N. Rouse Avenue, Bozeman, MT 59715
www.bozeman.net/departments/economic-development
(406) 582-2300

ADOPTED

TBD

Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

This document – the City of Bozeman’s five-year Consolidated Plan for Fiscal Years 2025-2029 (Consolidated Plan) – provides the vision, goals, and plan for allocating federal housing and community development funds granted to the City by the U.S. Department of Housing and Urban Development (HUD). These funds must benefit low- and moderate-income households.

HUD block grant funds covered by this plan include:

- **Community Development Block Grant (CDBG):** CDBG primarily funds community and economic development activities. Examples of eligible activities include: building and rehabilitating community centers and nonprofit facilities, improving public infrastructure such as sidewalks and lighting and roads, supporting skill development and job acquisition for workers, and providing direct services to eligible individuals. CDBG funds can be used for some housing activities including home rehabilitation, accessibility improvements to accommodate persons living with disabilities, and down payment assistance for homebuying – as well as emergency and disaster response assistance.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The greatest housing and community development needs in Bozeman identified through the development of this Plan include:

- More affordable rental housing options, particularly for local workforce;
- More affordable homeownership opportunities;
- More transitional housing and emergency shelter options;
- More accessible housing and supportive housing;
- Increased access to critical community services, such as mental health services, chemical dependency services, and affordable and available childcare.

The five-year goals established to address housing and community development needs in Bozeman include:

- Increase, protect and preserve affordable rental and homeownership housing opportunities by improving access to a diverse set of affordable housing, including but not limited to, naturally occurring affordable housing (NOAH), supportive housing for seniors and residents living with disabilities, and accessible housing.

- Improve housing stability for individuals and households with critical needs, including persons experiencing or at-risk of homelessness by providing appropriate housing and service solutions grounded in Housing First approaches, including but not limited to, emergency shelter, transitional housing, and other supportive services.
- Improve community services by addressing critical needs and promoting equity through improved or increased access to community programming, including but not limited to, mental health services, chemical dependency services, and affordable and available childcare.
- Planning and Administration to support the goals articulated above.

3. Evaluation of past performance

The City of Bozeman received notification that it has sufficient population to meet the definition of a Metropolitan City under the Community Development Block Grant program and is entitled to an annual formula allocation of CDBG funds in Federal Fiscal Year 2024 on August 24, 2023. As such, this is the City's first Consolidated Plan..

4. Summary of citizen participation process and consultation process

The City of Bozeman's primary goal for community participation is to facilitate engagement opportunities that allow for a broad and diverse representation of the community to participate in the development of the plan. Additionally, the City engaged with housing, economic, and other service agencies, organizations, and experts to gather current information on the needs and priorities of low- to moderate-income households in Bozeman. Specifically, the City:

- Presented to the City Commission on April 16, 2024 and July 23, 2024. Presented to the Economic Vitality Board twice over the course of the plan's development. Presented to the Inter-Nighborhood Council on June 13, 2024 and the Community Development Board on July 15, 2024. These meetings are open to the public.
- Consulted with representatives from several agencies and organizations to collect specific feedback on the needs and priorities of the populations they serve.
- Hosted four focus groups with organizations that serve residents living with disabilities, families and individuals experiencing homelessness
- Developed a community needs survey in English and Spanish to identify the greatest needs in the residents' neighborhoods and how they want the City to prioritize federal funding. The City worked with several service providers and nonprofit organizations to promote the survey.
- Held a 30-day draft public comment period and two public hearings to provide additional opportunities for residents to provide input and comment on the draft document.

5. Summary of public comments

(NOTE: This section will be completed after the public comment period has concluded and prior to submission of the final version to HUD. All public comments received will be published in the final draft and staff responses will be provided if needed).

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

(NOTE: This section will be completed after the public comment period has concluded and prior to submission of the final version to HUD. All public comments received will be published in the final draft and staff responses will be provided if needed).

7. Summary

(NOTE: This section will be completed after the public comment period has concluded and prior to submission of the final version to HUD).

DRAFT

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

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

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	BOZEMAN	
CDBG Administrator	BOZEMAN	City of Bozeman Economic Development Department

Table 1 – Responsible Agencies

Narrative

The City of Bozeman's Economic Development Department administers the Community Development Block Grant (CDBG) program for the city of Bozeman, Montana. The City has administered the CDBG Entitlement Program since 2024.

CDBG funds are awarded to the City from the U.S. Department of Housing and Urban Development (HUD) annual budget on the Federal Fiscal Year (FFY). The FFY24 runs from October 1, 2023 through September 30, 2024. Program Years (PY) are adopted by each local jurisdiction and can be different than the FFY. The City of Bozeman Program Year 2024 runs November 1, 2024 through October 31, 2025.

Consolidated Plan Public Contact Information

For more information about Bozeman's 2024-2028 Consolidated Plan:

- Go-to: <https://engage.bozeman.net/consolidatedplan>
- Call: 406-582-2258
- Mail/Visit: City of Bozeman, Economic Development Department, 121 N. Rouse Avenue, Bozeman, MT, 59715

PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(I) and 91.315(I)

Introduction

This section summarizes how the City of Bozeman coordinates with housing providers, other relevant government departments and agencies, including the state Continuum of Care, and reviews how the City consulted with stakeholders during the development of the Consolidated Plan.

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)).

The City works with the Regional Housing Coalition (a Coalition of housing providers, developers, the business community, and local government) to inform and shape priorities and strategies to address housing needs. The Regional Housing Coalition hosts a subcommittee called the Unhoused to Housed Initiative (a committee with representation from homeless service providers and City and County officials and personnel) that assesses service gaps and develops regional strategies and priorities to address homelessness. The City works with the Gallatin Behavioral Health Coalition (a Coalition of healthcare and service providers and local governments) to identify gaps and implement strategies to address mental health service needs across the community.

The City of Bozeman and Gallatin County do not have a public housing authority. The Human Resource Development Council of District IX, Inc. (HRDC) has acted as a public housing authority for the City and County since 1995.

HRDC is a Certified Housing Development Organization, Community Development Corporation, and Community Action Agency. HRDC develops, preserves, owns, and manages affordable housing, ranging from multi-family properties with HUD subsidies to Low-Income Housing Tax Credit developments to single and multi-family community land trust homes. HRDC also provides housing services ranging from emergency shelter to transitional housing to rental assistance to homebuyer education and down payment assistance. HRDC also administers the Section 8 Housing Choice Voucher program as a field agent for the State of Montana.

The City of Bozeman and Gallatin County and HRDC work closely to ensure coordination across public and private housing and service organizations.

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

The Montana Continuum of Care Coalition (MTCOC) is responsible for local, regional, and statewide coordination of housing and services for individuals and families experiencing homelessness. The MTCOC does not provide direct assistance with housing or support services. They work with local service

providers across Montana to help individuals, families, and youth experiencing homelessness. HRDC acts as the MTCoC Local Coordinator. Pathways MISI is a not-for-profit partnership that supports the success of HRDC's Continuum of Care. Pathways offers planning, data, and consulting services that help HRDC plan for growth and comply with HUD, HMIS, HIPPA and other applicable regulations.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

City of Bozeman collaborates with HRDC, which manages our region's CoC services. The Regional Housing Coalition hosts a subcommittee called the Unhoused to Housed Initiative (a committee with representation from homeless service providers and City and County officials and personnel) that assesses service gaps and develops regional strategies and priorities to address homelessness. HRDC, as the ESG grantee determines how to allocate ESG funds, develop performance standards, evaluate outcomes, develop funding, policies, and procedures for the administration of HMIS. The City meets with HRDC on a monthly basis to discuss issues such as homelessness, transitional housing, rapid rehousing, permanent supportive housing, navigation services, and first-time homebuyer education. The City also supports HRDC's year-round shelter.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Agency/Group/Organization	Agency/Group/ Organization Type	What section of the Plan was addressed by Consultation?	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?
CHILD CARE CONNECTIONS	Services – Children	Needs Assessment and Strategic Plan	A representative from Child Care Connections provided input on needs and outcomes during a stakeholder meeting on Wednesday, April 17, 2024.
MONTANA HOUSING COALITION	Other – Statewide housing coalition	Needs Assessment, Market Analysis, and Strategic Plan	A representative from Montana Housing Coalition provided input on needs and outcomes during a stakeholder meeting on Wednesday, April 17, 2024.
GROUNDPRINT	Planning Organization	Needs Assessment, Market Analysis, and Strategic Plan	A representative from Groundprint provided input on needs and outcomes during a stakeholder meeting on Thursday, April 18, 2024.
REACH, Inc.	Services – Persons with Disabilities	Needs Assessment, Market Analysis, and Strategic Plan	A representative from REACH provided input on needs and outcomes during a stakeholder meeting on Thursday, April 18, 2024.
BOZEMAN CHAMBER OF COMMERCE	Business Leaders	Needs Assessment, Market Analysis, and Strategic Plan	A representative from the Bozeman Chamber of Commerce provided input on needs and outcomes during a stakeholder meeting on Friday, April 19, 2024.
BRIDGERCARE	Services – Health	Needs Assessment and Strategic Plan	A representative from Bridgercare provided input on needs and outcomes during a stakeholder meeting on Friday, April 19, 2024.
HAVEN	Services – Victims of Domestic Violence	Needs Assessment, Market Analysis, and Strategic Plan	A representative from Haven provided input on needs and outcomes during a stakeholder meeting on Tuesday, April 23, 2024.
FAMILY PROMISE OF GALLATIN VALLEY	Services – Housing, Homeless, Children	Needs Assessment, Market Analysis, and Strategic Plan	A representative from Family Promise of Gallatin Valley provided input on needs and outcomes during a stakeholder meeting on Wednesday, April 24, 2024.

STATE OF MONTANA CONTINUUM OF CARE COALITION	Other – Statewide CoC	Needs Assessment and Strategic Plan	A representative from the Montana CoC provided input on needs and outcomes during a stakeholder meeting on Thursday, April 25, 2024.
MSU INNOVATION CAMPUS	Services – Education, Employment, Business Leaders	Market Analysis and Strategic Plan	A representative from the MSU Innovation Campus provided input on needs and outcomes during a stakeholder meeting on Tuesday, April 30, 2024.
HEADWATERS HOUSING TRUST	Housing	Needs Assessment, Market Analysis, and Strategic Plan	Two representatives from Headwaters Housing Trust provided input on needs and outcomes during a stakeholder meeting on Wednesday, May 1, 2024.
THE HRDC	Services – Housing, Homeless, Education, Employment, and Health	Needs Assessment, Market Analysis, and Strategic Plan	A representative from HRDC provided input on needs and outcomes during a stakeholder meeting on Wednesday, May 1, 2024
GREATER GALLATIN UNITED WAY	Services – Education, Children, and Health	Needs Assessment and Strategic Plan	A representative from Greater Gallatin United Way provided input on needs and outcomes during a stakeholder meeting on Tuesday, June 11, 2024.
GALLATIN COUNTY EMERGENCY MANAGEMENT	Agency – Emergency Management		A representative from Gallatin County Emergency Management provided input on needs and outcomes during a stakeholder meeting on Thursday, June 13, 2024.

Table 2 – Agencies, groups, organizations who participated

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

All relevant agencies and groups were invited to participate in the development of the Consolidated Plan; none were intentionally excluded or not invited to participate.

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

The plans, studies, and community engagement activities conducted by other city departments and other partners and organizations were consulted during the development of the Consolidated Plan

appear in the matrix below (Table 3). Relevant information from those documents appears throughout this Consolidated Plan.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
2023 Belonging in Bozeman Equity Plan	City of Bozeman	City's Diversity, Equity, and Inclusion Plan. The Consolidated Plan goals were developed in alignment with the Belonging in Bozeman goals.
2020 Community Housing Action Plan	City of Bozeman	The Community Housing Action Plan outlines a partnership framework to address community housing in Bozeman over the next five years. The CHAP helped to inform the development of the Consolidated Plan goals.
2020 Bozeman Community Plan	City of Bozeman	The City's General Plan guiding growth and community development. The Plan helped to inform the development of the Consolidated Plan goals.
2023 Economic Development Strategy	City of Bozeman	This Strategy provides deliberate direction to guide actions that will evolve over the next five years to meet dynamic economic and business conditions. The Consolidated Plan goals were developed in alignment with the EDS goals.
2020 Bozeman Climate Plan	City of Bozeman	Bozeman's Climate Plan to reduce the City's GHG emissions and create a more resilient and equitable community. The Climate Plan helped to inform the development of the Consolidated Plan goals.
2019 City of Bozeman Vulnerability Assessment and Resiliency Strategy	City of Bozeman	This Assessment and Strategy helps the City anticipate how best to adapt to the risks associated with climate change. This Strategy helped to inform the development of the Consolidated Plan goals.

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))

The City of Bozeman intends to coordinate with Gallatin County, the Regional Housing Coalition, and the Montana Housing Coalition in the implementation of the Consolidated Plan.

While the City of Bozeman is creating its Consolidated Plan, Gallatin County is writing a growth policy including a housing strategy to create a comprehensive, balanced, and equitable housing strategy that identifies opportunities for Gallatin County to address growing housing challenges. The purpose of the strategy is to: understand how the housing market has changed across the County; identify what types of housing people need compared to what the market is providing; and determine roles for the County to improve housing access for employees and residents.

By uniting diverse experts and decision-makers – from government leaders to housing developers, banks, realtors, employers, and more – the Regional Housing Coalition (RHC) ignites collaboration and

innovation to tackle the region’s pressing challenges of housing attainability and affordability. The RHC informs community members, coordinates diverse partners, and resources, and catalyzes solutions to address housing stability and attainability in Gallatin County. Through strategic coordination and alignment, the coalition ensures that resources are leveraged, and every effort is synchronized towards a common goal.

The Montana Housing Coalition (MHC) advocates for state housing policy that creates homes that working families, seniors, veterans, and Montanans with disabilities can afford to rent or buy. Legislative priorities for the MHC include: support of a State Workforce Housing Tax Credit; reauthorization of the Coal Trust Multifamily Homes Program; and investment in the Housing Montana Fund.

Narrative (optional):

PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

Public Meetings

The City's Economic Vitality Citizen Advisory Board (EVB) works with the City's Economic Development Department on general economic development, housing, municipal art, and diversity, equity, and inclusion efforts. For the development of this plan, the City engaged with the following groups:

- City Commission—April 16, 2024 and July 23, 2024
- Economic Vitality Board—April 18, 2024 and June 5, 2024
- Inter-Neighborhood Council—June 13, 2024
- Community Development Board—July 15, 2024

Housing and Community Needs Survey

The City of Bozeman developed a housing and community needs survey for both residents and stakeholders to identify respondents' greatest housing, community development, public service, and economic development needs, as well as provide feedback on how the City should prioritize its funding. The survey was available online from March 25th to May 10th, 2024, in both English and Spanish. Additionally, the survey was available in hard copy form in English and Spanish. The survey was promoted through email blasts, social media, stakeholder networks, and community partners and organizations. More than 950 responses to the survey were received. A complete summary of the survey findings can be found in the Community Engagement Findings report section in the appendix.

Public Hearings

Two public hearings were held at City Council meetings throughout the development of the plan.

- April 16th, 2024 – City Council was given an overview of the Consolidated Plan planning process and community engagement strategy. The public was asked to provide feedback on the plan development process, community engagement strategy, and other significant housing and community development needs in the city. A summary of those comments are below.

Several comments were made during this public hearing, including a significant need for more affordable housing. Supportive housing for people living with disabilities and tiny home communities were noted as housing types needed in Bozeman. Residents also encouraged this plan to draw on needs and outcomes from previous community engagement efforts, specifically the Belonging in Bozeman plan. Another resident advocated for the City to host fair housing workshops or provide educational resources about fair housing for residents.

- July 23rd, 2024 – City Council will be given an overview of the draft Consolidated Plan and asked to consider adoption of the plan. This public hearing will be held during the 30-day public comment period from July 1 to July 31, 2024, to receive final comments and feedback on the draft Consolidated Plan.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Housing and Community Needs Survey	Low- and moderate-income residents, other vulnerable populations.	953 Bozeman residents and stakeholders responded to the survey. The survey was open from March to May 2024.	Findings from the housing and community needs survey are summarized in Section II of the City's Fair Housing Plan (Appendix to this plan).	All comments were accepted.	n/a
2	Public Hearing	Non-targeted/broad community	A public hearing before City Commission was held on April 16, 2024, to provide the public an opportunity to comment on the plan development process, community engagement strategy, and to identify other significant housing and community development needs in the city.	Comments from this public hearing are summarized above in the PR-15 section.	All comments were accepted.	n/a
3	Public Hearing	Non-targeted/broad community	A public hearing before the Economic Vitality Board was held on June 5, 2024, to provide the public an opportunity to comment on the plan development process, community engagement strategy, and to identify other significant housing and community development needs in the city.	Findings from this public meeting are summarized in the Community Engagement Appendix.	All comments were accepted.	n/a

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Public Meeting	Non-targeted/broad community	A public meeting was held before the Inter Neighborhood Council on June 13, 2024, to provide the public an opportunity to comment on the City's draft Consolidated Plan.	Comments will be summarized in the final version of the Consolidated Plan.	TBD	n/a
5	Public Hearing	Non-targeted/broad community	A public hearing will be held before the Community Development Board on July 15, 2024, to provide the public an opportunity to comment on the City's draft Consolidated Plan.	Comments will be summarized in the final version of the Consolidated Plan.	TBD	n/a
6	Public Hearing	Non-targeted/broad community	A public hearing will be held before the City Commission on July 23, 2024, to provide the public an opportunity to comment on the City's draft Consolidated Plan.	Comments will be summarized in the final version of the Consolidated Plan.	TBD	n/a

Table 4 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The needs assessment examines a variety of housing, homeless, community development, and non-homeless special needs through an analysis of the most updated Census data and CHAS data. These data quantify housing problems, such as overcrowding and cost burden and disproportionate needs, and measure the magnitude of non-homeless special needs populations, including elderly residents, people experiencing disabilities, or populations with HIV/AIDS.

Between 2009 and 2020, according to American Community Survey (ACS) data, the City of Bozeman gained 8,010 people, an increase of 20%. The number of households increased by 23%, meaning that household formation outpaced population growth. This is due to a significant increase in the number of people in Bozeman who are living in non-family households (2,695 households) compared to a much smaller increase in the number of families with children (617). This trend is likely driven by the increase in student population over the last decade. Average household size has remained largely the same during this time period (2.11 in 2010, 2.17 in 2020).

Median household income has increased by nearly a third over the same time period and is now \$59,695. Between 2010 and 2020, median income increased across racial and ethnic groups, but not equally: White, non-Hispanic median household income rose by \$18,161; American Indian/Alaska Native median household income rose by \$13,931; Hispanic median household income rose by \$10,162; and Black/African American median household income rose by \$9,520.

The primary housing needs in Bozeman, as presented in HUD CHAS housing problems data, include:

- **Severe housing cost burden**, where households pay more than 50% of their household gross income on housing, is the most common housing problem for renters and owners with incomes of less than 50% AMI.
- **Affordability**. The median income in Bozeman has grown 31% since 2009. This has brought with it affordability challenges for those who have not seen wages keep pace with housing costs—particularly households living on fixed incomes or with limited ability to work. The challenges of rising housing costs disproportionately fall on certain resident groups including people with disabilities, people experiencing domestic violence, single parents with young children, and people with mental health challenges.
- **Homelessness**. The 2024 Point-in-Time (PIT) Count identified 409 individuals experiencing homelessness in Bozeman in January 2024, which accounted for 20% of all residents experiencing homelessness in the state of Montana identified during this year's count. Comparing these data to 2022 5-year ACS data, Hispanic, American Indian and/or Alaska Native,

and Black/African American residents are all overrepresented in the unhoused population in comparison to their proportions in Bozeman's general population.

- **Non-homeless special needs.** Residents who are victims of domestic violence, have young children in their households; and/or have past experiences with drug or alcohol addiction face the highest barriers to finding stable housing. The greatest needs identified for these populations were more access to supportive housing situations, such as transitional housing and permanent supportive housing. Additionally, these populations need access to a wide range of supportive services, including mental health services, life skills/independent living support, counseling, care management, and accessible transportation to health care facilities and employment.

The five most critical housing needs in Bozeman identified in the housing and community needs survey include:

- Homeownership opportunities (84% of survey respondents, n=796);
- Rental housing for low-income renters (75%, n=711);
- Workforce housing (55%, n=525);
- Emergency shelter (38%, n=364); and
- Housing rehabilitation for low-income renters (36%, n=342).

The five most critical community development needs in Bozeman identified in the housing and community needs survey include:

- Affordable childcare (65% of survey respondents, n=615);
- Mental health services (52%, n=477);
- Supportive services for vulnerable populations (37%, n=353);
- Climate-resilience planning and implementation (33%, n=316); and
- More public transportation options (29%, n=276).

NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

Summary of Housing Needs

The following data provide an analysis of housing problems in the City of Bozeman, as measured by HUD's unique Comprehensive Housing Affordability Strategy (CHAS) data.

There are four housing problems reflected in the CHAS data: 1) housing unit lacks complete kitchen facilities; 2) housing unit lacks complete plumbing facilities; 3) household is overcrowded; and 4) household is cost burdened.

A household is said to have a housing problem if they have any 1 or more of these 4 problems.

- Overcrowding— more than 1 person per room.
- Severe overcrowding—more than 1.5 persons per room.
- Cost burden—monthly housing costs (including utilities) exceeding 30% of monthly income.
- Severe cost burden—monthly housing costs (including utilities) exceeding 50% of monthly income.

Population and household growth. The population of the city of Bozeman grew by 20% between 2009 and 2020, with the addition of 8,010 people. Household growth outpaced population growth, increasing 23% overall. This difference was driven by a significant increase in the number of people living in non-family households (e.g., students) compared to a much smaller increase in the number of families with children.

Income growth. Median income increased by nearly a third (31%) between 2009 and 2020 and is now \$59,695.

Households by income and type. An estimated 3,385 Bozeman households have incomes of less than 30% AMI (17% of all households), and another 3,250 households have incomes between 31% and 50% AMI (16% of all households). In sum, a third of households of the city's households are very low income.

There are approximately 12x as many small family households as large households, and close to twice as many senior households with younger children, in the city.

Demographics	Base Year: 2009	Most Recent Year: 2020	% Change
Population	40,320	48,330	20%
Households	16,575	20,455	23%
Median Income	\$45,729.00	\$59,695.00	31%

Table 5 - Housing Needs Assessment Demographics

Alternate Data Source Name:

American Community Survey

Data Source Comments:

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	3,385	3,250	3,620	2,355	7,850
Small Family Households	495	770	1,015	560	3,955
Large Family Households	10	225	60	25	255
Household contains at least one person 62-74 years of age	285	275	555	320	1,470
Household contains at least one person age 75 or older	330	220	185	255	395
Households with one or more children 6 years old or younger	205	505	359	130	469

Table 6 - Total Households Table

Data 2016-2020 CHAS
Source:

Housing Needs Summary Tables

Of the Housing Problems included in Table 7, severe housing cost burden is the most common housing problem for renters and owners with incomes of less than 50% AMI.

Severe cost burden is most prevalent among 0-30% AMI renters and owners. For renters with incomes of 30% AMI and higher, cost burden is a more common problem than severe cost burden. The data show that owners with incomes less than 30% AMI and greater than 50% AMI are more likely to be cost burdened, while owners with incomes between 30% and 50% are more likely to experience severe cost burden. Nearly half of homeowners experiencing cost burden have incomes between 51% and 80% AMI, highlighting the challenges of keeping up with mortgage payments in a high-cost market. In all, 2,950 renters and 645 owners are severely cost burdened, while 2,350 renters and 1,235 owners are cost burdened.

Compared to cost burden, a significantly smaller proportion of Bozeman's population experience other housing problems. Severe overcrowding, defined as more than 1.5 people per room, affects 100 renters in Bozeman. Similarly, approximately 100 renters are impacted by substandard housing, defined as lacking complete plumbing or kitchen facilities.

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	60	20	15	20	115	0	0	0	0	0
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	10	50	40	0	100	0	0	0	0	0
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	0	4	0	0	4	0	0	10	0	10
Housing cost burden greater than 50% of income (and none of the above problems)	2,095	810	45	0	2,950	270	210	110	55	645
Housing cost burden greater than 30% of income (and none of the above problems)	230	1,320	745	55	2,350	310	145	595	185	1,235
Zero/negative Income (and none of the above problems)	120	0	0	0	120	70	0	0	0	70

Table 7 – Housing Problems Table

Data 2016-2020 CHAS
Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or

complete plumbing, severe overcrowding, severe cost burden)

The data in Table 8 shows that renters with incomes below 30% AMI are more likely than other household types to be affected by housing problems—81% of renters in this income bracket have housing problems. Once renters reach incomes of 50% AMI and higher, their likelihood of having housing problems diminishes.

While homeowners are significantly less likely to experience one or more of the four housing problems compared to renters, the greatest proportion of homeowners who experience at least one or more housing problem are owners with income between 0-30% AMI—38% of these households face some type of housing problem.

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	2,165	890	105	20	3,180	270	210	120	55	655
Having none of four housing problems	500	1,795	2,220	1,180	5,695	445	360	1,175	1,100	3,080
Household has negative income, but none of the other housing problems	0	0	0	0	0	0	0	0	0	0

Table 8 – Housing Problems 2

Data Source: 2016-2020 CHAS

Table 3 shows the number of Bozeman households paying more than 30% of their gross household income for housing, including those who pay more than 50%, defined as severe cost burden. Of the household types presented in Table 3, Other households, Large Related households, and Small Related households have the highest *rates* of cost burden across income ranges (calculated by dividing the number of cost burdened households by all households for each household group).

For Other households, 84% of households with 0-30% AMI are cost burdened; 78% of 31-50% AMI households are cost burdened; and 67% of all households with incomes of less than 80% AMI are cost burdened. For Large households, 100% of households with 0-30% AMI are cost burdened (10 households in total); 60% of 31-50% AMI are cost burdened; and 56% of all households with incomes less than 80% AMI are cost burdened. For Small Related households, 58% of households with incomes between 0-30% and 61% of 31-50% AMI households are cost burdened. Cost burden is lowest for elderly households.

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	285	470	85	840	125	40	310	475
Large Related	10	135	20	165	0	85	20	105
Elderly	190	235	69	494	304	109	200	613
Other	1,910	1,365	615	3,890	150	115	190	455
Total need by income	2,395	2,205	789	5,389	579	349	720	1,648

Table 9 – Cost Burden > 30%

Data 2016-2020 CHAS
Source:

Severe cost burden—defined as housing costs exceeding 50% of gross household income—is highly prevalent among 31-50% AMI households and much less common among 0-30% and 51-80% AMI households. All Other households with income between 31-50% AMI are severely cost burdened. Additionally, 40% of Other households with incomes of 80% AMI or less are severely cost burdened. Severe cost burden is lowest for Large Related and Small Related households.

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	0	0	125	125	110	30	0	140
Large Related	0	0	0	0	0	75	10	85
Elderly	170	110	15	295	50	60	85	195
Other	0	1,755	595	2,350	110	0	0	110
Total need by income	170	1,865	735	2,770	270	165	95	530

Table 10 – Cost Burden > 50%

Data 2016-2020 CHAS
Source:

Overcrowding impacts significantly fewer households than cost burden—approximately 110 renters and 10 owners. By household type, renters are more likely than owners to be living in overcrowded conditions, and single-family households experience more overcrowding than unrelated and other non-family households. Data are not available for the number of households with children living in overcrowded conditions.

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	10	49	40	0	99	0	0	10	0	10
Multiple, unrelated family households	0	0	0	0	0	0	0	0	0	0
Other, non-family households	0	10	0	0	10	0	0	0	0	0
Total need by income	10	59	40	0	109	0	0	10	0	10

Table 11 – Crowding Information – 1/2

Data Source: 2016-2020 CHAS

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	0	0	0	0	0	0	0	0

Table 12 – Crowding Information – 2/2

Data Source:
Comments:

Describe the number and type of single person households in need of housing assistance.

The category of “Other” in the Housing Needs Summary tables above includes single persons households and households of unrelated individuals. The City of Bozeman does not collect specific data on the housing needs of single-person households nor is this data provided by HUD. To estimate the number of single person households in need of housing assistance, data was gathered from the 2022 5-year American Community Survey (ACS) estimates.

According to ACS estimates, 11,971 “non-family” households lived in Bozeman during 2022. Of those non-family households, approximately 6,321 (53%) are single-person households and the remaining households (47%) are unrelated persons living together. Single-person households make up 29% of all households in the city, while family households (married, unmarried, or single parent with children) make up 46% of households in the city. The remaining 25% are other non-family households.

Single-person households living below the poverty level can be used to estimate the number of single-person households who have housing needs, as poverty-level households are severely under-housed. Applying the respective poverty rates of seniors and adults to those living in single-person households, returns an estimated 14%, or 872 single person households, with housing needs.

As part of the development of the City's 2019 Community Housing Needs Assessment, an employer survey was administered to better understand the extent to which the availability of housing may be impacting employers and business operations. Comments related to single person households included:

- "It's hard enough for a single person renting a room to afford to live here. Families that are making the prevailing wage are having an even harder time."
- "The service industry is traditionally an entry level employer. This makes it very difficult for a majority of our staff to earn enough to live in Bozeman. Even our mid and upper-level managers struggle to find housing, especially those who are single parents. Several staff are working two and three jobs just to get by."
- "Affordable housing is especially difficult for single parents [to find]..."
- "It took me 3 months to find a place inexpensive enough for a teacher to purchase. Another 3 months trying to find a single mom (a supervisor at MSU) a place she could manage. Both purchased in Belgrade but work in Bozeman."

Cost burden can be a significant challenge for single parents, as a single income is stretched by housing, childcare, and transportation costs. Stakeholders shared that lack of available and affordable childcare was a significant challenge for single parents. One stakeholder shared that several single parents they work with have left the workforce because it's less expensive to watch their children than find reliable and affordable childcare, if they can find it. In turn, not having employment and income can have significant impacts on the housing stability of the household. As a result, single parents may have to locate far from places of employment, job training, and/or schools to find affordable places to live. It may also force some single parents to compromise on space to afford housing, which can lead to overcrowding.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

Households with disabilities. According to 2022 5-year ACS estimates, an estimated 5,115 residents live with mental, physical, and/or developmental disabilities in Bozeman. Among these residents, an estimated 20%, or 1,018, have housing needs based on the share that live below the poverty level. Stakeholders shared that residents living with disabilities, regardless of age or level of care needed, would benefit from more affordable and accessible housing available in the community. As such, the primary recommendation coming out of the Disability Community Liaison Report for the City's Belonging in Bozeman Equity and Inclusion Plan was to encourage and promote construction of affordable, inclusive, barrier-free dwellings that improve equitable access to housing.

Disability is closely correlated with aging, and, as such, Bozeman residents over the age of 65 are more likely than other age groups to report a disability.

Victims of domestic violence, dating violence, sexual assault, and stalking. According to a stakeholder who works for a local organization serving residents impacted by domestic violence, sexual assault, sex trafficking, and stalking, between July 2022 and June 2023, 1,232 unique individuals were assisted by the organization. This stakeholder also noted that while the number of people who have reached out to their organization over the last few years has continued to increase, they estimated that a larger proportion of the population than they currently serve are in domestic violence situations.

According to the National Intimate Partner and Sexual Violence Survey, an estimated 3.1% of women a year and 3% of men in the United States experience domestic violence, sexual violence, and stalking. Applying this rate to Bozeman, this equates to 780 women and 850 men who would have experienced intimate partner and sexual violence in 2022. Of these victims, 13.4% of women and 5.3% of men will need housing assistance at some point according to Center for Disease Control (CDC) estimates – or approximately 150 survivors who need housing assistance.

According to the 2024 Point-in-Time Count, 40 people experiencing homelessness in Bozeman are adult survivors of domestic violence, which accounts for approximately 10% of residents experiencing homelessness. A stakeholder shared that there is an emergency shelter in the community available specifically for survivors of domestic violence, which offers 40 beds among 30 rooms. Related to housing assistance, this stakeholder also shared that a direct subsidy/financial resources for rental assistance would be most helpful for this population.

What are the most common housing problems?

A household is said to have a housing problem if they have any one or more of these four problems:

- Overcrowding – More than 1 person per room.
- Severe overcrowding – More than 1.5 persons per room.
- Cost burden – Monthly housing costs (including utilities) exceeding 30% of monthly income.
- Severe cost burden – Monthly housing costs (including utilities) exceeding 50% of monthly income.

According to HUD CHAS data, 53% of Bozeman renter households with incomes of 80% AMI and less spend more than 30% of their income on housing costs and, as such, are cost burdened. Over a quarter of these households (27%) pay more than 50% of their income on housing costs and are severely cost burdened. A total of approximately 5,400 low-income households are cost burdened with 2,770 severely cost burdened. Cost burdened disproportionately impacts renter households: 5,389 low-income renter households are cost burdened compared to 1,648 low-income owner households.

The discrepancy between wages and housing costs compounds cost burden experienced by households in Bozeman. According to the 2023 National Low Income Housing Coalition Out of Reach report for Gallatin County, the necessary hourly wage to afford a two-bedroom fair market rental is \$22.38 per

hour and the minimum wage for the state of Montana is \$9.95. This means that renters earning minimum wage need to work 90 hours a week (2.25 jobs) in order to afford a two-bedroom fair market rental.

Are any populations/household types more affected than others by these problems?

According to CHAS data, both Other and large households have the highest rates of cost burden: 67% of “Other” and 56% of “large related” households under 80% AMI face cost burden. This compares to 27% of elderly housing facing cost burden.

The proportion of households impacted by cost burden and severe cost burden is highest for households in lower income brackets. Households with incomes between 0-30% AMI face very high rates of cost burden: 84% of Other households (1,910 households), 58% of small related households (285 households), and 100% of large households (10 households) with 0-30% AMI income are cost burdened. Additionally, 78% of Other households (1,365 households), 61% of small related households (470 households), and 60% of large related households (135 households) with income between 31-50% AMI are cost burdened. Additionally, 100% of Other households (1,755 households) with income between 31-50% AMI experience severe cost burden.

Elderly households are less likely to experience cost burden, even households with income between 0-30% AMI, because they are more likely to be homeowners compared with other groups.

For all housing problems, renter households with incomes of 0-30% AMI are far more likely than others to face problems: 81% have at least one housing problem, compared to 33% of 31-50% AMI renters, 5% of 51-80% AMI renters, and 2% of 81-100% renters. Renters with income between 0-30% AMI are more likely to have housing problems compared with owners in the same income range. However, a greater proportion of homeowners with incomes between 31-50% AMI (37%), 51-80% AMI (9%), and 81-100% AMI (5%) are more likely to experience at least one housing problem compared to renters in the same income range.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

Severe cost burden can be used as a proxy for households with imminent risk of either residing in shelters or becoming unsheltered. According to HUD CHAS data, 2,770 renters and 530 owners are severely cost burdened. A portion of these renters are likely students at Montana State University and may face a lower risk of houselessness because they have family support and/or can rely on college savings accounts to manage housing costs.

The community survey conducted for this study collected resident input on the populations with the greatest housing needs and priorities. The responses to this question can be a proxy for which low-

income populations are most at risk of becoming homeless. According to the survey, the populations with the greatest housing needs include:

- Low- to moderate-income populations (78% of survey respondents chose this option);
- Unhoused populations (62%)
- Local workforce (56%)
- Residents experiencing mental health challenges (40%); and
- Residents living with disabilities (36%).

Stakeholders also shared the characteristics and needs of low-income individuals and families with children who are currently housed but are at imminent risk of residing in shelters or becoming unsheltered.

One stakeholder that works for an organization serving families experiencing homelessness or at-risk of homelessness shared that a lot of the families they assist struggle with financing their household expenses and managing their money. They added that a lot of clients they serve are working in lower-paying jobs and can't find any housing that is affordable to them. This client also shared that "a lot of these families are \$400 away from experiencing homelessness." Monolingual Spanish-speaking households, as well as Native American households, were mentioned as a subset of unhoused families with children that disproportionately experience more housing challenges than other populations.

Additionally, single parents, particularly those experiencing domestic violence, also have a greater likelihood of falling into homelessness. One stakeholder shared that their organization sees a lot of survivors fall into homelessness because they are not the primary income earners in their home, adding that "if an abuser ends up getting arrested, then the survivor runs the risk of being evicted for not paying their bills." This stakeholder added that the cost of childcare is also a significant barrier in this population securing safe and affordable housing.

Families with lower levels of education attainment, limited work experience, and without an economic safety net are vulnerable to housing instability, especially if couples separate. As shown in the MA-45 – Educational Attainment section (Table 51), the median household income for earners with a high school degree is \$36,437 per year. Affording rent and childcare for young children with low earnings is very challenging in the current housing market, and doing so with one income is nearly impossible.

The 2024 Point-in-Time Count reported that 195 individuals experiencing homelessness were identified as living in family households; however, this is likely an undercount of the true number of families experiencing homelessness. Low-income families and families with children at imminent risk of homelessness are underrepresented in such statistics because these families are difficult to identify. They may be living in overcrowded conditions with friends or family, or residing with an abusive family member/partner to remain housed. Undocumented, refugee, and/or immigrant families may prefer to remain unidentified and not participate in surveys.

HRDC provides rapid rehousing assistance via a small grant from HUD CoC funding. As such, there is a limited pool of funding for this type of assistance. Per HRDC:

- In 2022, four families received rapid rehousing assistance—three maintained their housing following the rapid rehousing assistance, while one family received an eviction due to lease violations.
- In 2023, eight families received rapid rehousing assistance—seven maintained their housing following the rapid rehousing assistance, while one family received an eviction due to lease violations.
- In 2024, three families received rapid rehousing assistance so far and all have maintained their housing following the rapid rehousing assistance.

While the sample size is small, nearly all families in Bozeman who have utilized rapid rehousing assistance over the last three years have maintained their housing. Stakeholders felt that these rapid rehousing resources helped to stabilize families' housing and financial situations and that having more of these specific resources would help keep more families at-risk of experiencing homelessness housed.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

The City of Bozeman adheres to HUD's criteria for defining homelessness to identify those at imminent risk of homelessness risk of homelessness. This is category two within the homeless definition, which is an individual or family who will imminently lose their primary nighttime residence, provided that:

- (i) Residence will be lost within 14 days of the date of application for homeless assistance;
- (ii) No subsequent residence has been identified; and
- (iii) The individual or family lacks the resources or support networks needed to obtain other permanent housing.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

There are many reasons that individuals and families fall into homelessness. Homelessness is increasingly related to rapidly rising rental housing costs relative to incomes; very limited and low production of affordable housing units; conversion of housing stock to vacation and recreational use; and few resources to serve low-income households – such as long-term rental assistance – relative to demand. Primary social factors include domestic violence; prior history of eviction or foreclosure; bad credit history; past justice involvement or chemical dependency; mental illness; and discrimination, especially for youth identifying as LGBTQIA+.

NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Introduction

According to HUD, disproportionate need refers to any need for a certain race/ethnicity that is more than 10 percentage points above the demonstrated need for the total households within the jurisdiction at a particular income level. The tables and analyses below identify the share of households by race/ethnicity and income level experiencing one or more of the four housing problems outlined by HUD guidelines. The four housing problems are:

1. Housing unit lacks complete kitchen facilities
 - a. A complete kitchen consists of a sink with a faucet, a stove or range, and a refrigerator
2. Housing unit lacks complete plumbing facilities
 - a. Complete plumbing consists of hot and cold running water, a flush toilet, and a bathtub or shower
3. More than one person per room (overcrowded)
4. Housing is cost burdened
 - a. Between 30-50% of income is devoted to housing costs.

In the following tables, income is grouped as follows:

- 0-30% AMI is extremely low income;
- 31-50% AMI is low income;
- 51-80% AMI is moderate income; and
- 81-100% AMI is middle income.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,975	405	0
White	2,635	325	0
Black / African American	10	10	0
Asian	80	0	0
American Indian, Alaska Native	45	0	0
Pacific Islander	0	0	0
Hispanic	115	70	0
0	0	0	0

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data Source Comments:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,565	690	0
White	2,345	595	0
Black / African American	0	0	0
Asian	20	20	0
American Indian, Alaska Native	30	0	0
Pacific Islander	0	0	0
Hispanic	90	0	0
0	0	0	0

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Data Source Comments:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,565	2,060	0
White	1,445	1,915	0
Black / African American	25	0	0
Asian	0	4	0
American Indian, Alaska Native	35	70	0
Pacific Islander	0	0	0
Hispanic	15	65	0
0	0	0	0

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Data Source Comments:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	315	2,040	0
White	315	1,895	0
Black / African American	0	0	0
Asian	0	75	0
American Indian, Alaska Native	0	4	0
Pacific Islander	0	0	0
Hispanic	0	60	0
0	0	0	0

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Data Source Comments:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

Discussion

This section highlights the disproportionate housing needs of racial and ethnic groups by income category in Bozeman based on a unique analysis of CHAS data provided by HUD. The narrative draws on the NA-15 Disproportionately Greater Needs tables. Discussions by income category include racial and ethnic groups within which data represent 20 or more households.

0-30% AMI. At this income level, 88% of households have one or more of four housing problems. Most households experience housing problems in each racial and ethnic group except for Black/African American households, where half of households have housing problems; it should be noted that this population group is very small (20 households) relative to other population groups. The groups with the highest share of households with housing problems are Asian (100%) and American Indian, Alaska Native (100%). These groups have disproportionately high needs compared to non-Hispanic White households.

30-50% AMI. The share of households with housing problems remains high for this income group at 79%, and high shares (80% to 100%) of households in all racial and ethnic groups face housing problems except for Asian households (50%). Compared to non-Hispanic White households, American Indian, Alaska Native and Hispanic households have disproportionately high needs.

50-80% AMI. In this income group, 43% of households have housing problems—much lower than the share of lower income groups with housing problems. The share of Black/African American households with housing problems is disproportionately high at 100%, while Hispanic households have housing problems at the lowest rate (19%).

80-100% AMI. This income group has the smallest share of households with housing problems, with about 13% of households having one or more housing problems. The share of households with housing

problems is 14% for non-Hispanic White households and 0% for Asian; American Indian, Alaska Native; and Hispanic households.

DRAFT

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Introduction

This section draws on the HUD definition of severe housing needs and uses HUD-prepared housing needs data. The tables separate severe housing needs by racial and ethnic group and income. Severe housing needs are:

- Housing lacks complete kitchen facilities;
- Housing lacks complete plumbing facilities;
- Household has more than 1.5 persons per room; and
- Household cost burden exceeds 50%.

Disproportionate need is revealed when members of a racial or ethnic group experience housing problems at a greater rate than the category of need as a whole. For example, if 30% of renters in the city experienced cost burden, but Black households faced the problem at a rate of 50%, then this would indicate that Black households have a disproportionately greater need.

As specified in 91.205(b)(2), 91.305(b)(2), and 91.405, the Consolidated Plan must include an assessment for each disproportionately greater need. The tables show need by racial and ethnic group and the jurisdiction as a whole to compare experiences.

In the following tables, income is grouped as follows:

- 0-30% AMI is extremely low income;
- 31-50% AMI is low income;
- 51-80% AMI is moderate income; and
- 81-100% AMI is middle income.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,435	945	0
White	2,140	820	0
Black / African American	10	10	0
Asian	65	15	0
American Indian, Alaska Native	25	20	0
Pacific Islander	0	0	0
Hispanic	115	70	0
0	0	0	0

Table 17 – Severe Housing Problems 0 - 30% AMI

Data Source Comments:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,100	2,155	0
White	995	1,945	0
Black / African American	0	0	0
Asian	20	20	0
American Indian, Alaska Native	0	30	0
Pacific Islander	0	0	0
Hispanic	55	40	0
Other	0	0	0

Table 18 – Severe Housing Problems 30 - 50% AMI

Data Source Comments:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	225	3,395	0
White	180	3,175	0
Black / African American	0	25	0
Asian	0	4	0
American Indian, Alaska Native	0	105	0
Pacific Islander	0	0	0
Hispanic	0	85	0
Other	0	0	0

Table 19 – Severe Housing Problems 50 - 80% AMI

Data Source Comments:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	75	2,280	0
White	75	2,140	0
Black / African American	0	0	0
Asian	0	75	0
American Indian, Alaska Native	0	4	0
Pacific Islander	0	0	0
Hispanic	0	60	0
Other	0	0	0

Table 20 – Severe Housing Problems 80 - 100% AMI

Data Source Comments:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

Discussion

This discussion highlights the disproportionately severe housing needs of racial and ethnic groups by income category. The narrative draws on the NA-20 Severe Housing Problems tables. Discussions by income group include racial and ethnic groups within which data represent 20 or more households.

0-30% AMI. In this income group, Asian and non-Hispanic White households have the largest shares of households with severe housing needs, and these are similar to the share of households overall who face severe needs (72%). Black/African American households have the smallest share of households with needs (50%); it should be noted that this population group is very small (20 households) relative to other population groups.

30-50% AMI. This income group has a smaller share of households with needs at 34% of households overall. Disproportionately large shares of Hispanic and Asian households have severe housing needs at 58% and 50%, respectively. American Indian, Alaska Native households had the smallest share of households with severe housing problems at 0%.

50-80% AMI. The share of households with severe needs continues to decline for this income group with 6% of all households facing severe needs. Non-Hispanic White households have the highest shares of households with severe needs in this income group (5%) and 0% of Asian; American Indian, Alaska Native; Black/African American; and Hispanic households have severe needs.

80-100% AMI. At this income level, only 3% of households have severe housing problems. Non-Hispanic White households have the highest shares of households with severe needs in this income group (3%) and 0% of Asian; American Indian, Alaska Native; and Hispanic households have severe needs.

DRAFT

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Introduction:

This section analyzes data on households experiencing cost burden disproportionately by race and ethnicity. Housing cost burden exists when a household pays more than 30% of their gross household income toward housing costs, including utilities. Severe housing cost burden occurs when households spend more than 50% of their gross household income.

Disproportionate need is revealed when members of a racial or ethnic group experience housing problems at a greater rate than the category of need as a whole. For example, if 30% of renters in the city experienced cost burden, but Black households faced the problem at a rate of 50%, then this would indicate that Black households have a disproportionately greater need.

As specified in 91.205(b)(2), 91.305(b)(2), and 91.405, the Consolidated Plan must include an assessment for each disproportionately greater need. The tables show need by racial and ethnic group and the jurisdiction as a whole to compare experiences.

In the following tables, income is grouped as follows:

- 0-30% AMI is extremely low income;
- 31-50% AMI is low income;
- 51-80% AMI is moderate income; and
- 81-100% AMI is middle income.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	12,730	3,850	3,690	190
White	11,605	3,610	3,300	125
Black / African American	35	35	0	0
Asian	320	15	85	0
American Indian, Alaska Native	95	85	25	0
Pacific Islander	0	0	0	0
Hispanic	385	55	170	70

Table 21 – Greater Need: Housing Cost Burdens AMI

Data 2016-2020 CHAS

Source:

Discussion: About one-fifth of total households and non-Hispanic White households are cost burdened. Black/African American and American Indian, Alaska Native households face disproportionately high rates of cost burden at 50% and 41% respectively, while cost burden is lowest for Asian households at under 4%. Another 18% of total households and non-Hispanic White households are severely cost burdened, and no racial group faces disproportionately high severe cost burden. Hispanic households have the highest rate of severe cost burden at 28%, while Black/African American households have the lowest rate of severe cost burden at 0% (though it should be noted that only 20 Black/African American households were represented in the data).

NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

Are there any income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

Disproportionate housing needs exist when members of a racial or ethnic group experience housing problems at least 10 percentage points higher than the category of need as a whole. For example, if 30% of renters in the county experienced cost burden, but Black households faced the problem at a rate of 50%, then this would indicate that Black households have a disproportionately greater need.

If they have needs not identified above, what are those needs?

In Bozeman, the following groups have disproportionately high rates of housing problems: Asian and American Indian, Alaska Native households earning 0-30% AMI; American Indian, Alaska Native and Hispanic households earning 30-50% AMI; and Black/African American households earning 50-80% AMI. Note that 90 or fewer households are in each of these groups.

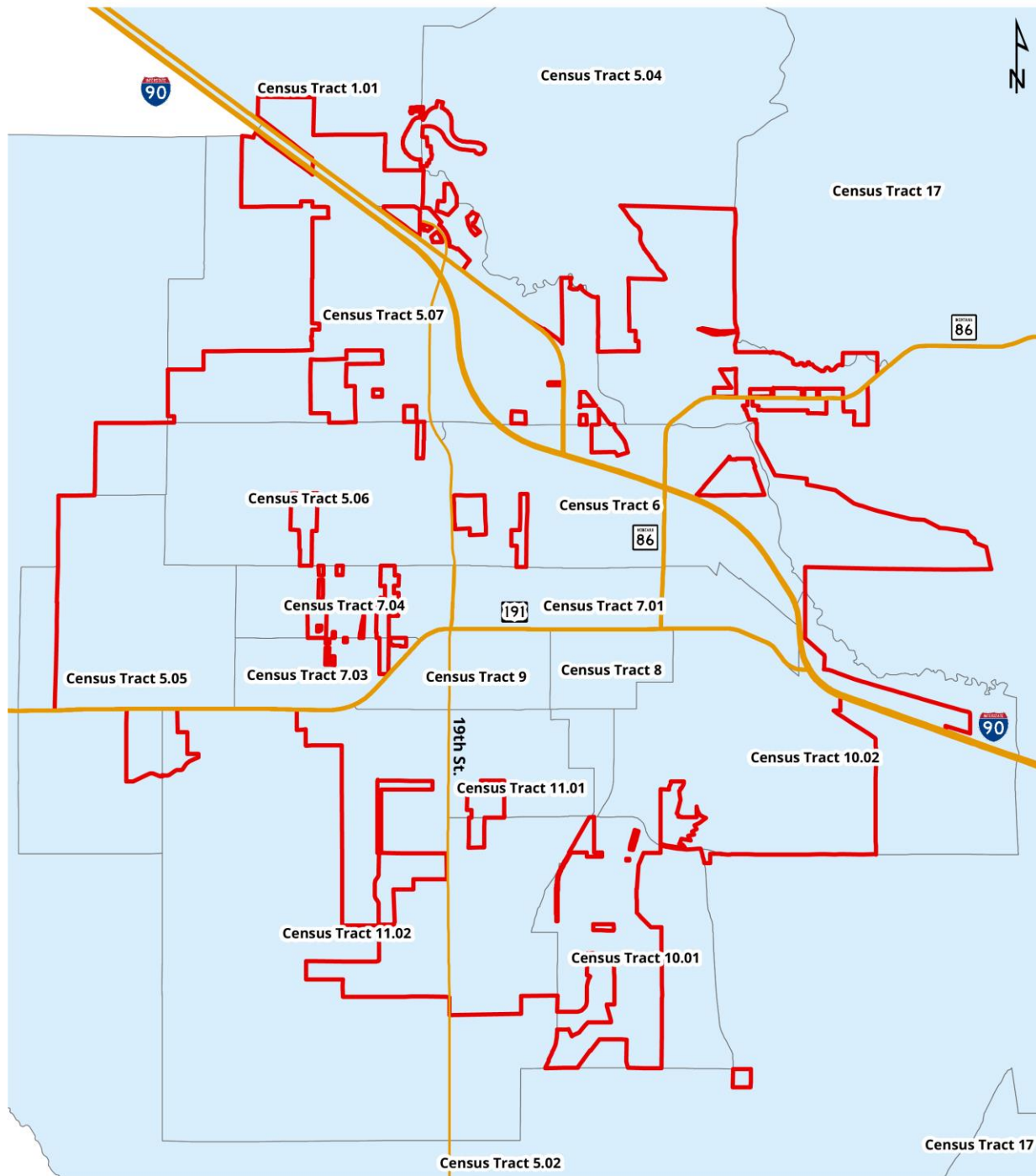
Asian and Hispanic households earning 30-50% AMI face *severe* housing problems at disproportionate rates. Note that fewer than 60 households belong to each of these groups.

Disproportionate need exists for Black/African American and American Indian, Alaska Native households experiencing cost burden

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

Census tracts with more than 1.4% of Native American residents are considered a concentration. There are 3 such tracts in Bozeman. Census Tract 7.04, bounded by N Ferguson Avenue to the west, W Babcock Street to the south, Farmer's Canal to the east, and Durston Road to the north, has the greatest concentration of AIAN residents in the city (3.9% of the total tract population). Other census tracts with concentrations of AIAN residents include Census Tract 6 (3%) and Census Tract 7.01 (1.6%).

African American/Black residents make up a very small proportion of residents in the city. In this case, concentrations occur when just 0.9% of residents report their race as African American/Black. There are two Census tracts in Bozeman that have a concentration of African American/Black residents, both of which cover the Montana State University campus. African American/Black residents represent 2.2% and 2.5% of residents in Census Tracts 11.01 and 11.02, respectively.



NA-35 Public Housing – 91.205(b)

Introduction

There is no public housing authority in the city of Bozeman or Gallatin County and as such, no public housing units. In lieu of a public housing authority, the city of Bozeman, along with other municipalities in Gallatin, Meagher, and Park counties, is served by the Human Resource Development Council District IX, or HRDC IX. HRDC is a Certified Housing Development Organization, Community Development Corporation, and Community Action Agency. HRDC develops, preserves, owns, and manages affordable housing, ranging from multi-family properties with HUD subsidies to Low-Income Housing Tax Credit developments to single and multi-family community land trust homes. HRDC also provides housing services ranging from emergency shelters to transitional housing, rental assistance, homebuyer education, and down payment assistance. HRDC also administers the Section 8 Housing Choice Voucher program as a field agent for the State of Montana.

In addition to providing community development, emergency assistance, transportation, food and nutrition, and several other services, HRDC administers the housing choice voucher program for the area. As of spring 2024, HRDC administers approximately 400 tenant-based vouchers and approximately 275 project-based vouchers regionwide. Additionally, HRDC administers eight Section 811 vouchers. The organization also manages a portfolio of around 400 units, the majority of which are subsidized. HRDC's leadership in housing development and preservation is an asset in Bozeman, alongside the organization's programs in housing. In addition to HRDC's portfolio, there are another four properties in Bozeman with project-based vouchers.

As of spring 2024, there are approximately 1,200 applicants on the waitlist for tenant-based vouchers. Additionally, there is approximately an 18-month wait for applicants wanting to rent a subsidized apartment from HRDC.

Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	0	504	290	208	6	0	0

Table 22 - Public Housing by Program Type

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

Characteristics of Residents

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program
Average Annual Income	0	0	0	16,001	16,001	n/a	n/a	0
Average length of stay	0	0	0	3.25	3.25 yrs	n/a	n/a	0
Average Household size	0	0	0	1	1	n/a	n/a	0
# Homeless at admission	0	0	0	33	18	13	2	0
# of Elderly Program Participants (>62)	0	0	0	228	67	156	5	0
# of Disabled Families	0	0	0	202	78	122	2	0
# of Families requesting accessibility features	0	0	0	63	13	50	0	0
# of HIV/AIDS program participants	0	0	0	0	0	n/a	n/a	0
# of DV victims	0	0	0	0	0	n/a	n/a	0

Table 23 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Race of Residents

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project -based	Tenant -based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	0	442	244	192	6	0	0
Black/African American	0	0	0	15	6	9	0	0	0
Asian	0	0	0	10	6	4	0	0	0
American Indian/Alaska Native	0	0	0	27	12	15	0	0	0
Pacific Islander	0	0	0	6	6	0	0	0	0
Other	0	0	0	5	5	n/a	n/a	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 24 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Ethnicity of Residents

Ethnicity	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project -based	Tenant -based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	0	32	17	15	0	0	0
Not Hispanic	0	0	0	479	273	200	6	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 25 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

There are no public housing units in the city of Bozeman. Several stakeholders shared that there is a significant lack of accessible housing units available in Bozeman. One stakeholder shared that many new housing developments being built in Bozeman are not accessible, adding that for a resident who needs both an affordable and accessible unit through HRDC, an applicant can wait for up to two years.

Most immediate needs of residents of Public Housing and Housing Choice voucher holders

Given the city's tight and expensive rental market, residents with vouchers are experiencing extreme difficulty in both finding landlords willing to accept vouchers and obtaining affordably priced units. Stakeholders shared that there are approximately 400 tenant-based vouchers and 275 project-based vouchers available in the Bozeman area.

According to stakeholder interviews, as of March 2024, the estimated time to find a subsidized property in Bozeman is 18 months. A stakeholder shared that for HRDC's tenant-based voucher waitlist, the list has been dwindling because when vouchers are issued to residents and they can't find a unit within the allotted time, they are moved to the bottom of the waitlist. This stakeholder added that understandably, residents express frustration about not finding a unit and getting moved to the bottom of the waitlist so they choose to not go back on the waitlist.

The housing and community needs survey found that 6% (45 responses) of respondents utilize a Section 8 housing choice voucher. Of those respondents, 57% reported that it is "somewhat difficult" to find a landlord that accepts a housing choice voucher while 27% reported that it was "very difficult" to find a landlord to accept it.

The most common reasons cited for why it is "somewhat difficult or very difficult" to utilize the voucher include the voucher is not enough to cover the rent for the places the respondent wants to live (21 responses) and the respondent can't find information about landlords that accept Section 8 (17 responses).

Limited voucher funding, which is set by Congress, has not kept up with demand and rental assistance is in short supply. According to the "Worst Case Housing Needs 2023 Report to Congress" from HUD's Office of Policy Development and Research, just one in four eligible households nationwide received rental assistance.

How do these needs compare to the housing needs of the population at large

Households utilizing housing choice vouchers are in critical need of affordable housing. According to the 2024 Gallatin Valley Housing Report, in 2020, the rental vacancy rate was "two percentage points below what is considered healthy for a market with adequate supply, underscoring the tightness in Bozeman's

rental market.”¹ Recent data and housing survey results shows that the “market tightness” is easing, however, residents who need to utilize housing choice vouchers are more likely to experience challenges finding affordable and suitable rental housing. Additionally, increasing inflation disproportionately impacts low-income households’ ability to afford basic needs compared to the population at large.

Discussion

The lack of accessible and affordable housing units disproportionately impacts residents living with disabilities and low-income households and families. Due to the lack of affordable units available, residents are finding it more challenging to actually utilize the voucher once they secure one. While data indicate that rental market vacancies are easing, constrained rental supply and inflation are disproportionately impacting low-income households from finding affordable housing and affording basic needs compared to the population at large.

¹ <https://www.gallatinrealtors.com/gallatin-valley-housing-report/> (page 32)

NA-40 Homeless Needs Assessment – 91.205(c)

Introduction:

The city of Bozeman, along with other municipalities in Gallatin, Meagher, and Park counties, are served by Human Resource Development Council District IX, or HRDC IX. As noted earlier, HRDC is a Certified Housing Development Organization, Community Development Corporation, and Community Action Agency. HRDC develops, preserves, owns, and manages affordable housing, ranging from multi-family properties with HUD subsidies to Low-Income Housing Tax Credit developments to single and multi-family community land trust homes. HRDC also functions as the local Continuum of Care and administers the local Coordinated Entry System. The HRDC is a partner with the statewide Montana Continuum of Care Coalition and Pathways Community Network Institute, which provides public data related to all of the state's Coordinated Entry Systems.

Between May 1, 2023, and May 1, 2024, the statewide HMIS found that 458 unique individuals were identified through Bozeman's local Coordinated Entry System. The 2024 Point-in-Time (PIT) Count identified 409 individuals experiencing homelessness in Bozeman in January 2024, which accounted for 20% of all residents experiencing homelessness in the state of Montana identified during this year's count. Comparing these data to 2022 5-year ACS data, Hispanic, American Indian and/or Alaska Native, and Black/African American residents are all overrepresented in the unhoused population in comparison to their proportions in Bozeman's general population.

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

According to the Montana Statewide Continuum of Care's Homeless Management Information System (HMIS) data dashboard, from May 1, 2023, to May 1, 2024, 458 individuals experiencing homelessness were identified through HRDC's Coordinated Entry System—432 were unique individuals. During that same time period, 438 individuals exited HRDC's Coordinated Entry System and 246 individuals have yet to exit the Coordinated Entry System.

The State's HMIS dashboard provides data on the median days to find housing by entry/exit destination. The top five fastest destinations of finding housing by entry/exit destination where clients answered include:

- Staying or living with family, permanent tenure (31 days)
- Rental by client, no ongoing housing subsidy (69.5 days)
- Staying or living with friends, permanent tenure (71 days)

- Place not meant for habitation (e.g., a vehicle, abandoned building, bus station, etc.) (79.5 days)
- Staying or living with family, temporary tenure (e.g., room, apartment, or house) (92.5 days)

The top five slowest destinations of finding housing by entry/exit destination where clients answered include:

- Emergency shelter, including hotel or motel paid for with emergency shelter voucher, Host Home shelter (421.5 days)
- Jail, prison, or juvenile detention facility (406 days)
- Residential project or halfway house with no homeless criteria (351 days)
- Owned by client, no ongoing housing subsidy (217 days)
- Rental by client, no ongoing housing subsidy (197.5 days)

Demographics. Of the unique individuals entering HRDC's Coordinated Entry System from May 1, 2023, to May 1, 2024:

- **Age:**
 - 7% were under the age of 18;
 - 16% were between the ages of 18-24;
 - 22% were between the ages of 25-34;
 - 23% were between the ages of 35-44;
 - 23% were between the ages of 45-61;
 - 6% were over the age of 62; and
 - Data was not collected for 4% of individuals.
- **Gender:**
 - 51% identify as a man;
 - 43% identify as a woman;
 - .01% identified as non-binary;
 - .01% identified as transgender; and
 - Collectively, .03% preferred not to answer, identified differently from the presented options, identified as questioning, or data was not collected for the individual.

Chronic homelessness. Over this time period, 49 individuals were identified as experiencing chronic homelessness—44 were unique individuals. Of those identified, 19 individuals had yet to exit the Coordinated Entry System. For individuals experiencing chronic homelessness, the top three fastest destinations of finding housing by entry/exit destination where clients answered include:

- Staying or living with friends, permanent tenure (42 days)
- Rental by client, no ongoing housing subsidy (98 days)
- Long-term care facility or nursing home (113 days)

The top three slowest destinations of finding housing by entry/exit destination where clients answered include:

- Emergency shelter, including hotel or motel paid for with emergency shelter voucher, Host Home shelter (527 days)
- Jail, prison, or juvenile detention facility (396 days)
- Rental by client, with ongoing housing subsidy (223 days)

Below is a summary of Bozeman's 2024 Point-in-Time (PIT) Count. Overall:

- 192 residents were identified experiencing sheltered homelessness in emergency shelter (47% of residents identified during the PIT Count);
- 104 residents were identified experiencing sheltered homelessness in transitional housing (25%); and
- 113 residents were identified experiencing unsheltered homelessness (28%).

By household type, 217 residents identified during the count were in adult-only households, 195 residents were in family households, and two residents were in child-only households. By age, there were 31 residents between the ages of 0-4, 59 residents between the ages of 5-12, and 15 residents between the ages of 13 and 17. Of the unaccompanied youth and children identified during Bozeman's count, 26 were between the ages of 18 and 24 and two residents were under the age of 18. Of those identified during the Count that were found to be experiencing chronic homelessness, 70 residents were identified in adult-only households while 11 residents were in households with children.

Other demographic information provided in the 2024 Count include:

- 25 residents identified as Veterans (6%);
- 125 residents identified living with a disabling condition (31%); and
- 40 residents identified as survivors of domestic violence (10%).

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	0	0
Black or African American	0	0
Asian	0	0
American Indian or Alaska Native	0	0
Pacific Islander	0	0
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	0	0
Not Hispanic	0	0

Data Source
Comments:

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

According to the 2024 Point-in-Time Count, 195 residents experiencing homelessness identified as living in family households (48% of all residents identified during the Count). Additionally, two residents were identified as living in child-only households. As noted earlier in the plan, this is likely an undercount of the true number of families experiencing homelessness. Low-income families and families with children at imminent risk of homelessness are underrepresented in such statistics because these families are difficult to identify. They may be living in overcrowded conditions with friends or family, or residing with an abusive family member/partner to remain housed. Undocumented, refugee, and/or immigrant families may prefer to remain unidentified and not participate in surveys.

According to CHAS data, there are 7,284 households in Bozeman with income less than 80% AMI with housing needs. Applying the proportion of the city's family households with children under 18 (17.1% (46% and 54%, respectively) to this subset of households, there are an estimated 1,246 families with income less than 80% AMI in need of housing assistance.

Additionally, 25 residents identified during the 2024 Point-in-Time Count (6% of all residents experiencing homelessness) identified as Veterans. Additionally, between May 1, 2023 and May 1, 2024, 26 Veterans were identified in the local Coordinated Entry System.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

The 2024 Point-in-Time Count reported that 274 residents identified during the Count identified as White (67% of all residents), while 101 residents identified as Other (11%) and 34 residents identified as Native American (8.3%). Additionally, between May 1, 2023, and May 1, 2024, Bozeman's local Coordinated Entry reported the top five categories of race and ethnicity during this time period as:

- Non-Hispanic White (47% of respondents);
- Hispanic (11% of respondents);
- Hispanic and White (9% of respondents);
- American Indian, Alaska Native, or Indigenous (8%);
- Black, African American, or African (4%); and
- Data was not collected for 14% of individuals.

Additionally, according to HRDC staff, “since 2020, the HRDC has seen the number of Hispanic residents it serves rise from 5 percent to 16 percent of the total. Use of the emergency warming shelter by Latino individuals ‘has gone up significantly since the pandemic,’ however, ‘they remain a small percentage of the overall guests.’”²

Comparing these data to 2022 5-year ACS data, Hispanic, American Indian and/or Alaska Native, and Black/African American residents are all overrepresented in the city’s unhoused population in comparison to their proportions in Bozeman’s general population.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

Stakeholders described that the number of residents experiencing homelessness continues to grow, with 2024 representing the greatest number of people ever identified experiencing homelessness during the PIT Counts. In 2024, of the 409 residents identified during the Point-in-Time Count:

- 192 were in emergency shelter (47% of all residents identified during the count);
- 113 were unsheltered (28%); and
- 104 were in transitional housing (25%).

It’s important to note that PIT counts typically significantly underestimate the number of people who are experiencing homelessness, as those living in precarious housing situations (unsafe conditions, unsafe partners/roommates, about to be evicted, couch surfing, etc.) are not captured in the traditional counts. From 2023 to 2024, the number of people experiencing homelessness captured by the PIT Count for the Bozeman/Livingston area increased by 36%, while the number of people experiencing unsheltered homelessness increased by nearly 50% (57 people in 2023, 113 in 2024).

Currently, HRDC’s Warming Center currently has 105 beds available; however, Homeward Point, a new emergency shelter opening in 2025, will add an additional 30 beds and five family suites. HRDC has an additional 42 units of emergency shelter available for families. Haven, an organization serving survivors of domestic violence, also recently opened an emergency shelter with 30 units and 40 beds.

Additionally, stakeholders expressed a significant need for more transitional housing options. This stakeholder shared that from a community perspective, “all the shelter providers have identified transitional housing as the big need.” They noted that collectively, HRDC, Family Promise and Haven

² <https://www.thenation.com/article/society/bozeman-montana-undocumented-labor/>

have approximately 35 units available; however, collectively, they are not enough to meet demand. A stakeholder shared there is also a significant need for more permanent supportive housing in Bozeman. According to this stakeholder, there are only 19 PSH units available to the entire community.

Discussion:

DRAFT

NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)

Introduction:

HUD's term "special needs" means any population that has greater housing challenges and/or unique housing needs when compared to low-income households in general. The special needs groups for which Consolidated Plan regulations require estimates of supportive housing needs include:

- Elderly and frail elderly,
- Persons with disabilities (mental, physical, developmental),
- Persons with alcohol or other drug addictions,
- Persons with HIV/AIDS and their families, and
- Public housing residents.

This Consolidated Plan also includes needs estimates for survivors of domestic violence and undocumented residents.

Describe the characteristics of special needs populations in your community:

Elderly and Frail Elderly. According to 2022 5-year ACS estimates, there are 6,840 residents in Bozeman over the age of 62. Of these residents, 243, or 4%, have incomes below the poverty level—a proxy for housing and service needs. Of the city's senior population, 688 residents live below the poverty level and have a self-care disability. Of this population, 24 residents are estimated to have housing and service needs.

Bozeman residents over the age of 65 are two and a half times more likely than the general population to have a disability.

Persons with Disabilities. The noninstitutionalized population with a disability in Bozeman totals 5,115. Of these residents, 20% live below the poverty level and have housing and supportive service needs according to ACS data—putting those with needs at 1,018 residents.

The needs of residents with disabilities vary depending on the disability, and the level of support required to provide the same opportunity as non-disabled residents to access and enjoy community assets. By disability:

- There are 2,035 residents with hearing or vision impairments in Bozeman, and 35%, or 705, have housing and service needs according to HUD CHAS data.
- 1,365 residents have an ambulatory limitation and 44%, or 594, have housing and service needs.
- 1,535 residents have a cognitive limitation and 43%, or 655, have housing and service needs.
- 1,455 residents have a self-care or independent living limitation, and 43%, or 630, have housing and service needs.

Persons with Alcohol or other Drug Addiction. An estimated 10,321 Bozeman residents have some form of alcohol or drug addiction based on national incidence rates applied to the local population. An estimated 4,991 residents need and are not receiving treatment for their addiction.

Public housing residents. While there are no public housing units available in Bozeman, stakeholders articulated that the waitlist for tenant-based vouchers in the Bozeman area is approximately 1,200 residents.

Survivors of Domestic Violence. Based on surveys conducted by the CDC, an estimated 1,415 Bozeman residents are victims or survivors of domestic violence. Of these, 9%, or 130 residents, will have long-term housing and service needs associated with the experience of violence.

Undocumented residents. It is difficult to estimate the number of undocumented residents living in Bozeman. An excerpt from a recent article³ shared that:

“It’s nearly impossible to accurately measure the growth of Bozeman’s Spanish-speaking population since nearly all the new arrivals are undocumented. In Gallatin County, the Latino proportion of the population jumped from 2.8% to 5% between 2010 and 2020, according to U.S. census data – a nearly 140% increase. Experts say the estimate is conservative and doesn’t include the years since 2021, the period of Bozeman’s most explosive housing-market growth.”

What are the housing and supportive service needs of these populations and how are these needs determined?

Elderly and frail elderly residents. Stakeholders shared several housing and service needs of elderly and frail elderly populations in Bozeman. Stakeholders noted that a subset of senior residents that own their homes are being displaced due to rising property taxes. Compounding the displacement of seniors is the lack of affordable housing options, particularly options to downsize from their current living situation. This stakeholder shared that “seniors are being priced out of their home because there are no smaller/other alternatives available.” Another stakeholder shared that the community is seeing a large spike in the number of seniors experiencing homelessness and that anecdotally, they know a lot of seniors who have moved into a camper/RV and are now living down the street from HRDC’s shelter.

This stakeholder also added that the window of income eligibility for seniors to live in LIHTC developments is “really narrow.” They shared that HRDC recently developed 96 senior tax credit housing units but that seniors who make barely over the eligibility threshold (<60% AMI) are ineligible to live in the units.

The top housing challenges faced by survey respondents over the age of 65 included:

³ <https://montanafreepress.org/2024/05/07/bozemans-boom-depends-on-immigrants-but-struggles-to-support-them/>

- N/A; I don't face any of these challenges (64% of respondents);
- I need help taking care of myself/my home and can't find or afford to hire someone (10%); and
- I worry that if I request a repair it will result in a rent increase or eviction (6%).

Service needs articulated by stakeholders for elderly and frail elderly populations included more access to mental health service and affordable health care options, as well as more availability of paratransit services and senior-oriented services and community events.

Disability. Stakeholders overwhelmingly identified the significant lack of affordable and accessible housing available in Bozeman, which disproportionately impacts residents living with physical disabilities. One stakeholder shared that one of the greatest challenges to providing more accessible housing are zoning regulations that require mixed-use developments to have housing on the second floor and commercial space on the ground floor. They added that for people who have mobility challenges, “the second floor is dangerous. What if there’s a fire? An elevator isn’t going to do anything for you. A lot more housing would be available for people with accessibility needs if it was made available on the ground floor.” Stakeholders also articulated a significant need for mental health services, energy utility assistance, and more affordable health and dental care services.

The top housing challenges faced by survey respondents living with a disability or with someone experiencing a disability in their household included:

- I worry that if I request a repair it will result in a rent increase or eviction (19% of respondents);
- N/A; I don't face any of these challenges (18%);
- My house or apartment isn't big enough for my family members (16%);
- My home/apartment is in bad condition (14%); and
- My landlord refuses to make repairs despite my requests (9%).

Persons with Drug or Alcohol addiction. Stakeholders described a significant need not only for more affordable housing options, but for more detox and sober living home facilities to be available in Bozeman. One stakeholder shared that for residents struggling with drug or alcohol addiction challenges, having a stable and affordable living situation is critical to ensuring people continue to thrive on their path to recovery. Greater Impact, Inc., a nonprofit organization that serves residents experiencing drug or alcohol addiction challenges, currently offers the only sober living home options in the Gallatin Valley, with one home serving men and two homes serving women.⁴

Stakeholders also articulated a critical need for more substance abuse/chemical dependency services. They noted that Alcohol and Drug Services of Gallatin County closed in fall 2023 and as a result, there “has been a spike in the number of overdose-related deaths in the first part of 2024.”

Survivors of domestic violence. One stakeholder shared that for survivors of domestic violence, “there can be a lot of barriers to finding housing.” They added that each situation is different and some

⁴ [Second women's sober living home in Bozeman to open soon \(kbzk.com\)](https://kbzk.com/story/second-women-s-sober-living-home-in-bozeman-to-open-soon/2024/01/24/second-women-s-sober-living-home-in-bozeman-to-open-soon/7048486002/)

survivors are more resourced than others, adding that “we’ve seen a lot of survivors who are not the primary income earners in their home...if the abuser ends up getting arrested, then the survivor runs the risk of being evicted for not paying their bills.” The stakeholder added that this dynamic also plays into cooperating with those prosecuting the crimes of their abusers, adding “if they cooperate and the abuser goes to jail, then they might end up losing their housing. There’s a lot of nuance that survivors have to navigate.” This stakeholder shared that direct subsidy/financial resources for rental assistance and other housing costs would be most helpful for survivors of domestic violence. They added that “if Bozeman is not able to increase its affordable housing stock, direct subsidy will be the most helpful.”

In addition to financial resources, this stakeholder shared that the availability of more mental health services, particularly services that are trauma-informed, would be incredibly beneficial for this population. Additionally, several stakeholders identified more available and affordable childcare options as a significant need for this population.

Undocumented residents. A handful of stakeholders described the significant housing and service barriers faced by undocumented residents. One stakeholder shared that because these residents don’t have social security numbers, they can’t “access a lease or other housing programming.” They added that they also don’t qualify for any federal programs (e.g. WIC, SNAP, housing assistance), so the only service HRDC can provide is case management. Another stakeholder shared that they only know of one property management company that will rent housing units to undocumented residents, adding that one of the families they work with “has been on the waitlist for that property for two years.” Stakeholders shared that because these residents can’t find housing through traditional means, they are either forced into housing that is overcrowded and/or in poor condition.

Several stakeholders pointed to Bienvenidos a Gallatin County as the primary organization assisting immigrant families in Bozeman. A stakeholder shared that most of these families get all their food from the foodbank and that “it really all comes down to how they can get income.” They expressed concern about their available employment options, noting that “they don’t receive healthcare benefits, they might make \$10/hour, and they are vulnerable.” They added that “my biggest fear is that these families are incredibly desperate which makes them vulnerable to exploitation. And most of them have kids. They are just looking to make a better life.”

Another stakeholder shared that their organization “could use a lot more resources for immigrant survivors...[we have a] large and growing Spanish speaking population and we need to be able to provide more information and awareness about their rights.” They advocated for more translation services to be made available, adding that “we have a pretty good network of interpreters....translators would be most helpful.”

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

According to AIDSVu, in 2021, 69 of every 100,000 people in Gallatin County are living with HIV. This rate is lower than surrounding counties, including Jefferson (83/100K), Madison (88/100K), and Park (91/100K) counties, as well as the state of Montana (77/100K). Based on the state’s incidence rate of

people living with HIV and AIDS, there are approximately 35 people in the city of Bozeman living with HIV/AIDS. However, this is likely an undercount.

AIDS Outreach, an organization serving Gallatin County, offers several services to residents living with HIV, including individual counseling, financial assistance in the form of food, clothing, shelter, and medical treatment, and direct outreach and support for families and caregivers.

Similar to other special populations, residents living with HIV/AIDS also have significant housing and supportive service needs. One stakeholder that provides healthcare services shared that a lot of their patients report difficulty finding and securing stable housing, adding that “our sense is that cost of living continues to increase and puts a strain on people with lower incomes, with housing being their largest cost.” This stakeholder added that even with flexible payment options, “fewer people are coming in...[they’re] delaying care if they feel they don’t have the funds for it.”

Additionally, this stakeholder shared that for residents living with HIV/AIDS, there is “stigma in accessing care,” which necessitates more healthcare options that are trauma-informed and inclusive. They added that “we hear from our clients that have gone into a different healthcare setting and felt judged and stigmatized, which led them not to return to that provider.” They added that “accessing healthcare in a non-judgmental compassionate space can be difficult to find....[if people don’t find this], they will forego care altogether.”

If the PJ will establish a preference for a HOME TBRA activity for persons with a specific category of disabilities (e.g., persons with HIV/AIDS or chronic mental illness), describe their unmet need for housing and services needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2) (ii))

N/A. The City of Bozeman does not receive HOME funds.

Discussion:

NA-50 Non-Housing Community Development Needs – 91.215 (f)

Describe the jurisdiction's need for Public Facilities:

Overall, public facilities that Bozeman survey respondents most wanted to see include:

- Additional and/or higher quality childcare centers (43% of respondents);
- Improvements to parks and recreation centers (28%); and
- A community center and/or improvements to existing community centers (24% of respondents).

Other comments from survey respondents related to public facilities included:

- “ADA improvements [should be] prioritized above all else. The city follow through with the goals and recommendations in the Equity & Inclusion plan, which would address all of the community development outcomes listed.”
- “An Adult Day Care Center that offers quality life enrichment to enhance the quality of life for persons with dementia and disabilities.”
- “Community park/center with outdoor swimming pool.”
- “We need a community center on the NW side of the city.”
- “Improve indoor centers with activities for homeschool families, events or activities indoors during winter months for kids/youth.”

Several residents and stakeholders articulated a need for more community centers in the city. One stakeholder shared that “since the COVID-19 pandemic, it’s been difficult for a lot of community members to find places to meet people. We need more public spaces that help facilitate these interactions.”

How were these needs determined?

The City of Bozeman conducted a Housing and Community Needs survey for the development of this plan, as well as a series of resident focus groups and stakeholder interviews throughout the plan development process to determine the most urgent community needs.

Describe the jurisdiction's need for Public Improvements:

Overall, public improvements that Bozeman survey respondents most wanted to see include:

- Street and sidewalk improvements (32% of respondents);
- Improvements to parks and recreation centers (28%);
- A community center and/or improvements to existing community centers (24% of respondents)

Other comments from survey respondents related to public improvements included:

- “Street maintenance – potholes, plowing is a long-term problem in this town that is worse than other comparable towns....”

- “Bring back benches please! The disabled and elderly really rely on them.”
- “We need better public transit, pedestrian infrastructure, and biking infrastructure.”
- “Multi-modal transport infrastructure and neighborhood-scale amenities.”
- “Separated bike lanes and shared use paths.”

Several stakeholders shared that a lot of the public infrastructure in Bozeman, including sidewalks, streets, and parks, are not accessible to residents living with disabilities. One stakeholder articulated that, “accessing things around the city can be difficult. If our organization receives free tickets to a show downtown for our clientele with mobility challenges, trying to find parking downtown is incredibly tough...accessibility is a huge issue.” This stakeholder wanted to see more thought go into building accessible spaces in the city, citing Story Mill Park as a “great example of accessibility being integrated into the space.”

How were these needs determined?

The City of Bozeman conducted a Housing and Community Needs survey for the development of this plan, as well as a series of resident focus groups and stakeholder interviews throughout the plan development process to determine the most urgent community needs.

Describe the jurisdiction’s need for Public Services:

Overall, the public services that Bozeman survey respondents most wanted to see included:

- Increased access to mental health care services (50% of respondents);
- Climate resilience-focused planning and implementation (37%);
- Increased access to addiction treatment services (34%);
- More recreation options for youth and other special populations (23%)
- Increased access to internet/broadband services (12%)

Other comments from survey respondents related to public services included:

- “More effective snow removal.”
- “Increase Streamline bus service (more frequent).”

In addition to the community survey and stakeholder consultations, an April 2024 article⁵ quoted HRDC’s food and nutrition outreach coordinator saying “food insecurity is a thing in our community...it’s something that we are working to address every day. We’ve had some record numbers recently for visits to the food bank.” Resident and stakeholders also articulated a desire for expanded transportation options, including more reliable and frequent bus options, more financial services and life skills classes,

⁵ <https://nbcmontana.com/news/local/hrdc-to-host-food-drive-as-donations-slow-need-rises>

more employment services for harder-to-employ residents to secure jobs, and more tenant rights/legal aid/fair housing resources.

How were these needs determined?

The City of Bozeman conducted a Housing and Community Needs survey for the development of this plan, as well as a series of resident focus groups and stakeholder interviews throughout the plan development process to determine the most urgent community needs.

DRAFT

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

Affordable housing is very limited for households earning less than 80% of the AMI, especially those with incomes lower than 30% AMI. According to a gaps analysis conducted to support this Consolidated Plan, renters making below \$50,000 do not have an adequate supply of affordable housing. There are 5,339 renter households in Bozeman with incomes of \$50,000 and less. These renters have 4,899 rental units that are affordable to them, leaving a gap of 440 affordable rentals or rental subsidies to accommodate their needs. The gap is largest for renters with who live on fixed incomes, and renters with incomes between \$20,000 and \$25,000. The City of Bozeman's 2019 Community Housing Needs Assessment found that between 5,400 to 6,340 housing units were needed over the next five years to address the city's current housing shortfall for residents and the workforce to keep up with job growth. The Plan identifies that while community housing should serve the full range of incomes, efforts should focusing on increasing:

- Ownership housing from 80% to 120% AMI, while also incentivizing the production of missing middle housing up to 150% AMI;
- Additional resident and employee rentals up to 80% AMI; and
- Safety net rentals below 30% AMI.

As outlined in the 2024 Gallatin Valley Housing Report, "economic expansion plays a pivotal role in fueling housing demand, with job growth serving as a critical component." As articulated by residents and stakeholders throughout the development of this Consolidated Plan, as well as other local and regional economic development plans, the need to provide a range of affordable housing options is a critical factor in the continued growth of Bozeman's economy.

MA-10 Number of Housing Units – 91.210(a)&(b)(2)

Introduction

As of 2020, 40% of the City's housing stock was made up of single-family detached homes. The second most common housing type is multifamily properties with 5-19 units. Properties with 2-4 units make up 16% of the city's housing stock while single-family attached homes make up 15%. Another 9% is units in multifamily properties with 20 units or more. Mobile homes represent approximately 2% of the city's housing stock.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	8,880	40%
1-unit, attached structure	3,295	15%
2-4 units	3,425	16%
5-19 units	3,950	18%
20 or more units	2,002	9%
Mobile Home, boat, RV, van, etc.	505	2%
Total	22,057	100%

Table 26 – Residential Properties by Unit Number

Data Source: 2016-2020 ACS

The City of Bozeman has a homeownership rate of 42%. Approximately 7 in 10 homeowners live in single family detached homes; 85% have homes with 3 or more bedrooms and 14% live in homes with two bedrooms. Just 1% of homeowners live in homes with fewer than two bedrooms.

Single family detached homes also provide rental opportunities for residents, with 18% of renters living in single family detached homes. Rental units with three or more apartments make up approximately 60% of units where renters reside. Renters are much more likely than homeowners to live in units with one bedroom (15%) or no bedrooms (6%). However, most renters live in two- or three-bedroom homes (79%).

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	20	0.2%	679	6%
1 bedroom	114	1%	1,771	15%
2 bedrooms	1,197	14%	5,715	49%
3 or more bedrooms	7,389	85%	3,572	30%

Table 27 – Unit Size by Tenure

Data Source: 2016-2020 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

The City of Bozeman defines community housing as rental or owned homes that are affordable to households earning within specific income ranges or for special needs households. According to the City's 2019 Community Housing Needs Assessment, a total of 138 community ownership units and 947 affordable community rental units have been constructed in Bozeman. Since the City's Housing Needs Assessment, an additional 43 affordable community ownership units and 277 affordable community rental units have been built.

Affordable ownership units in the City include land trust products, Habitat for Humanity Homes, units created under the City's AHO, and HRDC units/programs. Not all remain in the affordable inventory but all have been leveraged to create affordability and contribute to wealth creation for low income households.

Of the affordable community rental units:

- Affordable rentals are a mix of low-income housing tax credit (LIHTC), project-based section 8, MT Board of Housing funding, and non-profit owned properties.
- Two properties are voluntarily operated as affordable rentals, meaning they could charge market rates. One is owned by a non-profit.
- A total of 357 units (29% of the community rental stock) are limited to occupancy by seniors and/or persons with disabilities.

Below is a table that describes the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs in Bozeman since 2018.⁶

⁶ [2019 City of Bozeman Community Housing Needs Assessment, page 46](#)

Inventory of Affordable Rentals: City of Bozeman, 2018

Name	Total units	Affordable units	Bedrooms	Income Limits	Project type	Year Built/In Service	Expiration
Baxter Apts	48	47	1, 2	40%, 50%, 60%	LIHTC	2006	2040
Boulevard Apts	39	39	Studio, 1, 2	80%	PBS8	1914, 1983 remodel	NA
Bridger Apts I	44	43	2, 3	50%, 60%	LIHTC	2003	2037
Bridger Apts II	46	46	1, 2	40%, 50%, 60%	LIHTC	2005	2039
Bridger Peaks Village	60	59	1, 2	60%	LIHTC, seniors	2004	2031
Castlebar Apts I	36	35	2, 3	60%*	LIHTC	2000	2038
Castlebar Apts II	36	29	2, 3	60%*	LIHTC	2003	2042
Comstock Apts I	24	24	2	60%	LIHTC	1996	2039
Comstock Apts II	34	33	1, 3, 4	50%, 60%	LIHTC	1999	2033
Comstock Apts III	28	28	1	40%, 50%, 60%	LIHTC	2001	2044
Dairy Keep Apts	10	10	2, 3	30%, 60%	MT Board of Housing	-	Expired – voluntarily affordable
Darlington Manor	100	88	Studio, 1	60% AMI	PBS8, LIHTC, seniors/disabled	1974, 1980; 2000 in service	NA
Gallatin Manor	64	62	2, 3	No limit	Non-profit owned	1972	NA
Greenwood Plaza	50	50	2, 3, 4	60% AMI	PBS8	1982	NA
Haggerty Apts	11	11	1, 2	40%, 50%, 60%	LIHTC	2014	2058
Larkspur Commons	136	136	1, 2, 3	50%, 60%	LIHTC	2017	2062
Legion Villa	61	60	1, 2	80%	PBS8, seniors/disabled	1975	NA
Pond Row Apts	22	22	2, 3	40%, 50%, 60%	MT Board of Housing	-	2024
Spring Run Apts	17	17	1	50%	Section 811, disability	2006	NA
Stoneridge Apts	48	48	2, 3	60%*	LIHTC	2016	2061
Summerwood Apts	36	36	1	50%	Section 202, seniors	2006	NA
West Babcock Apts	24	24	2, 3	80%	Bought expired LIHTC; non-profit owned	1996	NA
TOTAL rentals	974	947	-	-	-	-	-

Source: Property manager interviews, City of Bozeman, HRDC, HUD, Consulting team

*No response from Stoneridge and Castlebar LIHTC properties – assume <60% AMI, but some may be lower (40% and 50%).

In addition to the inventory listed above, the following affordable rental housing developments have been built:

- **Housing First Village**, 42 units of permanent supportive housing for residents with incomes up to 50% AMI (Built in 2021);
- **Arrowleaf**, 76 units of affordable rental housing for residents with incomes up to 60% AMI (Built in 2021);
- **Perennial Park**, 97 units of affordable rental housing for residents older than 55 with incomes up to 60% AMI (Built in 2021);
- **Timber Ridge**, 30 units of affordable rental housing for residents with incomes up to 60% AMI *Built in 2023); and
- 30 units of emergency shelter/rental housing for survivors of domestic violence.

With the majority of units in LIHTC developments, 58% of the units in the city's community rental housing stock are targeted at households with income of at least 60% AMI. Additionally:

- Less than 1% of units are targeted at households with incomes less than 30% AMI;
- 1% of units are targeted at households with incomes less than 40% AMI;

- 23% of units are targeted to households with incomes up to 50% AMI;
- 13% of units are targeted to households with incomes up to 80% AMI;
- And 8% of units do not have income limits.

Additionally, as of January 2024, the City of Bozeman reported that 17 community housing projects are currently in the pipeline, totaling an additional 1,241 affordable housing units and 3,715 units overall.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

Pond Row Apartments (22 units) have an affordability expiration period this year; no other LIHTC development's affordability period will expire until at least 2031. However, many more properties are or will be eligible to apply for a "qualified contract" during this period.

Does the availability of housing units meet the needs of the population?

No. The City of Bozeman's 2019 Community Housing Needs Assessment found that between 5,400 to 6,340 housing units were needed over the next five years to address the city's current housing shortfall for residents and the workforce to keep up with job growth. The Plan identifies that while community housing should serve the full range of incomes, efforts should focus on increasing:

- Ownership housing from 80% to 120% AMI, while also incentivizing the production of missing middle housing up to 150% AMI;
- Additional resident and employee rentals up to 80% AMI; and
- Safety net rentals below 30% AMI.

Additionally, to support the Housing Market Analysis of this Consolidated Plan, a "gaps analysis" was conducted, which compares renter household incomes to the distribution of both affordable rental and homeownership units. That analysis was based on the 2022 American Community Survey (ACS) data and reflects housing market conditions during 2022.

According to that gaps analysis, renters making below \$50,000 do not have an adequate supply of affordable housing. There are 5,339 renter households in Bozeman with incomes of \$50,000 and less. These renters have 4,899 rental units that are affordable to them, leaving a gap of 440 affordable rentals or rental subsidies to accommodate their needs. The gap is largest for renters with who live on fixed incomes, and renters with incomes between \$20,000 and \$25,000 (a gap of 1,873 affordable rental units).

Additionally, the gaps analysis also looked at the availability of homes for sale that were affordable to residents at different AMI levels. The analysis found that there are no affordable homes for sale to households that make less than 120% AMI.

Describe the need for specific types of housing:

The City's Needs Assessment also found that about 60% of the units needed to be priced "below-market" to meet the full range of community housing needs. This includes a mix of housing unit types to diversify options for residents, with prices ranging primarily between \$160,000 and \$400,000 for ownership and \$500 to \$1,200 per month for rent. The gaps analysis also reveals a need for deeply affordable and permanent supportive housing for the city's extremely low-income renters, as well as a need for more affordable homeownership opportunities for households making less than 120% AMI. More income and deed restricted housing is needed to accommodate this group of renters and potential buyers.

Specific housing types articulated by residents and stakeholders include a need for more transitional housing options, more accessible and first-floor housing options for residents living with disabilities, more housing options that allow older residents to downsize, and smaller-scale, affordable homeownership opportunities.

Discussion

MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

Introduction

Between 2010 and 2022, the median market value of homes in Bozeman, as measured by the American Community Survey (ACS), increased by 104%. The median value was \$546,100 as of 2022, requiring an annual household income of approximately \$164,000 and a downpayment of at least \$54,600.

Rents have also increased significantly, rising 96% between 2010 and 2022. The annual household income needed to afford the median rent and utilities is \$58,000. In 2022, 47% of Bozeman's renters paid \$1,500 or more per month for rent. In 2010, just 6% of renters paid \$1,500 or more per month for rent.

Cost of Housing

	Base Year: 2010	Most Recent Year: 2022	% Change
Median Home Value	\$268,100	\$546,100	104%
Median Contract Rent	\$686	\$1,343	96%

Table 28 – Cost of Housing

Data Source: 2010 and 2022 5-year ACS estimates

Rent Paid	Number	%
Less than \$500	279	2
\$500-999	2,517	21
\$1,000-1,499	3,561	30
\$1,500-1,999	3,183	27
\$2,000 or more	2,400	20

Table 29 - Rent Paid

Data Source: 2018-2022 ACS

Housing Affordability

Number of Units affordable to Households earning	Renter	Owner
30% HAMFI		No Data
50% HAMFI		
80% HAMFI		
100% HAMFI	No Data	

Table 30 – Housing Affordability

Data Source: 2016-2020 CHAS

The fair market rents listed in Table 36 represent FY2024 fair market rents.

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	\$901	\$999	\$1,275	\$1,797	\$2,164
High HOME Rent	\$901	\$999	\$1,275	\$1,797	\$1,998
Low HOME Rent	\$901	\$999	\$1,226	\$1,417	\$1,581

Table 31 – Monthly Rent

Data Source: HUD FMR and HOME Rents

Is there sufficient housing for households at all income levels?

No. According to the City's 2019 Community Housing Needs Assessment, between 5,405 and 6,340 housing units for residents and employees were estimated to be needed by 2025 –an average of about 770 to 905 housing units per year. According to the Needs Assessment, about 60% of the housing needed to be priced below-market, approximately 3,210 to 3,765 units (about 460 to 540 per year). Specifically, this meant ownership housing priced below \$350,000 (150% AMI) and rental units priced below \$1,000 per month (60% AMI). The Needs Assessment articulated that to support the local workforce, 41% of new units should be targeted for ownership and 59% of units should be targeted for renters.

As highlighted above, the gaps analysis completed for this plan found that renters making below \$50,000 do not have an adequate supply of affordable housing. There are 5,339 renter households in Bozeman with incomes of \$50,000 and less. These renters have 4,899 rental units that are affordable to them, leaving a gap of 440 affordable rentals or rental subsidies to accommodate their needs. The gap is largest for renters with who live on fixed incomes, and renters with incomes between \$20,000 and \$25,000 (a gap of 1,873 affordable rental units). The analysis found that there are no affordable homes for sale to households that make less than 120% AMI.

How is affordability of housing likely to change considering changes to home values and/or rents?

Between 2009 and 2020, Bozeman's population has increased by 20%. Over roughly the same time period, median market value of homes has increased by 104% while rents have increased by 96%. Market home values and rents have continued to increase alongside the population, suggesting that people with higher incomes are moving to the area and are able to afford the rising cost of housing. Therefore, the market is incentivized to accommodate the demand of high-income households. For these high-income households, affordability may not be a concern. However, for existing residents with lower incomes, finding and maintaining stable, affordable housing may become less likely as housing costs outpace their income.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

According to 2022 5-year ACS data, median gross rent for efficiency, one-bedroom, two-bedroom, and three-bedroom units are all higher than the FY24 Fair Market Rents established by HUD, as well as HOME High Rents for Gallatin County. This suggests that the payment standards established by HUD are lower than current market rates in Bozeman for rental units. Consequently, this indicates that the City will need to continue prioritizing the preservation of existing affordable housing and the production of new affordable units.

These findings align with feedback from both stakeholders and residents that have articulated that for residents who are able to secure a housing voucher, the payment standards are too low for the voucher to cover the remainder of rent after a household pays 30% of their income. Additionally, “voucher is not enough to cover the rent for places I want to live” was the number one answer articulated by survey respondents who indicated it was somewhat difficult or very difficult to use a voucher in the Bozeman area.

Discussion

MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

Introduction

This section provides data on the condition of housing units within Bozeman, based on American Community Survey (ACS) data from 2022. Of owner-occupied units, about a quarter, or 2,372 units, have a reported condition issue. A small share, just 1% or 54 units, have more than one condition issue. Seventy five percent of owner-occupied units in Bozeman have no condition issues.

Rental units are much more likely to be in poor condition, with 47% or 5,770 units with one condition issue. Similar to owner-occupied units, just 1% of the rental housing stock in Bozeman, or 129 units, have more than one condition issue. Just over half of the city's rental housing stock have no condition issues.

Condition issues appear to be somewhat correlated with year built. As described above, rental units are nearly 2.5 times more likely to have a condition issue compared with owner-occupied units. Between 1950 and 1979, twice as many rental units were built as owner-occupied units. Additionally, between 1980 and 1999, for every one owner-occupied unit built, approximately 1.8 rental units were built.

Homes built before 1980 have the greatest risk of lead-based paint hazard, as the federal government banned lead from paint beginning in 1978. According to the federal Environmental Protection Agency (EPA), nationally, 24% of homes built between 1960 and 1977 contain lead-based paint, in addition to 69% of homes built between 1940 and 1950, and 87% of homes built before 1940.

Bozeman has a sizable share of homes built before 1980: nearly a third (32%) of owner-occupied homes and 35% of renter-occupied homes were built before lead-based paint was banned. There were nearly one and a half times more rental units built during before 1980 than owner-occupied units (3,066 owner-occupied, 4,316 rental units).

Due to the lack of available data, this analysis did not include an inventory of the suitability of units in need of rehabilitation.

Definitions

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	2,318	24%	5,770	47%
With two selected Conditions	54	1%	129	1%
With three selected Conditions	0	0%	0	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	7,269	75%	6,501	52%
Total	9,641	100%	12,400	100%

Table 32 - Condition of Units

Data Source: 2022 5-year ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	4,952	51	5,155	41
1980-1999	1,623	17	2,929	24
1950-1979	1,551	16	3,230	26
Before 1950	1,515	16	1,086	9
Total	9,641	100	12,400	100

Table 33 – Year Unit Built

Data Source: 2022 5-year ACS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980.	3,066	32	4,316	35
Housing units built before 1980 with children present				

Table 34 – Risk of Lead-Based Paint

Data Source: 2018-2022 ACS (Total Units) 2016-2020 CHAS (Units with Children present)

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	n/a	n/a	n/a
Abandoned Vacant Units	n/a	n/a	n/a
REO Properties	n/a	n/a	n/a
Abandoned REO Properties	n/a	n/a	n/a

Table 35 - Vacant Units

Need for Owner and Rental Rehabilitation

Housing units built over 30 years ago are more likely to need rehabilitation assistance. Given that 32% of owner-occupied stock and 35% of renter-occupied stock was built before 1980, a sizable portion of Bozeman's housing stock likely has moderate rehabilitation needs. In general, low- and moderate-income households are more likely to be renters and renters are also more likely to experience substandard housing conditions. In Bozeman, households in Census Tract 6, which is north of W Peach Street, east of N19th Avenue, and south of W Griffin Drive, have lower median household incomes and higher poverty rates compared to the city at-large. According to 2022 5-year ACS data, more than half of the housing stock in this Tract (53.7%) was built before 1980.

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

According to CHAS data, an estimated 189 households with children aged 6 or younger live in owner-occupied homes built before 1980, which are more likely to contain lead-based paint hazards. There are an estimated 209 households with children aged 6 or younger in renter-occupied units with risk of exposure to lead-based paint hazards. It is common for households with lower incomes to live in older housing given that new and updated homes are likely more expensive. Low-income renters may be more likely to reside in substandard housing that contains lead-based paint hazards, as homeowners often have more income to remodel and more autonomy over the decision to address potential hazards in the home.

Discussion

MA-25 Public and Assisted Housing – 91.210(b)

Introduction

There are no public housing units in the city of Bozeman.

Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	38	0	675	275	350	50	0	0
# of accessible units									

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 36 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

Describe the supply of public housing developments:

n/a.

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

n/a.

Public Housing Condition

Public Housing Development	Average Inspection Score
n/a	n/a

Table 37 - Public Housing Condition

Describe the restoration and revitalization needs of public housing units in the jurisdiction:

n/a.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

n/a.

Discussion:

n/a.

MA-30 Homeless Facilities and Services – 91.210(c)

Introduction

The 2024 PIT Count counted 296 sheltered and 113 unsheltered homeless individuals in the city of Bozeman. A variety of housing facilities and services are offered to these homeless individuals by organizations within Bozeman, including the City, HRDC, other community-based organizations, and health service agencies. Housing facilities include emergency shelters, transitional housing, safe havens, and permanent supportive housing options. Homeless support services offered within the Bozeman area include: prevention and diversion, outreach, case management, system navigation and housing location assistance, medical services, employment services, substance use disorder services, mental health care, public assistance benefits and referrals, and domestic violence support.

Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	Five family suites (Homeward Point) 40 beds (Haven)	-	15 units (Family Promise)	-	-
Households with Only Adults	105 beds (HRDC Warming Center) 136 beds (Homeward Point -opening 2025)	-	10 units (HRDC)	42 units (Housing First Village) 19 units (community wide)	-
Chronically Homeless Households	-	-	-		-
Veterans	-	-	-		-
Unaccompanied Youth	-	-	-		-

Table 38 - Facilities and Housing Targeted to Homeless Households

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

Medical and Mental Health Care Services available to the Bozeman community include:

- **Community Health Partners** – CHP provides medical, dental, behavioral health, and pharmaceutical services. CHP also institutes a sliding scale payment system for services in use, and referrals to specialists also are on a sliding scale basis.
- **Bridgcare** – provides excellent, affordable reproductive and sexual healthcare and education in a safe environment.
- **Gallatin County Health Department** – Resources provided by the Health Department include environmental health, immunizations, WIC nutrition services, emergency preparedness, and preventative cancer screenings, among other services.
- **Hope House** – Hope House provides a Crisis Stabilization Center for anyone experiencing a mental health crisis who needs a safe place to go. Hope House also provides case management and short-term stay for clients.
- **Gallatin Mental Health Center** – GMHC assists individuals and communities with the challenges of mental health, substance use, and co-occurring disorders in order to achieve the highest quality of life. GMHC has sliding scale fees.
- **Human Development Clinic** – HDC provides quality, low-cost counseling services for the Gallatin Valley, including individual and group counseling, skill development workshops, and therapy for families, children, adults, and couples.
- **Western Montana Mental Health Center** – an integrated community-based mental health center offering a comprehensive range of services to adults living with mental health conditions in Montana.
- **A.W.A.R.E., Inc.** – statewide nonprofit organization that offers quality, community-based support for people with mental health and/or developmental disabilities and families with children ages 0 to 8.
- **MSU Human Development Clinic** – staffed by faculty and graduate students of the counseling program within the Department of Counseling at MSU, services are offered to members of the community, as well as students and staff at MSU. Low-cost mental health services to adults and children of Gallatin County are available.
- **Providence Mental Health** – Providence works toward alleviating the harmful effects of traumatic experiences for families and individuals.

In addition to the housing services provided for residents experiencing homelessness in the Bozeman area, HRDC also provides youth employment support, Medicare counseling, at home assistance for older adults, and care coordination for older adults. The day services also provide support to unhoused residents to meet their basic hygiene needs.

Additionally, employment and adult education services available to the Bozeman community include:

- **Bozeman Job Service** – Bozeman Job Service provides employment listings, job matching and training, Veteran resources, and counseling. The Job Service also provides computers, phone, fax, copying, and printing services for employment searches.
- **Vocational Rehab** – Promotes work and independence for adults with disabilities. Resources include job training and placement, counseling, and post-employment services.
- **Youth Development @ the HRDC** – Jobs skills, resources, and job placement for youth (ages 14-21, up to 24 years old in some cases).
- **Career Transitions** – Career Transitions uses a variety of tools to promote job readiness, including training and computer literacy classes, to ensure successful job placement for individuals.
- **LC Staffing** – A staffing agency for those seeking temporary or full-time employment.
- **Express Employment** – A staffing agency for those seeking temporary or full-time employment.
- **Adult Learning Center** – A service of Bozeman Public Schools, the ALC provides assistance in HI-SET preparation (formerly the GED) as well as resume skills, job search help, and basic adult education.
- **Beacon Employment Services** – Employment assistance for people with mental and physical disabilities. Assistance includes resume writing assistance, job search and placement, job coaching, interview skills development, and benefits counseling.

While there are available mental health services available in the Bozeman community, residents and stakeholders indicated that the demand for these services far outpaces supply. The majority of stakeholders consulted for this plan indicated that mental health services was one of the most critical needs in Bozeman. Additionally, 50% of survey respondents (n=477) indicated that more mental health services were a critical need for the Bozeman community.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

Montana 2-1-1 provides information and connects people to resources for non-emergency needs, via an easy-to-remember phone number (2-1-1) and a website (montana211.org).

Facilities

- **HRDC Warming Center** – The Bozeman Warming Center offers emergency shelter to anyone in need, including families with children, single adults, and couples. The space provides each individual or group with separate sleeping areas. The Shelter is open nightly from 8 p.m. to 8 a.m. Additionally, the Warming Center also provides Drop-In Services during the day. Warming Center and Day Center Services include computer access, day storage, housing case management, housing navigation, job search assistance, peer support and recovery groups, personal laundry, showers, and sock exchange. Note that HRDC's Homeward Point (discussed below) will replace the Warming Center when it opens.

- **HRDC Homeward Point** – Expected to open in spring 2025, HRDC @Homeward Point will be Bozeman’s year-round shelter. The shelter was planned from a trauma-informed point of view and includes dedicated space for families with a separate entrance. Staff and community partners will be located onsite, along with a variety of services, to ensure that clients’ experience with homelessness is brief and that they are well supported as they aim for housing stability.
- **Haven** – Recently, Haven has relocated to a new emergency shelter facility, which now offers 40 beds in 30 units. This shelter provides a confidential and safe house for victims of sexual and domestic violence. Staff also helps with crisis intervention, on-going support, education, and legal advocacy.
- **Family Promise** – Family Promise’s Shelter Programs provide temporary shelter and highly individualized, person-centered, trauma-informed case management to move families from homelessness to housing independence. Family Promise services individuals who are pregnant, families with children under the age of 18, and families of all compositions.
- **VASH program** – Veteran Affairs Supportive Housing for homeless veterans, including case management, counseling, and ongoing rental assistance.
- **Supportive Services for Veterans and Families** – Volunteers of American Northern Rockies provides supportive services for veterans and families who are experiencing or at risk of homelessness.

Additionally:

- There are 25 units of transitional housing available in the community (HRDC manages 10 units; Family Promise manages 15 units);
- HRDC also manages the Housing First Village, which offers 42 units of permanent supportive housing. An additional 19 units of PSH are available in the community.

Prevention and Diversion Services

- **HRDC** – HRDC’s Homeless Prevention program includes case management, housing counseling, financial coaching, and temporary emergency rental relief for households who meet program eligibility criteria.
- **Family Promise** – Through its Prevention and Diversion programs, Family Promise provides temporary assistance needed to prevent moving into emergency shelter, to maintain or move into stable housing, including rental payment assistance, landlord mediation, and transportation and utility support.
- **Haven** – Haven has a community engagement team and prevention education team that performs community outreach and awareness building to help people recognize domestic violence when it’s happening and how to support survivors. Haven also has a partnership with Bridgercare to administer a Peer Education program, which trains teens to teach their peers about sexuality and healthy relationships in a medically accurate, developmentally-appropriate, evidence-based, and culturally-sensitive manner.

Haven also provides counseling services, a 24-hour support line, emotional support, personal advocacy services, and safety planning. They also connect clients to other available community resources.

Supportive and Specialized Services

- **HRDC** – Other services provided by HRDC include emergency energy and emergency food assistance. In addition to the Homeless Prevention services and Transitional Housing mentioned above, HRDC's Housing First program provides Rapid Rehousing services, Housing Counseling/Supportive Services, and SSI/SSDI Outreach, Access, and Recovery (SOAR).

Additionally, HRDC's Market Place offers a no-cost grocery market (Gallatin Valley Food Bank), monthly grocery program for seniors, a pay-what-you-can restaurant, cooking and nutrition classes, year-round kid friendly food programs, emergency assistance, financial coaching and education, support to help clients file their taxes, utility assistance programs, home weatherization assistance, preschool registration, youth employment support, foster youth support, transitional housing support for youth, volunteer opportunities, and Medicare counseling, among others.

- **REACH** – REACH works to empower adults with a range of physical or developmental disabilities through employment, residential, and transportation assistance.
- **The Help Center** – provides a 24-hour crisis hotline, as well as Bozeman's 211 information line.
- **Ability MT** – Provides services that promote independence for people with disabilities.
- **Rural Dynamics, Inc.** – provides financial counseling, debt management, bankruptcy education, and other financial services.
- **Bozeman Public Library** – free books, movies, music, computers, and internet access.
- **LOVE, Inc.** – service for residents of Gallatin County who need clothing, food, budgeting assistance, car repairs, home repairs, transportation, and family help.
- **Salvation Army** – assists with clothing, linens, housewares, etc. Veterans and homeless assistance is also available.
- **Family Outreach, Inc.** – Provides free services to families and friends of children and adults with disabilities to help keep families intact. They also offer placement assistance.
- **Eagle Mount** – Provides quality adaptive recreation and support opportunities for people with disabilities and young people impacted by cancer and provide support for families of participants.
- **Big Sky Youth Empowerment** – Creates transformative community where vulnerable teenagers experience belonging, purpose, and well-being through group mentorship, adventure, and connection with the natural world.
- **Bozeman Adult Learning Center English for Speakers of Other Languages** – ESOL classes are designed to meet the individual language and cultural understanding needs of non-native English speakers.

- **Bienvenidos-** Connects new Spanish-speaking families with local mentors, volunteers, and professionals who help families meet their goals through language acquisition, coordination of services, access to community resources, and advocacy.
- **Montana Legal Services** – provides non-criminal legal information, advice, and representation to Montanans to fight scam on seniors, assist veterans, help people escape abusive relationships, and represent families living in unsafe housing conditions.
- **Child Care Connections** – assists families in affording child care through scholarships, provides resources for families regarding child safety, emergency preparedness, and special needs resources for both families and childcare providers.
- **South North Nexus** – Manages Migrant Legal Fund which assists migrants and their families in Montana with legal support to address pressing issues related to their residency in Montana.
- **McKinney-Vento** – Education for homeless children and youth program through Montana’s Office of Public Instruction.
- **Montana Fair Housing** – Promotes non-discrimination in Montana through outreach, education, dispute resolution and enforcement.

MA-35 Special Needs Facilities and Services – 91.210(d)

Introduction

Special needs populations in Bozeman include the elderly; frail elderly; persons with mental, physical, or developmental disabilities; persons with HIV/AIDS; and persons with substance abuse disorders. These populations face unique barriers to stable housing. Some rely on a fixed income, such as Social Security Disability Income (SSDI) that cannot withstand large increases in housing costs. People with mental, physical, or developmental disabilities have limited accessible and affordable housing options. For those relying on housing vouchers, the task of finding an accessible unit can be challenging.

Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs

Special needs populations require unique housing support. An estimated 40% of households with a disability have a housing need that may require modifications to make a unit more accessible, such as shower grab bars, ramps, or wide doors. This population may need help with one or more daily activities requiring assistance of a hired caregiver or family member. If neither option is available due to lack of family members or for financial reasons, group homes offer vital support for populations with disabilities.

An estimated 4% of elderly (aged 62 years and older) and 4% of frail elderly (elderly and requiring assistance with daily living) have housing or service needs; this is based on the share of elderly and frail elderly living in poverty. These needs are similar to those with disabilities, such as modifications to the home or care provided by a family member, or at-home caregiver.

There are an estimated 35 people living with HIV/AIDS in Bozeman based on CDC rates of incidence in Montana at 65.6 infections per 100,000 people. According to the CDC, treatment for HIV requires intensive, consistent medication to suppress the viral load to keep this population healthy and reduce the risk of transmission. Housing stability is critical for this population, as homelessness can make obtaining the necessary medication challenging and risks inconsistent usage. Support to maintain housing stability could be permanent supportive housing, housing vouchers, emergency rental assistance, and a medical care team to ensure health is optimized.

Based on the U.S. Department of Health and Human Services National Survey on Drug Use and Health, there are an estimated 10,321 persons with alcohol or other drug abuse disorders in Bozeman; 48% of which have a housing or service need. To best support this population, counseling for the individual and their family may be needed alongside housing assistance. Stable housing is key to recovery, as many with substance abuse disorders may use to cope with impending or present dangers of homelessness.

Among the greatest community development needs that residents and stakeholders were asked to consider as critical needs, the top five were: Affordable Childcare, Mental Health Services, Supportive Services for Vulnerable Residents, Climate Resilience Planning and Implementation, and Public Transit.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

As noted earlier in this section, several organizations serve residents experiencing mental health challenges, including Community Health Partners, Gallatin Mental Health Center, Human Development Clinic, Western Montana Mental Health Center, and the MSU Human Development Clinic. Organizations serving the needs of residents living with physical or development disabilities include REACH, Inc., Ability MT, and Family Outreach.

While programs and services do exist for providing supportive housing options to these populations, residents and stakeholders described a significant gap in the availability of supportive housing. Stakeholders described a critical shortage of affordable and accessible housing options for people living with disabilities. Additionally, mental health services were highlighted as being a significant community need. Several stakeholders felt that until residents treated their mental health challenges, finding and remaining in a stable housing situation would be a challenge. Stakeholders also mentioned that the lack of staff capacity and resources available for organizations to provide services in a housing setting were significant barriers to supportive housing. A couple of stakeholders cited the cost of living in Bozeman as a primary reason they are unable to retain their staff.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

The City of Bozeman strives to ensure that city information and public participation options are inclusive and accessible. The City has adopted policies in compliance with the Americans with Disabilities Act. The City will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities so that people with disabilities can participate equally in City programs, services, and activities, including, but not limited to, qualified sign language interpreters, documents in Braille, and other ways of making information and communications accessible to people who have speech, hearing, or vision impairments.

The City is dedicated to increasing staff resources to serve the elderly, persons with disabilities, and individuals with other special needs. The City is in the process of hiring a Disability Community Liaison, a Belonging in Bozeman Coordinator, Community Engagement Coordinator, and ADA Coordinator. The role of the ADA Coordinator is to ensure ADA compliance and bolster disability inclusivity in accessing the community. This will allow the City to move away from a reactionary model of addressing ADA compliance and ensure the City meets all federally mandated requirements in a proactive manner. The Disability Community liaison will assist the ADA Coordinator on community engagement and outreach to promote a positive relationship between the disability community and the City, ensure that community members with disabilities have an avenue to voice their concerns and provide feedback in community development. The Belonging in Bozeman and Community Engagement Coordinators will work together to implement the goals and strategies outline in the City Diversity, Equity and Inclusion Plan, which

includes goals pertaining to residents living with mental, physical, developmental disabilities and other special needs.

The Neighborhood Services division at the City of Bozeman has a specific focus on the health and safety impacts related to houseless residents, including those living with disabilities. The Neighborhood Services program connects vulnerable members of the community to services and resources, including mental health and substance abuse services, for persons suffering from drug and alcohol addiction and mental illness.

In partnership with Eagle Mount Bozeman the City of Bozeman's Parks and Recreation Division are working together to create inclusive summer camps for our community. Eagle Mount is focused on celebrating abilities and removing barriers to recreation. Eagle Mount offers a wide range of activities with adaptive features, such as skiing, horseback riding, swimming, camping, rock climbing, kayaking, cycling, fishing, and more. These activities foster freedom, joy, strength, focus and confidence. This collaboration allows for more success in a group setting for children with greater individual special needs. The summer camps are for all abilities to promote diversity and the beauty of disability.

In addition to the services these various departments provide for people with special needs, the City of Bozeman has identified the need to promote aging in place and universally accessible residential design. The City intends to leverage expertise of the disability community to educate design and building professionals and conduct educational workshops for design, construction, and real estate professionals on universal design practices and adaptable dwellings within residential developments. If an environment is accessible, usable, convenient and a pleasure to use, everyone benefits. By considering the diverse needs and abilities of all throughout the design process, universal design creates digital and built environments, services and systems that meet peoples' needs.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

Please see above.

MA-40 Barriers to Affordable Housing – 91.210(e)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

Through the stakeholder consultation process, a handful of barriers were identified impacting the development of affordable housing in Bozeman.

One stakeholder felt that the housing conversation is not really occurring at the regional level, adding that “it’s ignored a little bit at the regional level.” They noted that regionally, there is a de facto moratorium on development because of infrastructure constraints, namely sewer infrastructure. As a result, “the inability of other places to grow is putting pressure on growth in Bozeman.” This stakeholder wanted to see more regional cooperation among Bozeman and other local communities to try and address their housing issues in a collective manner.

Another stakeholder shared that the current zoning code does not allow the development of more compact homes on smaller lots, adding that to move their development through the process, they needed approximately 20 variances to the zoning code and had to use the Planned Unit Development (PUD) tool. Describing the process as “extremely challenging,” they felt there was a disconnect between the vision of the community and what can actually be built in the city.

Another stakeholder felt that zoning gets blamed a lot as a barrier to affordable housing development, however, they articulated that “Bozeman’s Unified Development Code (UDC) has tons of flexibility...it’s just really convoluted.” They noted that the city’s zoning code has been “patched up and moved around” so much that only a handful of people actually can navigate it and understand it. They felt that if you can navigate the code, it’s not overly difficult to move developments through the process.

Private covenants can also create barriers, particularly when they duplicate overly large lot sizes, excessive design costs, etc. Once adopted, covenants are very difficult to change. Montana has very little state law setting any kind of process guidance or standards for owners associations, fiscal stewardship, or equal protection making them easy to misuse.

Other stakeholders highlighted the development approval process in the city as a barrier, citing that due to staff capacity issues and unfamiliarity with the development code, the process to obtain all of the necessary approvals was not as efficient as it could have been.

Additional barriers identified by stakeholders impacting the development of affordable housing included the high cost of land and lack of availability of land, high cost of infrastructure, high cost of labor, and NIMBYism. A couple of stakeholders also mentioned that in addition to these barriers, Bozeman has a short construction season due to the weather, which compounds the negative impacts of the aforementioned barriers. One stakeholder also cited high interest rates as another current barrier to development. Stakeholders are also concerned about redevelopment of manufactured housing which could displace residents and contribute to a loss of naturally affordable stock.

At the state level, stakeholders highlighted the State Legislature's removal of a jurisdiction's regulatory authority to allow for inclusionary zoning. In response, the City is currently implementing an incentive-based approach to increasing the number of community housing units in Bozeman.

Stakeholders did acknowledge the City's effort to update the Unified Development Code, which aimed to:

- Ensure consistency with the Growth Plan and other adopted policy documents;
- Modernize and improve the organization, usability, and user-friendliness of the code;
- Provide for a wide range of housing types to meet an expanded range of housing needs;
- Improve the built environment and provide new and improved development standards; and
- Ensure compliance with recent state land use legislative changes.

However, the City's Mayor and Commission paused the update to the UDC in fall 2023 to allow for additional community engagement activities.

MA-45 Non-Housing Community Development Assets – 91.215 (f)

Introduction

Economic Development Market Analysis

The City of Bozeman updated its Economic Development Strategy in 2023, which includes the following goals:

Strong Economic Base

- Increase middle and high wage traded sector employment and diversify the economic base.
- Support local sector businesses with a seamless permitting process and awareness about existing small business programs.
- Invest in infrastructure projects identified on the capital improvement plan (CIP) that the business community needs and wants.

Strong Community

- Protect the outdoor environment by guiding efficient industry site development within the city limits.
- Foster an environmentally and economically sustainable community with an active transportation network (transit networks, bicycle routes, trails, and sidewalks) that employers and employees desire.
- Offset livability costs for citizens with conscious infrastructure and workforce investments that improve access to job opportunities with the understanding that several other stakeholders are focused specifically on affordable housing.

Additionally, the City's 2023 Economic and Market Update highlight eight key segments that distinguish the Bozeman economy from other mid-sized cities and recreation/resort-oriented mountain communities:

- **Higher Education** – In 2022, Montana State University (MSU) had 16,688 students enrolled and 4,250 faculty and staff. MSU is one of 131 R1 research institutions with “very high research activity” within the Carnegie Classification of Institutions of Higher Education.
- **Tourism and Recreation** – Bozeman is a “gateway community” for world class recreation including the Bridger Bol and Big Sky ski areas, pristine rivers and streams, and Yellowstone and Glacier National Parks. Yellowstone International Airport (BZN) is a major tourism (and business) driver with over 2.2 million passengers in 2022.
- **Health Care** – Bozeman Health is a regional hub for health care in Southwest Montana, employing over 1,000 people. There are numerous other clinics and medical offices clustered around the hospital and located throughout Bozeman.

- **Technology** – Bozeman is a hub for technology and research and development companies that have both started in or moved to Montana. Major employers range from companies focusing on software development to photonics R&D and manufacturing.
- **Manufacturing** – There are numerous manufacturing firms in Greater Bozeman ranging from outdoor companies to optical technology, materials science, electronics, and aerospace.
- **Retail and Hospitality** – Bozeman retailers serve at least a 50-mile radius trade area, making it the premier retail, services, and health care hub in Southwest Montana. Downtown Bozeman is a vibrant main street with independent shops, restaurants, and breweries serving locals and visitors.
- **Creative Arts** – The city has many businesses that provide goods and services based on intellectual property and individual creativity. These businesses include publishing, film, TV, media, design, technology, performing arts, and museums and galleries.
- **Montana State University Innovation Campus** – The MSUIC hosts the only Secure Compartmental Information Facility (SCIF) in the state of Montana and facilitates classified research for both government agencies and the private sector.

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	495	64	1.6%	0.2%	-1.4%
Arts, Entertainment, Accommodations	4,586	6,308	14.6%	16.2%	1.6%
Construction	2,493	2,237	7.9%	5.7%	-2.2%
Education and Health Care Services	8,231	11,101	26.2%	28.5%	2.3%
Finance, Insurance, and Real Estate	1,590	1,793	5.1%	4.6%	-0.5%
Information	194	601	0.6%	1.5%	0.9%
Manufacturing	2,149	1,573	6.8%	4.0%	-2.8%
Other Services	1,697	1,665	5.4%	4.3%	-1.1%

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Professional, Scientific, Management Services	3,867	4,664	12.3%	12.0%	-0.3%
Public Administration	545	1,438	1.7%	3.7%	2.0%
Retail Trade	4,326	5,690	13.8%	14.6%	0.8%
Transportation & Warehousing	892	644	2.8%	1.7%	-1.1%
Wholesale Trade	368	903	1.2%	2.3%	1.1%
Grand Total	31,433	38,981	100%	100%	-

Table 39 - Business Activity

Data Source: 2017-2021 ACS (Workers), 2021 Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Total Population in the Civilian Labor Force	33,661
Civilian Employed Population 16 years and over	32,708
Unemployment Rate	2.8%
Unemployment Rate for Ages 16-24	7.3%
Unemployment Rate for Ages 25-65	1.3%

Table 40 - Labor Force

Data Source: 2018-2022 ACS

Occupations by Sector	Number of People
Management, business, science, arts	15,519
Farming, fisheries and forestry occupations	277
Service	6,074
Sales and office	5,673
Construction, extraction, maintenance and repair	2,144
Production, transportation and material moving	3,021

Table 41 – Occupations by Sector

Data Source: 2018-2022 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	24,602	91%
30-59 Minutes	1,596	6%
60 or More Minutes	756	3%
Total	26,954	100%

Table 42 - Travel Time

Data Source: 2018-2022 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	372	0	199
High school graduate (includes equivalency)	1,727	54	685
Some college or Associate's degree	4,684	88	800
Bachelor's degree or higher	14,921	138	1,831

Table 43 - Educational Attainment by Employment Status

Data Source: 2018-2022 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	161	2	22	28	88
9th to 12th grade, no diploma	191	68	190	261	39
High school graduate, GED, or alternative	4,049	713	520	1,233	1,177
Some college, no degree	7,477	1,630	1,069	1,330	1,080
Associate's degree	656	915	280	348	202
Bachelor's degree	2,318	5,624	2,253	2,999	1,392
Graduate or professional degree	354	2,467	1,631	1,916	1,756

Table 44 - Educational Attainment by Age

Data Source: 2018-2022 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	\$27,455
High school graduate (includes equivalency)	\$36,437
Some college or Associate's degree	\$39,535
Bachelor's degree	\$46,677
Graduate or professional degree	\$63,252

Table 45 – Median Earnings in the Past 12 Months

Data Source: 2018-2022 ACS

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

In Bozeman, Education and Health Care Services is the largest employment sector, with 26% of all workers and 29% of all jobs (Table 45). The second largest sector is Retail Trade at 14% of workers and 15% of jobs. Professional, Scientific, and Management Services make up 12% of both workers and jobs in the city. According to the City's 2023 Economic Vitality Strategy, the largest industries in the city of Bozeman and Gallatin County are local and tourism sectors, including retail trade, hotels and restaurants, construction, and health care. The traded sectors of professional and technical services and manufacturing are the next largest groups of industries.

Describe the workforce and infrastructure needs of the business community:

According to a SWOT analysis performed for the 2023 Strategy, there were three significant weaknesses/threats impacting the Bozeman and Gallatin County economies:

- **Rapid increase in housing and real estate costs.** The implications associated with this factor include constraining the availability of the labor force, as well as constraining business expansion or relocation (cost of space).
- **Large proportion of jobs in the Bozeman area are in tourism, retail, and food and beverage industries.** The implications associated with this factor include lower wages, less economic productivity, and a mismatch between wages and housing costs.
- **Education and opportunity gap between white and non-white population.** The implications associated with this factor are investing resources into career paths to ensure there is more diversity in higher paying jobs.

In addition to the factors highlighted above and the lack of affordable housing, stakeholders also shared that the lack of available and affordable childcare is a significant economic impact. One stakeholder highlighted a recent workforce impact report that found Gallatin County is only meeting 50% of the demand for childcare. Several stakeholders highlighted recruitment and retention of childcare workers as a major problem, with one stakeholder sharing that “[as a city], we don’t retain workforce very well. Childcare is a very low paying occupation, and with the cost of living in Bozeman as high as it is, the turnover rate [of childcare staff] is really high.”

Another stakeholder articulated that for a significant number of people who live and work in Bozeman, “they’re not making enough money to cover the cost of childcare.” This forces households to have one member leave the workforce so they can care for their child(ren). Quality of childcare is another issue highlighted by this stakeholder, noting that a lot of households bounce around from one childcare facility to another due to the lack of quality. They felt that providing more resources to better train employees can improve retention rates with both employees and families.

One stakeholder shared that, “if parents don’t have reliable childcare, they won’t show up for work.” They added that they know residents who have had to leave the workforce because they haven’t been

able to find affordable childcare, noting that “availability [of childcare options] is one thing, but being able to afford childcare is a greater challenge.”

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

The City’s 2025-2029 Capital Improvement Plan (CIP) articulates the priorities of improving and maintaining the city’s infrastructure, facilities, parks, and roads over the next five years. The 2025-29 CIP has \$394.6 million in scheduled projects and \$513.5 million in unscheduled projects. However, stakeholders overwhelmingly described more affordable housing and childcare as the primary needs to continue supporting workforce development and economic growth in Bozeman and the broader region.

As articulated in the City’s CIP Plan, “...the need to address the demand for affordable housing in Bozeman continues to be a priority. This plan serves as an indication to the City’s commitment to leverage as many capital projects as possible for the further development of affordable housing in the community. The City will continue to evaluate and explore opportunities to address this critical concern.”

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

As the largest university in the state of Montana, Montana State University has positioned itself to align the growing sectors of its economy with the educational opportunities offered at the campus. The primary investment in this alignment of education and supply workforce is the MSU Innovation Campus, which is the state’s premier commercial development offering opportunities for partners to invest and build in a highly creative and entrepreneurial environment. The Campus will establish collaborative programs between institutions and the private sector with the aim of amplifying research, commercializing new technologies, and catalyzing Montana’s entrepreneurial ecosystem. Specifically, the Campus will offer opportunities in the following areas:

- Computer science;
- Biofilm engineering;
- Optical technology;
- Mental health and recovery;
- Space science and engineering; and
- Business and entrepreneurship.

According to the Northern Rocky Mountain Economic Development District (NRMEDD)’s Comprehensive Economic Development Strategy (CEDS), the labor force participation rate in Gallatin County is higher than the national average, meaning most of the residents are working and there are not many residents to attract into the workforce. However, stakeholders were most concerned with the lack of affordable housing and cost of living in Bozeman, which forces many recent graduates to leave the area for employment. One stakeholder shared that while MSU is providing the appropriate educational

opportunities to fill Bozeman's workforce needs, "some students have to leave and only come back 10 years later when they can afford to live here...that's not a sustainable strategy."

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

- **Gallatin College, Montana State University** offers two-year workforce associate degrees and one-year professional certificates that complement four-year programs at Montana State University to ensure access to workforce development that promotes a vibrant local economy. Examples of degrees and certificates offered include HVAC-R, Photonics and Laser Technology, IT Cybersecurity Information Assurance, and CNC Machining Technology.
- As noted above, the **MSU Innovation Center** is working to provide space for companies to locate while offering MSU student opportunities to be involved in real-time research projects and other efforts. For example, in 2020, the Applied Research Laboratory opened as the first building on the campus, where scientists work with federal agencies, such as the U.S. Department of Energy and Department of Defense, on projects related to lasers and photonics, advanced manufacturing and materials, and cyber security.

Stakeholders described that the MSU Innovation Campus is attracting a lot of attention from domestic and international companies. As such, these companies are exploring how to contribute in providing housing opportunities and other amenities, such as childcare, to recruit and retain high-quality employees.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?

Yes.

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

The goals articulated in the Northern Rocky Mountain Economic Development District (NRMEDD) CEDS document are:

- **Region-Wide Collaboration** – foster and catalyze region-wide economic development collaboration among local and state governments, businesses, educational institutions, federal government agencies and nonprofits;
- **Data-Driven Thoughtful Growth** – champion economic vitality, resiliency, recovery, and thoughtful growth through data-driven initiatives that reflect the region's character and resources;

- **Infrastructure Enhancements** – encourage and support enhancements to regional infrastructure to address existing and future economic constraints, including housing needs; and
- **Workforce Development and Education** – promote workforce expansion and development opportunities, including education, to support local businesses.

Additionally, the City’s 2023 Economic Vitality Strategy identified the following goals and objectives to guide economic vitality actions in the city:

Goal 1: Provide Opportunity for Gallatin Valley Residents

- Enhance the small business development ecosystem;
- Provide comprehensive and coordinated skills development starting with childcare through middle school and higher education; and
- Improve access to career opportunities for local and surrounding rural residents.

Goal 2: Support a Diverse Economy

- Focus on traded sector industries that are emerging and can increase exports;
- Enhance development of the talent pipeline; and
- Elevate a growing creative arts industry cluster.

Goal 3: Build a More Resilient Region

- Increase amount and access to housing for all
- Develop a sustainable city; and
- Foster a cultured-focused on climate change resilience.

The goals articulated above in both the CEDS and City plan align with the goals of the Consolidated Plan, namely increasing the amount of and access to affordable housing in the city and region and ensuring that community services, such as childcare and access to education, are available to ensure that all residents can contribute to and benefit from the local economy.

Discussion

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

For the purposes of this plan, a “concentration” is defined a Census Tract with 150 percent (or 1.5 times) of the city proportion of that group. For example, if 10% of residents are Asian but the Asian population of a specific Census tract is 15%, that tract would be considered “concentrated.”

Excluding the Census Tracts that overlap the Montana State University campus, Census Tract 6 is the one tract in Bozeman that contains a majority of households experiencing housing problems. Specifically:

- 59% of households in Census Tract 6 have income less than \$50,000 (33% of households in the city make \$50,000);
- The median household income in Census Tract 6 is \$44,762; the household median income in the city of Bozeman is \$74,113.
- The poverty rate in Census Tract 6 is 25%; in the city of Bozeman, 14% of the population live in poverty.
- While not a concentration, Census Tract 6 has a greater proportion of households that experience cost burdened compared to the city overall (54% of households in Census Tract 6, 51% of households overall).

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

The same definition of “concentration” articulated above is used in this subsection. The following Census Tracts in Bozeman have concentrations of racial/ethnic minorities:

- Concentrations occur when Census tracts are more than 7.2% Hispanic. Three Census in the city of Bozeman have concentrations of Hispanic residents—one in the northeast quadrant of the city (Census Tract 6) and two directly north of the Montana State University campus (Census Tracts 7.03 and 9).
- African American/Black residents make up a very small proportion of residents in the city. In this case, concentrations occur when just 0.9% of residents report their race as African American/Black. Two Census tracts in Bozeman have a concentration of African American/Black residents, both of which cover the Montana State University campus (Census Tracts 11.01 and 11.02).
- Asian residents make up a relatively small proportion of residents overall (2.3%). Census tracts with 3.5% and more Asian residents are considered concentrated. There are three Census tracts in the city with a concentration of Asian residents—all located south of Main Street. Census Tract 11.01, located on the Montana State University campus, has the greatest proportion of Asian residents in the city (6.9%), followed by Census Tract 10.02 (4.5%) and Census Tract 9 (4.3%), which are directly east and north of campus, respectively.

- Census tracts with more than 1.4% of Native American residents are considered a concentration. There are 3 such tracts in Bozeman. Census Tract 7.04, bounded by N Ferguson Avenue to the west, W Babcock Street to the south, Farmer's Canal to the east, and Durston Road to the north, has the greatest concentration of AIAN residents in the city (3.9% of the total tract population). Other census tracts with concentrations of AIAN residents include Census Tract 6 (3%) and Census Tract 7.01 (1.6%).

What are the characteristics of the market in these areas/neighborhoods?

The market in these areas offer more affordable options low-income renters. Rental units make up 57% of all units in the tract; moreover, there are several LIHTC developments and other community housing options located in Census Tract 6. Additionally, according to 2022 5-year ACS data, more than half of the housing stock in this tract (53.7%) was built before 1980. It is common for households with lower incomes to live in older housing given that new and updated homes are likely more expensive.

Similarly, Census Tract 11.01 and 11.02 overlap with the Montana State University campus. As such, more rental housing opportunities are available in these areas – rental units make up 98% of total units in Census Tract 11.01, as well as 60% of units in Census Tract 11.02. In Census Tract 11.01, 61% of the housing was built before 1980 while just over a fifth of the housing units (21%) in Census Tract 11.02 were built before 1980. With students as the primary tenants in these Census Tracts, it would suggest units are more affordable in these areas compared to the city overall.

Are there any community assets in these areas/neighborhoods?

Census Tract 6 has several community assets located within its boundaries, including Story Mill Park, Bozeman's only completely accessible park. In addition to several other parks, Headwaters Academy and the Bozeman Social Senior Center are located in the tract, along with multiple Streamline bus routes.

The greatest asset in Census Tract 11.01 and 11.02 is Montana State University. These Tracts also have direct access to Streamline bus routes to the north, along with several parks in Census Tract 11.02.

Are there other strategic opportunities in any of these areas?

Several of the City's planned/pipeline community housing projects are located in Census Tract 6 and Census Tract 11.02. Montana State University is the greatest strategic opportunity in not only Census Tract 11.01 and 11.02, but the entire city. For example, when complete, Montana State University's Innovation Campus, the campus will be home to more than 500,000 square feet of technology, biotech, healthcare, and office space.

The census tracts that overlay commercial corridors like Midtown (North 7th Avenue) offer strategic opportunities for LMI workers in the expanding hospitality and hotel industries, in the growing variety of small businesses in the corridors and a growing number of minority-owned businesses. Around MSU the strategic opportunities are found in the educational opportunities offered by 2yr and 4yr educational opportunities as well as one-year certificates of training in a variety of disciplines.

In addition to opportunities in the specific tracts above, the City of Bozeman maintains the following goals / priorities / strategies to promote equity throughout the City:

- Equitable economic growth that improves economic mobility, builds wealth and provides equal opportunities for under-represented individuals.
- A sustainable economy with varied industries and business sizes including diverse ownership.
- Resilient infrastructure to endure economic shocks and climate change, which includes areas such as adequate workforce housing, water supply, renewable energy, and multi-modal transportation.
- Engage higher education that supports an entrepreneurial ecosystem and talent pipeline to careers in the Gallatin Valley throughout the student's education.
- Innovation that captures opportunities in emerging technologies and industries including those aligned with national interests (e.g., defense, energy, climate)
- Fostering a small business hub through a supportive network that generates opportunity for wealth building of under-resourced individuals and retains businesses through succession planning.
- Building affordable housing near existing transportation corridors and concentrating growth in compact walkable urban centers to avoid sprawl.
- Prioritize development of affordable housing for low- and moderate-income households ensuring housing development keeps pace with job growth in key census tracts.

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

According to 2022 5-year ACS data, 91% of households have access to a desktop or laptop while 93% have access to a smartphone. Additionally, 67% of households have access to a tablet or other wireless computer. Approximately 3% of households do not have access to a computer.

Ninety-two percent of households have some type of access to broadband, such as cable, fiber, or DSL. Just 8% of Bozeman households do not have an internet subscription.

Lower income households in Bozeman are less likely to have internet access than households with higher income. According to 2022 5-year ACS data, 59% of households making less than \$20,000 have a broadband subscription while 41% of households do not have an internet subscription. Conversely, 100% of households making between \$20,000-\$74,999 and 98% of households making more than \$75,000 have a broadband subscription.

Yellowstone Fiber is a non-profit fiber provider in Gallatin County. In spring of 2023, Yellowstone Fiber began construction of an all-fiber optic network, with the aim of providing ultra-high speed internet to over 22,000 homes in Bozeman by 2025. Due to the growing importance of broadband and internet connectivity, “local officials and community leaders decided to create their own connectivity solutions in the absence of state and federal leadership. After declaring broadband “essential infrastructure,” the City [of Bozeman] worked to develop a GIS map of broadband availability for their over 48,000 residents. Specifically, the City wanted to ensure decision makers knew where every inch of city-owned conduit and fiber assets were laid. Access to this information helped to ensure that decisions were more effective and efficient in closing the digital divide for Bozeman residents.”⁷ These “fiber huts,” which contain broadband fiber infrastructure, are planned to be situated at parks around the city as the City builds out the network.

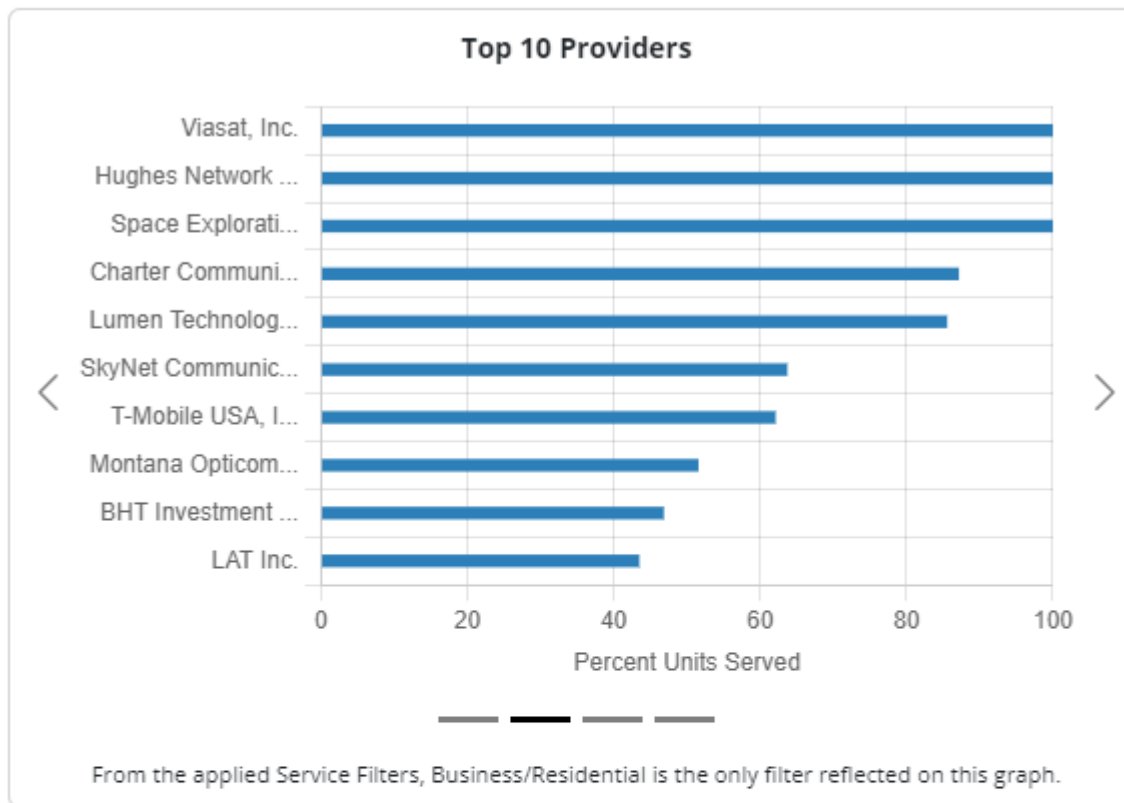
Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

According to the Federal Communications Commission (FCC) database, the city of Bozeman is served primarily by ten large broadband providers (figure below). In terms of coverage at 25/3 Mbps or greater speed, Space Exploration Technologies Corporation, Viasat, Inc., and Hughes Network Systems, LLC serve 100% of units in Bozeman. They are followed by Charter Communications (87% of households

⁷ <https://nextcenturycities.org/mappingmontana/>

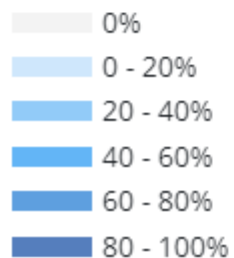
served), Lumen Technologies, Inc. (86%), SkyNet Communications (64%), T-Mobile USA, Inc. (62%), Montana Opticom (52%), BHT Investment Holdings (47%), and LAT Inc. (44%).

Bozeman, MT



Map Legend

Served Units Percentage



MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

In 2019, the City of Bozeman developed its Vulnerability Assessment and Resiliency Strategy to help the city identify and mitigate the consequences of climate change and other hazards, as well as find solutions to adapt to the risks associated with changing local climate condition and establish local resilience initiatives. This Assessment analyzed the following natural hazards risks on critical facilities, critical infrastructure, and community centers:

- **Extreme heat**, expected to be more frequent and intense;
- **Floods**, expected to be more severe;
- **Drought**, expected to be more frequent and intense;
- **Mountain snowpack**, expected to decline in volume;
- **Wildfire**, expected to be more extensive, frequent, and intense; and
- **Winter storms**, expected to be more severe.

In the City of Bozeman's Climate Plan, several strategies related to "Vibrant and Resilient Neighborhoods" are articulated, including "reducing the vulnerability of neighborhoods and infrastructure to natural hazards." Specific actions related to reducing this vulnerability include planning for resilience hubs at critical facilities, advancing resiliency in development code and development review processes, supporting business and residential preparedness outreach, and incorporating resiliency into infrastructure plans. According to the City's Climate Plan dashboard, all of these actions are in progress.

Additionally, Gallatin County Emergency Management has several plans that address natural hazard risks associated with climate change, include the Gallatin County Emergency Management Plan, Gallatin Hazard Mitigation and Community Wildfire Protection Plan, and the Gallatin County Sheltering Plan. While plans are in place to address these issues, stakeholders shared that one of the greatest challenges to addressing natural hazard risks associated with climate change is coordination among local governments and other partners. One stakeholder shared that until a major event occurs, it's difficult to get all the necessary partners in the same room to discuss roles and responsibilities related to the impacts of natural hazards.

Residents and stakeholders also acknowledged the impacts that natural hazard risks have and will continue to have on the city of Bozeman and surrounding areas. Of the most critical community development needs, a third of all survey respondents (n=316) identified a need for climate-resilience planning and implementation by the City.

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

The City's Vulnerability Assessment found that the buildings most vulnerable to extreme heat are primarily community centers that serve diverse and vulnerable populations. Facilities serving vulnerable populations at greater risk of experiencing impacts from natural hazards include:

- Bozeman Senior Center – vulnerable to extreme heat events, smoke hazards, and winter storms
- Story Mill Community Center – vulnerable to extreme heat events, flooding, and smoke hazards
- Bozeman Public Library – extreme heat events, flooding, and smoke hazards

In the state of Montana's *2021 Climate Change and Human Health in Montana*, the report details populations that are particularly vulnerable to the impacts of climate change. These groups include:

- People with existing chronic conditions
- People threatened by increased heat
- People living in proximity to wildfire and smoke.
- People facing food and water insecurity.
- People who are very young, very old, or pregnant
- People with limited access to healthcare services
- People living poverty
- American Indians
- People lacking adequate health insurance.
- People with mental health issues.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

Five-year goals are a critical part of the development of the Consolidated Plan. Five-year goals guide funding priorities and allocations, and, as such, housing and community development goals should reflect community priorities and align with complementary goals and initiatives.

The City utilized the findings from the Needs Assessment (NA) and Market Analysis (MA) sections, as well as the findings from the community engagement efforts, which included stakeholder consultations, resident focus groups, and a housing and community needs survey with over 950 responses, to develop the goals identified in this Consolidated Plan. These goals were also developed to align and reinforce other goals, strategies, and recommendations articulated in other existing City plans.

SP-10 Geographic Priorities – 91.215 (a)(1)

Geographic Area

The City of Bozeman will not allocate funding to specific geographic areas of the city; funding will be allocated on a citywide basis.

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

n/a.

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

DRAFT

1	Priority Need Name	Affordable Rental Housing
	Priority Level	High
	Population	Extremely low Low Moderate
	Geographic Areas Affected	Citywide
	Associated Goals	Goal 1: Increasing and Preserving Housing Options
	Description	The lack of affordable rental housing was identified as the most critical need in Bozeman through the data analysis for this plan and community engagement findings.
	Basis for Relative Priority	Residents and stakeholders identified the lack of affordable rental housing as the greatest need in the city of Bozeman. In the housing and community needs survey administered for this plan, 75% of respondents (n=711) identified rental housing for low-income renters as a critical need. Other City-led community engagement findings and plans, such as Belonging in Bozeman, Bozeman Community Plan, and the 2023 Economic Vitality Strategy, all identify the need for more affordable rental housing options.
2	Priority Need Name	Affordable Homeownership Opportunities
	Priority Level	High
	Population	Extremely low Low Moderate
	Geographic Areas Affected	Citywide
	Associated Goals	Goal 1: Increasing and Preserving Housing Options
	Description	The lack of affordable homeownership opportunities was another critical need identified through the data analysis for this plan and community engagement findings.

	Basis for Relative Priority	Residents and stakeholders identified the lack of affordable homeownership opportunities as another significant need in the city of Bozeman. In the housing and community needs survey administered for this plan, 84% of respondents (n=796) identified homeownership opportunities as a critical need. Other City-led community engagement findings and plans also stress the importance of more affordable homeownership opportunities in the city.
3	Priority Need Name	Accessible Housing
	Priority Level	High
	Population	Extremely Low Low Persons with Disabilities
	Geographic Areas Affected	Citywide
	Associated Goals	Goal 1: Increasing and Preserving Housing Options
	Description	The lack of accessibility in the city, particularly accessible housing options, was identified through the community engagement findings.
	Basis for Relative Priority	Several stakeholders discussed the lack of overall accessibility in the city for people living with disabilities. The lack of accessible housing was identified as a significant barrier for this population. Additionally, over a third of survey respondents (36%, n=342) identified residents living with disabilities as one of the population groups with the greatest challenges finding and keeping housing.
4	Priority Need Name	Emergency Shelter and Transitional Housing
	Priority Level	High

	Population	Extremely Low Low Chronic Homelessness Individuals Persons with Disabilities Families with Children Mentally Ill Chronic Substance Abuse Victims of Domestic Violence Unaccompanied Youth
	Geographic Areas Affected	Citywide
	Associated Goals	Goal 2: Supporting Vulnerable Populations
	Description	With a growing unhoused population, a need for more emergency shelter space and transitional housing options were identified as significant needs through the data analysis for this plan and community engagement findings.
	Basis for Relative Priority	Stakeholders who serve unhoused residents described a significant need for more emergency shelter and transitional housing capacity in Bozeman. Over 6 in 10 survey respondents (n=593) identified unhoused residents as a population group with the greatest challenges finding and keeping housing.
5	Priority Need Name	Community Services
	Priority Level	High
	Population	Extremely Low Low Chronic Homelessness Individuals Persons with Disabilities Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth
	Geographic Areas Affected	Citywide
	Associated Goals	Goal 3: Critical Community Services

	Description	Several community services were identified as significant needs through the data analysis and community engagement findings.
	Basis for Relative Priority	Residents and stakeholders identified several community services that they would like to see increased access to, including but not limited to, mental health services, chemical dependency services, and affordable and available childcare. Nearly two-thirds of survey respondents (n=615) identified affordable childcare as the greatest unmet community development need in Bozeman, while 50% of respondents (n=477) identified mental health services as a significant need. Over a third of survey respondents (37%, n=353) wanted to see more supportive services for vulnerable populations.

Table 46 – Priority Needs Summary

Narrative (Optional)

SP-30 Influence of Market Conditions – 91.215 (b)

Influence of Market Conditions

The City's Consolidated Plan goals provide flexibility for the City of Bozeman to implement the most effective strategies to address housing and other community needs. The City understands and recognizes that these needs can change with economic and housing market conditions. The table below succinctly summarizes the City's anticipated response to market conditions that will influence the use of its entitlement funds.

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	n/a.
TBRA for Non-Homeless Special Needs	n/a.
New Unit Production	Ongoing gap between need and housing supply.
Rehabilitation	Low-income owners and renters living in housing in poor condition and inability of these households to access credit and make repairs.
Acquisition, including preservation	Opportunity to acquire properties at prices needed to facilitate preservation and affordability.

Table 47 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

The Office of Community Planning and Development at the U.S. Department of Housing and Urban Development (HUD) allocates entitlement funds to the City of Bozeman Economic Development Department, which administers the CDBG program.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	Public Federal	Housing Homeless Support Public Services Planning and Administration	\$325,859	n/a	n/a	\$325,859	\$1,303,436	Expected Amount Available for remainder of Con Plan is FY2024 allocation times four.

Table 48 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Federal CDBG funds will be paired with the City's Community Housing Fund to achieve the goals outlined in the Consolidated Plan. The City estimates that \$1 million will be available in the Community Housing Fund over the next program year. There are no additional resources. There are no matching requirements.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

Within the city boundaries, publicly owned land suitable for development is incredibly limited. However, the City is actively seeking out and pursuing partnerships with other government agencies, organizations, and local entities to find and develop land suitable for affordable and workforce housing.

Discussion

DRAFT

SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
City of Bozeman	Government	CDBG Administrator	Citywide
The HRDC	Non-profit organization	CoC/Homelessness	District-wide

Table 49 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

Stakeholders and residents were highly complimentary of the services provided by HRDC and other organizations serving low-income and unhoused residents, particularly Family Promise, Haven, Bridgercare, and Bienvenidos a Gallatin County. In general, stakeholders felt that for the size of the community and the capacity of these organizations, as one stakeholder articulated, “these organizations continue to do more with less.”

However, stakeholders did acknowledge that the City and its partners could improve upon their coordination and efficacy at providing services to the City’s high-need populations. Stakeholders felt that the lack of affordable and accessible housing available throughout the community was a significant hindrance in providing services in an efficient and impactful manner.

Another issue highlighted by stakeholders was the lack of transitional housing available in Bozeman. One stakeholder shared that to ensure that the supportive services received by residents are actually effective, these residents need to be in safe and secure housing. They added that ideally, transitional housing available in Bozeman are actual homes, and not converted hotel rooms. Stakeholders emphasized the importance of a resident/household to feel genuinely safe and secure in their housing situation to make supportive services as impactful as possible.

The City’s Belonging in Bozeman Equity and Inclusion Plan was adopted in December 2023. One of the recommendations coming out of its Health & Wellbeing Goals/Recommendations was *Increasing coordination between health agencies to reduce barriers to healthcare services and programs*. Strategies to implement this recommendation as articulated in the Plan include:

- Coordinate across organizations to enable data sharing to better characterize health disparities and social needs in underserved communities.
- Improve referral and case management processes across health care and social service providers to connect patients/clients with community resources.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	
Mortgage Assistance	X		
Rental Assistance	X	X	
Utilities Assistance	X	X	
Street Outreach Services			
Law Enforcement		X	
Mobile Clinics			
Other Street Outreach Services		X	X
Supportive Services			
Alcohol & Drug Abuse	X	X	X
Child Care	X	X	
Education	X	X	
Employment and Employment Training	X	X	
Healthcare	X	X	X
HIV/AIDS			X
Life Skills		X	
Mental Health Counseling	X	X	X
Transportation	X	X	
Other			
Other			

Table 50 - Homeless Prevention Services Summary

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

The HRDC provides a range of services to a wide variety of residents, including unhoused residents, residents experiencing emergency needs, families in need of ongoing housing assistance, and others. At the end of 2023, HRDC opened Market Place, which opened to ensure that no one in the Bozeman community goes hungry. The Market Place includes a warehouse for emergency food storage, a grocery area, a pay-what-you-can restaurant, space for enrichment and educational opportunities, and access to several homelessness prevention and supportive services. In addition to Market Place, HRDC will open Homeward Point in 2025, Bozeman's first and only year-round emergency shelter and resource hub to integrate services is intended to make homelessness rare, brief, and one-time. Several other organizations, such as Family Promise, Haven, and the VA, provide a range of housing and/or services to specific unhoused and low-income populations.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

Montana 2-1-1 website provides a comprehensive list of services that are part of the community-wide effort to connect people at imminent risk of homelessness with help. Services available in the community include at-risk/homeless housing-related assistance programs, homeless prevention and diversion programs, healthcare-focused programs, and other specialized services.

Another common issue highlighted by stakeholders in Bozeman's existing delivery system was the lack of mental health services available in the city, with one stakeholder sharing that these services "are non-existent right now." Other services lacking in the city's service delivery system include substance use/chemical dependency services.

Stakeholders that serve unhoused residents in the Bozeman area described the lack of transitional housing as one of the most critical housing needs in the city. One stakeholder described that while the city's shelter capacity has increased, the supply of transitional housing is lagging significantly behind demand. They added that a consequence of having limited transitional housing is that for residents who might be ready to move on from the shelter into transitional housing, they have no options available to them so they usually end up back on the street. Stakeholders felt that the lack of transitional housing options, as well as the lack of housing in general, makes the city's service delivery system less effective.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

The City benefits from a strong network of housing and community development partners. Stakeholders described the lack of funding as a significant barrier to overcoming the gaps in the community's service delivery system. Nonetheless, while several stakeholders acknowledged that an influx of funding would not fix all of the gaps, they did advocate for more coordination among service providers to ensure that efficiency and efficacy of services is maximized while duplication of services is reduced.

SP-45 Goals Summary – 91.215(a)(4)

The following table reflects staff recommendations on funding allocation by goal. Final amount will be determined in collaboration with City Commission.

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Increasing and Preserving Housing Options	2024	2028	Affordable Housing	Citywide	Affordable rental housing Affordable homeownership opportunities Accessible housing	\$846,355	Rental units constructed: 150 Household Housing Unit Homeowner Housing Rehabilitated: 5 Household Housing Unit Housing for Homeless added: 10 Household Housing Unit
2	Supporting Vulnerable Populations	2024	2028	Homeless	Citywide	Emergency shelter and transitional housing	\$212,687	Homeless Person Overnight Shelter: 75 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 30 Beds
3	Critical Community Services	2024	2028	Public Services	Citywide	Community Services	\$244,394	Public service activities other than Low/Moderate Income Housing Benefit: 500 Persons Assisted
4	Planning and Administration	2024	2028	Planning and Administration	Citywide	Planning and Administration	\$325,859	Other: 0 Other

Table 51 – Goals Summary

Goal Descriptions

Goal Name	Goal Description
Increasing and Preserving Housing Options	Increase, protect and preserve affordable rental and homeownership housing opportunities by improving access to a diverse set of affordable housing, including but not limited to, naturally occurring affordable housing (NOAH), supportive housing for seniors and residents living with disabilities, and accessible housing.
Supporting Vulnerable Populations	Improve housing stability for individuals and households with critical needs, including persons experiencing or at-risk of homelessness by providing appropriate housing and service solutions grounded in Housing First approaches, including but not limited to, emergency shelter, transitional housing, and other supportive services.
Critical Community Services	Improve community services by addressing critical needs and promoting equity through improved or increased access to community programming, including but not limited to, mental health services, chemical dependency services, and affordable and available childcare.
Planning and Administration	Support the implementation of the three goals articulated above.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

The City of Bozeman estimates that through the implementation of the above goals, will serve roughly 100 extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing, shelter, and/or services.

SP-50 Public Housing Accessibility and Involvement – 91.215(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

n/a.

Activities to Increase Resident Involvements

n/a.

Is the public housing agency designated as troubled under 24 CFR part 902?

n/a.

Plan to remove the ‘troubled’ designation

n/a.

SP-55 Barriers to affordable housing – 91.215(h)

Barriers to Affordable Housing

As articulated in the housing market analysis, several barriers to affordable housing development were identified in Bozeman. Barriers identified by stakeholders included the high cost of infrastructure, complex and convoluted development code, high cost and lack of availability of land, cost of labor, short construction season, overly restrictive private covenants, redevelopment pressures on manufactured housing stock, and community pushback. Additionally, stakeholders highlighted the State’s removal of a jurisdiction’s regulatory authority to allow inclusionary zoning as another barrier.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

While some of the barriers highlighted above cannot be addressed by the City of Bozeman, the City has implemented several efforts to address the lack of affordable housing in the community.

Following the 2019 Community Housing Needs Assessment, the City developed the 2020 Bozeman Community Housing Action Plan to focus the community housing partnership framework and increase the ability to meet community housing needs in Bozeman. The City identified 17 strategies to implement over the next five years:

Funding

- General Funds
- Tax Increment Financing (TIF)
- Taxed dedicated to housing
- Low-Income Housing Tax Credits

Preservation

- Community Land Trust
- Deed Restricted Housing (permanent)
- Co-op Housing (mobile home parks)

Incentive/Regulation

- Removal of Regulatory Barriers
- ADUs
- Fee Waiver/Deferral

Partnership/Land

- Public/Private/Institutional Partnerships
- Land Banking

Program

- Homebuyer Assistance
- Permanent Supportive Housing (PSH) and Transitional
- Employer Assisted Housing

Several of these strategies have and continue to be implemented. In addition to its existing community housing inventory of over 1,200 affordable rentals and close to 200 affordable homeownership units, as of January 2024, there are an additional 1,241 community housing affordable units in the project pipeline.

Additionally, while the City's effort to update the Unified Development Code is currently paused, the effort will aim to:

- Ensure consistency with the Growth Plan and other adopted policy documents;
- Modernize and improve the organization, usability, and user-friendliness of the code;
- Provide for a wide range of housing types to meet an expanded range of housing needs;
- Improve the built environment and provide new and improved development standards; and
- Ensure compliance with recent state land use legislative changes.

The City of Bozeman leverages a variety of programs, public and private, to fill the large financial gaps in affordable housing projects due to the escalating costs of land, labor, lumber and lending. The tools currently at the City's disposal include the Community Housing Fund, a yearly general fund allocation, Urban Renewal funds when a project is located within an Urban Renewal District, 4% or 9% Low Income Housing Tax Credits when available, and when awarded by the State of Montana, and the Gallatin Housing Impact Fund, a \$10M privately raised low-interest revolving loan fund. Occasionally, there is overlap between the geographically constrained URD and LIHTC boundaries where the City can pair and sometimes triple the incentive to lower the AMI and increase long term affordability.

The City will also look for opportunities to support and defend local housing solutions at the state legislature and Identify and pursue local and state revenue streams for the creation of affordable housing and housing assistance programs, including dedicated mills to affordable housing projects and preserving the ability to use Tax Increment Financing as a tool for affordable housing

The City of Bozeman will continue to implement the strategies above and will look to leverage other opportunities and partnerships that help reduce barriers to affordable housing development in the city.

SP-60 Homelessness Strategy – 91.215(d)

The City of Bozeman adopted its *Belonging in Bozeman Equity & Inclusion Plan* in December 2023 to ensure that all residents, visitors, and City employees can thrive regardless of their race, identity, or life circumstance. The Plan builds upon the City's 2021 Equity Indicators Report and was put together through a collective partnership of the entire Bozeman community, including nonprofits, businesses, community groups, educational institutions, residents, employees, and visitors alike. This section summarizes the primary contents of that strategy and is organized around actions to address the needs of residents experiencing homelessness, helping individuals and families experiencing homelessness make the transition to permanent housing, and prevent homelessness.

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The development of the City's *Belonging in Bozeman Equity & Inclusion Plan* emphasized removing participation barriers and fostering diverse pathways for input to ensure that the Plan was grounded in shared experiences and supported by data and community engagement findings. The Plan acknowledges that residents with lived experiences should be valued and integrated into goals and recommendations that address homelessness in the community.

To that end, the first goal of the Equity and Inclusion Plan's Housing recommendations is **Develop a coordinated strategy to address homelessness in the Bozeman area**. This goal's first strategy is to "Identify and prioritize Housing First approaches to address housing instability and homelessness." According to the National Low Income Housing Coalition (NLIHC), under the Housing First model, "homeless service providers must design programs that address the unique, individualized needs and interests of each person who is being served, rather than imposing a one-size-fits-all design that denies or disqualifies people from receiving the assistance they need."⁸

Addressing the emergency and transitional housing needs of homeless persons

Additionally, the City's Equity and Inclusion Plan first Housing Goal includes a recommendation to address the emergency and transitional housing needs of Bozeman residents experiencing homelessness. Specifically, the recommendation states, "Support partner organizations by funding transitional and emergency housing initiatives and programs." The City is currently addressing this need through a competitive grant award process (using City general resources) that funds the work of non-profits that provide social services not covered by the City. This effort aligns with Goal 2 of this Consolidated Plan. Additionally, several stakeholders consulted for the development of this plan identified transitional housing as one of the most critical housing needs for unhoused residents in Bozeman.

⁸ [National Low Income Housing Coalition, Key Facts about Housing First, February 2023](#)

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.

One of the primary goals of the HRDC is to assist unhoused residents access safe and secure housing and to ensure that being unhoused in Bozeman is rare, brief, and one-time. The organization's housing services include providing emergency shelter and transitional housing, assisting residents find affordable rentals and access assistance, and providing homeownership assistance with education, counseling, and other resources.

Recently, HRDC opened Market Place, which includes a warehouse for emergency food storage, a commercial kitchen, a grocery area, a pay-what-you-can restaurant, and space for enrichment activities. Additionally, the Market Place acts as a "one-stop-shop" hub of services to ensure that residents experiencing homelessness can meet all of their needs in one place. The Market Place also includes several housing resources, including:

- Emergency assistance;
- Financial coaching and education;
- Support to file taxes;
- Utility assistance programs;
- Home weatherization assistance;
- Transitional housing support for youth;
- Home rental search and assistance;
- Homeowner assistance; and
- Transitional housing support.

Additionally, in 2025, HRDC is opening Homeward Point, a new year-round shelter to address the needs of Bozeman's unhoused community, right next door to the Market Place. The proximity of this shelter and availability of services will make it easier to help unhoused residents transition to permanent housing, find affordable housing units, and ensure that once these households find housing, they are stable and secure in their situation.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

As highlighted above, HRDC's Market Place provides a variety of services to all residents in Bozeman who are either unhoused or are at-risk of experiencing homelessness. In addition to the services described above, other housing resources and services available to residents likely to become homeless after being discharged from a publicly funded institution or system of care, as well as residents receiving assistance from public and private agencies, include:

- Monthly grocery program for seniors;
- Youth employment support;
- Foster youth support;
- Medicare counseling;
- At home assistance for older adults; and
- Care coordination for older adults.

The City's Belonging in Bozeman Equity & Inclusion Plan includes other recommendations to ensure that low-income individuals and families, as well as residents receiving assistance from public and private agencies, find safe, secure, and affordable housing. One of the recommendations under the City's goal of developing a coordinated strategy to address homelessness in the area is "Working with partners to leverage creative funding mechanisms, incentives, existing assets to increase long-term affordable housing supply and housing preservation for people earning below 60% AMI." This recommendation aims to increase the supply of housing that is available to low-income residents in Bozeman, as well as residents who are currently in need of housing and other service assistance. Other goals articulated in the City's Equity & Inclusion Plan aimed at assisting this population include:

- Promote aging in place and universally accessible residential development;
- Support and defend local housing solutions at the state legislature;
- Support continuing education for health professionals on working with underserved communities;
- Increase coordination between health agencies to reduce barriers to healthcare services and programs;
- Increase wrap-around support and resources available to students experiencing homelessness;
- Support and recognize inclusive businesses and employers;
- Support the growing Hispanic + Latino workforce to our economy and community;
- Increase knowledge and use of resources for underserved communities; and
- Prioritize food access for low-income communities.

SP-65 Lead based paint Hazards – 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

As discussed in MA-20 Housing Market Analysis: Condition of Housing, there is a correlation between low- to moderate-income households and lead-based paint (LBP) hazards. As such, the City will plan to develop policies and procedures to address lead-based paint hazards in housing built before 1978 that are compliant with regulations regarding the use of Community Development Block Grant (CDBG) funding during this upcoming program year.

How are the actions listed above related to the extent of lead poisoning and hazards?

Lead-based paint (LBP) was prohibited in residential properties starting in 1978. In Bozeman, 33% of the housing stock was built before 1980. Assuming an equal distribution of Bozeman's low- to moderate-income households, then 50% of the 7,382 housing units built before 1980, or 3,691, would be low or moderate-income households possibly at risk of LBP hazards. As such, the City's development of policies and procedures related to lead-based paint hazards will include guidance on lead-based paint screenings, mitigation actions, when necessary, and information for homeowners and tenants regarding the hazards of lead-based paint and actions that will help reduce the likelihood of lead poisoning events.

How are the actions listed above integrated into housing policies and procedures?

The City will ensure that all CDBG contracts entered into between the City and Subrecipients of CDBG funding will include language that stipulates that Subrecipients must comply with lead-based paint regulations and policies as established by the City, State of Montana, and other applicable Federal laws and regulations, including specific policies related to lead-based paint in the CDBG program.

SP-70 Anti-Poverty Strategy – 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

Several of the goals and objectives articulated in the City of Bozeman’s 2023 Economic Development Strategy address reducing poverty in the community including:

Provide Opportunity for Gallatin Valley Residents

- Enhance the small business development ecosystem;
- Provide comprehensive and coordinated skills development starting with child care through middle school and higher-ed; and
- Improve access to career opportunities for local and surrounding rural residents.

Support a Diverse Economy

- Enhance development of the talent pipeline.

Build a More Resilient Region

- Increase amount and access of housing for all.

Additionally, the City’s Belonging in Bozeman Equity and Inclusion Plan has several goals related to addressing poverty in the community, which are also coordinated with the goals articulated in this Consolidated Plan. The Belonging in Bozeman Plan goals include:

Housing Goals

- Develop a coordinated strategy to address homelessness in the Bozeman area.
- Reduce displacement of residents who work and go to school in Bozeman but cannot afford to live in Bozeman.
- Promote aging-in-place and universally accessible residential development.

Health & Wellbeing Goals

- Support continuing education for health professionals on working with underserved communities.
- Increased coordination between health agencies to reduce barriers to healthcare services and programs.
- Expand meaningful language access in clinical settings and in health promotion programs.

Education

- Expand opportunities for multilingual learners of all ages.

- Increase recruitment and resources to support higher education for underserved communities.
- Increase wrap-around support and resources available to students experiencing homelessness.

Childcare & Youth

- Reduce barriers to out-of-school opportunities and programs for underserved children.
- Increase capacity of after-school and summer programs.
- Increase subsidy for childcare programs and providers.
- Recruit, develop, and retain quality staff.

Economic Security

- Serve as a model for fostering fair and inclusive work environments.
- Expand access to city contracts and funding for local firms, businesses, and vendors.
- Support the growing Hispanic and Latino workforce to our economy and community.

Community Resiliency

- Increase knowledge and use of resources for underserved communities.
- Alleviate utility cost burden for low-income residents.
- Prioritize food access for low-income communities.

SP-80 Monitoring – 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City of Bozeman is responsible for ensuring that all regulations and requirements governing the administrative, financial, and programmatic operations of the CBDG program are followed. This includes ensuring that performance goals are achieved within the scheduled timeframe and budget, as well as ensuring that the City and/or Subrecipient of the City's CDBG funding are taking appropriate actions when performance problems arise. If the City decides to allocate its entitlement funding to Subrecipients, monitoring of the Subrecipient continues over the course of the project.

Monitoring Plan

Because this is the City's first Consolidated Plan, a Subrecipient Monitoring Plan has not been created. However, the City will utilize HUD's *Managing CDBG: A Guidebook for Grantees on Subrecipient Oversight* and will develop a Monitoring Plan over the next program year. Specifically, the City's Monitoring Plan will include:

- A statement about the importance of Subrecipient monitoring;
- Regulatory requirements related to Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards, and grant administration responsibilities related to the Community Development Block Grant (CDBG) program;
- The City's Risk Analysis assessment and process to determine a Subrecipient's technical assistance needs, how often Subrecipients should be monitored, and how the City's monitoring of Subrecipients will be structured;
- Development of a monitoring strategy, which might include remote review of Subrecipient documents, pre-monitoring, and formal monitoring visits;
- Establishment of a monitoring schedule;
- Creation of a monitoring checklist and workbook;
- A list of monitoring questions to help determine whether Subrecipients are complying with federal requirements.
- How to conduct a monitoring; and
- How to notify a Subrecipient about concerns and findings, corrective actions, and sanctions; and
- How to address any findings of noncompliance.

The City will also plan to include a list of monitoring resources to ensure City staff have the knowledge and information needed to conduct monitoring of Subrecipients in an efficient and thorough manner. The City will work with its local HUD office to ensure its Monitoring Plan includes all necessary information and applicable federal regulations and requirements. The City will also ensure that its

Monitoring Plan includes information related to outreach to minority businesses and organizations, as well as compliance with comprehensive planning requirements.

DRAFT

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

HUD's FY24 CPD Formula Program Allocations has the City of Bozeman receiving \$325,859 in CDBG funding.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	Public Federal	Housing Homeless Support Public Services Planning and Administration	\$325,859	n/a	n/a	\$325,859	\$1,303,436	Expected Amount Available for remainder of Con Plan is FY2024 allocation times four.

Table 52 - 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

Federal CDBG funds will be paired with the City's Community Housing Fund to achieve the goals outlined in the Consolidated Plan. The City estimates that \$1 million will be available in the Community Housing Fund over the next program year. There are no additional resources. There are no matching requirements.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

Within city boundaries, publicly owned land suitable for development is incredibly limited. However, the City is actively seeking out and pursuing partnerships with other government agencies, organizations, and local entities to find and develop land suitable for affordable and workforce housing.

Discussion

DRAFT

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

The following table reflects staff recommendations on funding allocation by goal. Final amounts will be determined in collaboration with City Commission.

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Increasing and Preserving Housing Options	2024	2028	Affordable Housing	Citywide	Affordable rental housing Affordable homeownership opportunities Accessible housing	\$0	Other: 0 Other
2	Supporting Vulnerable Populations	2024	2028	Homeless	Citywide	Emergency shelter and transitional housing	\$212,687	Homeless Person Overnight Shelter: 75 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 30 Beds
3	Critical Community Services	2024	2028	Public Services	Citywide	Community Services	\$48,000	Public service activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted
4	Planning and Administration	2024	2028	Planning and Administration	Citywide	Planning and Administration	\$65,172	Other: 0 Other

Table 53 – Goals Summary

Goal Descriptions

The five-year goals established to address housing and community development needs in Bozeman are described in the table below.

Goal Name	Goal Description
Increasing and Preserving Housing Options	Increase, protect and preserve affordable rental and homeownership housing opportunities by improving access to a diverse set of affordable housing, including but not limited to, naturally occurring affordable housing (NOAH), supportive housing for seniors and residents living with disabilities, and accessible housing.
Supporting Vulnerable Populations	Improve housing stability for individuals and households with critical needs, including persons experiencing or at-risk of homelessness by providing appropriate housing and service solutions grounded in Housing First approaches, including but not limited to, emergency shelter, transitional housing, and other supportive services.
Critical Community Services	Improve community services by addressing critical needs and promoting equity through improved or increased access to community programming, including but not limited to, mental health services, chemical dependency services, and affordable and available childcare.
Planning and Administration	Support the implementation of the three goals articulated above.

Projects

AP-35 Projects – 91.220(d)

Introduction

Based on the Consolidated Plan goals described above, the table below describes the projects that will be funded in Program Year (PY) 2024-2025.

Projects

#	Project Name
1	Emergency and transitional housing
2	Public services

Table 54 – Project Information

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

These priorities meet an increasing need in the Bozeman community by addressing the most acute housing needs through the additional of transitional and emergency housing, the cost-effective preservation of naturally occurring ah and supportive housing for underserved seniors and people with disabilities.

Housing has been an issue for Bozeman residents for many years; concern has increased as costs have skyrocketed following the COVID-19 pandemic. This is well-documented across several existing reports. The 2019 Bozeman Community Housing Needs Assessment revealed that prior to the pandemic, housing costs were already becoming unmanageable – the percentage of households paying over 30% of their income for rent plus utilities was 55%.

Bozeman’s 2021 Equity Indicators Project found housing access to affordable housing was the top need identified by survey takers (69% reported “large need”). The most recent 2023 Gallatin Valley Housing Report confirms that the post-COVID real estate price surge has been staggering: “the median price of a newly built single-family home in 2022 was \$950,000, nearly double the amount recoded in 2019.”

These priorities take steps to ensure equitable and inclusive housing is a reality in Bozeman by focusing strategically on homelessness, displacement, aging-in-place and universal building accessibility, increasing community knowledge, and lobbying for local solutions at the state level, so that Bozeman residents of all ages, abilities, and income levels can feel confident and secure in calling Bozeman their home.

AP-38 Project Summary

Project Summary Information

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit
Emergency and transitional housing	City-wide	Goal 2: Supporting Vulnerable Populations	Priority Need 4. Emergency Shelter and Transitional Housing	\$212,687	Improve housing stability for individuals and households with critical needs, including persons experiencing or at-risk of homelessness by providing appropriate housing and service solutions grounded in Housing First approaches, including but not limited to, emergency shelter, transitional housing, and other supportive services.	2024	75 people experiencing and/or at risk of homelessness
Public Services	City-wide	Goal 3: Critical Community Services	Priority Need 5. Community Services	\$48,000	Improve community services by addressing critical needs and promoting equity through improved or increased access to community programming, including but not limited to, mental health services, chemical dependency services, and affordable and available childcare.	2024	100 low- and moderate-income residents
Admin	City-wide	All goals supported	All priorities supported	\$65,172	Planning and administration of CDBG funds	2024	n/a

AP-50 Geographic Distribution – 91.220(f)

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

The City of Bozeman will not distribute funds geographically.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	100%

Table 55 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

n/a.

Discussion

n/a.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

One Year Goals for the Number of Households to be Supported	
Homeless	75
Non-Homeless	100
Special-Needs	
Total	175

Table 56 - One Year Goals for Affordable Housing by Support Requirement

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

Table 57 - One Year Goals for Affordable Housing by Support Type

Discussion

AP-60 Public Housing – 91.220(h)

Introduction

There are no public housing units in the city of Bozeman.

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

n/a.

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

n/a.

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

n/a.

Discussion

n/a.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

As highlighted in the City's Strategic Plan, the City of Bozeman's Equity and Inclusion recommends that the City develop a coordinated strategy to address homelessness in the Bozeman area in partnership with HRDC and the One Valley Regional Housing Coalition. The Coalition is made up of a government leaders, housing developers, banks, realtors, and other employers to help inform community members about housing issues, coordinate diverse partners and resources, and catalyze solutions to address housing stability and attainability in Gallatin County. The City will look to leverage and maximize its entitlement funding with other local and state resources to address the housing and services needs of unhoused Bozeman residents, as articulated in Goal 2 of this Plan.

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

As highlighted in the City's Strategic Plan, the first goal of the Equity and Inclusion Plan's Housing recommendations is "Develop a coordinated strategy to address homelessness in the Bozeman area." This goal's first strategy is to "Identify and prioritize Housing First approaches to address housing instability and homelessness." The City will continue to work collaboratively with its local community partners to provide funding and other resources to support reaching out to residents experiencing homelessness to not only help assess their own unique individual needs, but to work toward developing a strategy to address homelessness in Bozeman that is built upon the lived experience of unhoused residents in the community.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City's Equity and Inclusion Plan first Housing Goal includes a recommendation to address the emergency and transitional housing needs of Bozeman residents experiencing homelessness. Specifically, the recommendation states, "Support partner organizations by funding transitional and emergency housing initiatives and programs." The City is currently addressing this need through a competitive grant award process (using City general resources) that funds the work of non-profits that provide social services not covered by the City. This effort aligns with Goal 2 of this Consolidated Plan. Additionally, several stakeholders consulted for the development of this plan identified transitional housing as one of the most critical housing needs for unhoused residents in Bozeman.

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

One of the primary goals of the HRDC is to assist unhoused residents access safe and secure housing and to ensure that being unhoused in Bozeman is rare, brief, and one-time. The organization's housing services include providing emergency shelter and transitional housing, assisting residents find affordable rentals and access assistance, and providing homeownership assistance with education, counseling, and other resources.

Recently, HRDC opened Market Place, which includes a warehouse for emergency food storage, a commercial kitchen, a grocery area, a pay-what-you-can restaurant, and space for enrichment activities. Additionally, the Market Place acts as a "one-stop-shop" hub of services to ensure that residents experiencing homelessness can meet all of their needs in one place. The Market Place also includes several housing resources, including:

- Emergency assistance;
- Financial coaching and education;
- Support to file taxes;
- Utility assistance programs;
- Home weatherization assistance;
- Transitional housing support for youth;
- Home rental search and assistance;
- Homeowner assistance; and
- Transitional housing support.

Additionally, in 2025, HRDC is opening Homeward Point, a new year-round shelter to address the needs of Bozeman's unhoused community, right next door to the Market Place. The proximity of this shelter and availability of services will make it easier to help unhoused residents transition to permanent housing, find affordable housing units, and ensure that once these households find housing, they are stable and secure in their situation.

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

As highlighted above, HRDC's Market Place provides a variety of services to all residents in Bozeman who are either unhoused or are at-risk of experiencing homelessness. In addition to the services described above, other housing resources and services available to residents likely to become homeless after being discharged from a publicly funded institution or system of care, as well as residents receiving assistance from public and private agencies, include:

- Monthly grocery program for seniors;
- Youth employment support;
- Foster youth support;
- Medicare counseling;
- At home assistance for older adults; and
- Care coordination for older adults.

The City's Belonging in Bozeman Equity & Inclusion Plan includes other recommendations to ensure that low-income individuals and families, as well as residents receiving assistance from public and private agencies, find safe, secure, and affordable housing. One of the recommendations under the City's goal of developing a coordinated strategy to address homelessness in the area is "Working with partners to leverage creative funding mechanisms, incentives, existing assets to increase long-term affordable housing supply and housing preservation for people earning below 60% AMI." This recommendation aims to increase the supply of housing that is available to low-income residents in Bozeman, as well as residents who are currently in need of housing and other service assistance. Other goals articulated in the City's Equity & Inclusion Plan aimed at assisting this population include:

- Promote aging in place and universally accessible residential development;
- Support and defend local housing solutions at the state legislature;
- Support continuing education for health professionals on working with underserved communities;
- Increase coordination between health agencies to reduce barriers to healthcare services and programs;
- Increase wrap-around support and resources available to students experiencing homelessness;
- Support and recognize inclusive businesses and employers;
- Support the growing Hispanic + Latino workforce to our economy and community;
- Increase knowledge and use of resources for underserved communities; and
- Prioritize food access for low-income communities.

Discussion

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

As articulated in the housing market analysis, several barriers to affordable housing development were identified in Bozeman. Barriers identified by stakeholders included the high cost of infrastructure, complex and convoluted development code, high cost and lack of availability of land, cost of labor, short construction season, restrictive private covenants, and community pushback. Additionally, stakeholders highlighted the State’s removal of a jurisdiction’s regulatory authority to allow inclusionary zoning as another barrier.

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

While some of the barriers highlighted above cannot be addressed by the City of Bozeman, the City will continue implementing the strategies articulated in its 2020 Bozeman Community Housing Action Plan. Those strategies are listed below.

Funding

- General Funds
- Tax Increment Financing (TIF)
- Taxed dedicated to housing
- Low-Income Housing Tax Credits

Preservation

- Community Land Trust
- Deed Restricted Housing (permanent)
- Co-op Housing (mobile home parks)

Incentive/Regulation

- Removal of Regulatory Barriers
- ADUs
- Fee Waiver/Deferral

Partnership/Land

- Public/Private/Institutional Partnerships
- Land Banking

Program

- Homebuyer Assistance
- Permanent Supportive Housing (PSH) and Transitional
- Employer Assisted Housing

Several of these strategies have and continue to be implemented. In addition to its existing community housing inventory of over 1,200 affordable rentals and close to 200 affordable homeownership units, as of January 2024, there are an additional 1,241 community housing affordable units in the project pipeline. The City of Bozeman will continue to implement the strategies above and will look to leverage other opportunities and partnerships that help reduce barriers to affordable housing development in the city.

The City of Bozeman leverages a variety of programs, public and private, to fill the large financial gaps in affordable housing projects due to the escalating costs of land, labor, lumber and lending. The tools currently at the City's disposal include the Community Housing Fund, a yearly general fund allocation, Urban Renewal funds when a project is located within an Urban Renewal District, 4% or 9% Low Income Housing Tax Credits when available, and when awarded by the State of Montana, and the Gallatin Housing Impact Fund, a \$10M privately raised low-interest revolving loan fund. Occasionally, there is overlap between the geographically constrained URD and LIHTC boundaries where the City can pair and sometimes triple the incentive to lower the AMI and increase long term affordability.

The City will also look for opportunities to support and defend local housing solutions at the state legislature and identify and pursue local and state revenue streams for the creation of affordable housing and housing assistance programs, including dedicated mills to affordable housing projects and preserving the ability to use Tax Increment Financing as a tool for affordable housing.

The City of Bozeman will continue to implement the strategies above and will look to leverage other opportunities and partnerships that help reduce barriers to affordable housing development in the city. The process to develop this plan was grounded in input from community members and partner organizations to define needs, gather data, and chart a path forward. Community engagement efforts on reducing barriers to participation and creating multiple ways for everyone to help establish the vision for the plan, generate goals, and define the specific recommendations to achieve them.

Discussion:

AP-85 Other Actions – 91.220(k)

Introduction:

Actions planned to address obstacles to meeting underserved needs

Actions planned to address obstacles to meeting underserved needs are listed in AP-65.

Actions planned to foster and maintain affordable housing

Actions planned to foster and maintain affordable housing are listed in Section AP-75.

Actions planned to reduce lead-based paint hazards

Actions planned to reduce lead-based paint hazards are listed in Section SP-65.

Actions planned to reduce the number of poverty-level families

Actions planned to reduce the number of poverty-level families are listed in Section SP-70.

Actions planned to develop institutional structure

Actions planned to develop institutional structure are listed in Section SP-40.

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

Actions planned to enhance coordination between public and private housing and social services agencies are listed in Section SP-40.

Discussion:

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction:

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(l)(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.

1. 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
2. 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
3. The amount of surplus funds from urban renewal settlements	\$0
4. 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
5. 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. Specify the years covered that include this Annual Action Plan.	100%

Appendix - Alternate/Local Data Sources

1	Data Source Name American Community Survey
	List the name of the organization or individual who originated the data set. United States Census Bureau
	Provide a brief summary of the data set. The United States Census Bureau facilitates an annual survey, the American Community Survey (ACS), that collects detailed demographic information pertaining to social, economic, and housing characteristics of the U.S. population.
	What was the purpose for developing this data set? The ACS is an ongoing survey that provides vital information on a yearly basis about the nation and its people. Information from the survey generates data that help inform how trillions of dollars in federal funds are distributed each year.
	Provide the year (and optionally month, or month and day) for when the data was collected. 2018-2022 5-year estimates
	Briefly describe the methodology for the data collection. The Census Bureau mails letters to inform people living at an address that they have been selected to participate in the ACS and to provide instructions for completing the survey online. Households are asked to complete the survey online or to mail the completed paper questionnaire back to the Census Bureau's National Processing Center. If the Census Bureau does not receive a completed survey within a few weeks, it will mail an additional paper survey questionnaire. Following all mail contacts, a sample is taken from the addresses that have not responded online, by mail, or for those addresses with post office box mail delivery. These addresses are visited by Census Bureau field representatives, who will conduct the interview in person. A sample of people living in group quarters facilities, such as college dormitories, nursing homes, and prisons, are also interviewed in person to ensure coverage of everyone in the country.
	Describe the total population from which the sample was taken. The Census Bureau selects a random sample of addresses to be included in the ACS. Each address has about a 1-in-480 chance of being selected in a month, and no address should be selected more than once every 5 years. The Census Bureau mails questionnaires to approximately 295,000 addresses a month across the United States.

	Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed. The sample is designed to ensure good geographic coverage and does not target individuals. By focusing on quality geographic coverage, the ACS can produce a good picture of the community's people and housing by surveying a representative sample of the population.
2	Data Source Name Comprehensive Housing Affordability Strategy (CHAS) List the name of the organization or individual who originated the data set. United States Department of Housing and Urban Development (HUD) Provide a brief summary of the data set. HUD receives custom tabulations of American Community Survey (ACS) data from the U.S. Census Bureau, know as CHAS data. These data demonstrate the extent of housing problems and housing needs, particularly for low income households. What was the purpose for developing this data set? The CHAS data are used by local governments to plan how to spend HUD funds, and may also be used by HUD to distribute grant funds. Provide the year (and optionally month, or month and day) for when the data was collected. 2016-2020 Briefly describe the methodology for the data collection. The Census Bureau mails letters to inform people living at an address that they have been selected to participate in the ACS and to provide instructions for completing the survey online. Households are asked to complete the survey online or to mail the completed paper questionnaire back to the Census Bureau's National Processing Center. If the Census Bureau does not receive a completed survey within a few weeks, it will mail an additional paper survey questionnaire. Following all mail contacts, a sample is taken from the addresses that have not responded online, by mail, or for those addresses with post office box mail delivery. These addresses are visited by Census Bureau field representatives, who will conduct the interview in person. A sample of people living in group quarters facilities, such as college dormitories, nursing homes, and prisons, are also interviewed in person to ensure coverage of everyone in the country. Describe the total population from which the sample was taken. The Census Bureau selects a random sample of addresses to be included in the ACS. Each address has about a 1-in-480 chance of being selected in a month, and no address should be selected more than once every 5 years. The Census Bureau mails questionnaires to approximately 295,000 addresses a month across the United States.

	Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed. The primary purpose of the CHAS data is to demonstrate the number of households in need of housing assistance. This is estimated by the number of households that have certain housing problems and have income low enough to qualify for HUD's programs (primarily 30, 50, and 80% of median income). Data are also available by different types of households, such as the elderly, disabled, minorities, and other household types.
3	Data Source Name Point-in-Time (PIT) Count List the name of the organization or individual who originated the data set. Montana CoC/HRDC Provide a brief summary of the data set. The Point-in-Time (PIT) Count is an annual count of sheltered and unsheltered people experiencing homelessness on a single night in January. What was the purpose for developing this data set? The Point-in-Time (PIT) Count is meant to serve as a snapshot of homelessness in a community. These data help to establish the dimensions of the problem of homelessness and help policymakers and program administrators track progress toward the goal of ending homelessness. Provide the year (and optionally month, or month and day) for when the data was collected. 2024 Briefly describe the methodology for the data collection. The methodology that CoCs select to conduct their sheltered and unsheltered count is influenced by the CoCs' geographic and demographic characteristics, as well as their resources and capacity. HUD allows CoCs to use multiple approaches to complete their count, including a census approach, sample, or a combination of census and sampling approaches. Describe the total population from which the sample was taken. HUD requires CoCs to collect reliable data on the total number and characteristics of all people (i.e., sheltered and unsheltered) residing in the CoCs' geographic area who are homeless on a single night and report these data to HUD. CoCs often do not have complete data on everyone who is homeless and so must estimate some data. Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed. 409 residents were identified during the PIT Count.
4	Data Source Name National Intimate Partner and Sexual Violence Survey

	List the name of the organization or individual who originated the data set. Centers for Disease Control and Prevention (CDC), Department of Justice (DOJ), Bureau of Justice Statistics (BJS), and the National Sexual Violence Resource Center
	Provide a brief summary of the data set. This data is compiled from an ongoing survey that collects the most current and comprehensive national- and state-level data on intimate partner violence, sexual violence and stalking victimization in the United States.
	What was the purpose for developing this data set? CDC developed NISVS to collect data on these important public health problems and enhance violence prevention efforts.
	Provide the year (and optionally month, or month and day) for when the data was collected. 2016-2017
	Briefly describe the methodology for the data collection. NISVS is an ongoing national random-digit-dial (RDD) telephone survey of women and men in the United States that began in 2010.
	Describe the total population from which the sample was taken. NISVS samples noninstitutionalized English- or Spanish-speaking persons 18 years and older and uses a dual-frame strategy that includes landlines and cell phones. It is conducted in all 50 states and the District of Columbia.
5	Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed. The estimates in this data are based on completed interviews (n=27,571). Information collected in this survey includes lifetime and 12-month prevalence of intimate partner violence, sexual violence, and stalking; who is victimized by these forms of violence; characteristics of the violence; impact of the violence victimization; and health conditions associated with these forms of victimization. Demographic data collected includes sex, age, race/ethnicity, education status, marital status, and household income.
	Data Source Name Fair Market Rents (40th Percentile Rents)
	List the name of the organization or individual who originated the data set. HUD Office of Policy Development & Research (PD&R)

	Provide a brief summary of the data set. Fair Market Rents (FMRs) are estimates of rent plus the cost of utilities, except telephone. FMRs are used to determine payment standard amounts for the Housing Choice Voucher program, initial renewal rents for some expiring project-based Section 8 contracts, initial rents for housing assistance payment (HAP) contracts in the Moderate Rehabilitation Single Room Occupancy program (Mod Rehab), rent ceilings for rental units in both the HOME Investment Partnerships program and the Emergency Solutions Grants program, maximum award amounts for Continuum of Care recipients and the maximum amount of rent a recipient may pay for property leased with Continuum of Care funds, and flat rents in Public Housing units. What was the purpose for developing this data set? As described above, FMRs are used to determine annual payment standards for several different HUD programs. Provide the year (and optionally month, or month and day) for when the data was collected. HUD annually estimates FMRs for Office of Management and Budget (OMB) defined metropolitan areas, some HUD defined subdivisions of OMB metropolitan areas, and each nonmetropolitan county. Briefly describe the methodology for the data collection. HUD uses a variety of data to develop base-year FMR estimates, including ACS data, locally collected survey data acquired through Address-Based Mail surveys or Random Digit Dialing (RDD) telephone survey data, and other statistically valid information presented to HUD during the public comment and review period. Additionally, base-year recent moved adjusted FMRs are updated and trended to the midpoint of the program year they are to be effective using Consumer Price Index (CPI) data for rents and utilities. Describe the total population from which the sample was taken. FMR are established for metropolitan areas and nonmetropolitan counties. With several exceptions, the most current Office of Management and Budget (OMB) metropolitan area definitions of Metropolitan Statistical Areas (MSAs) are used because of their generally close correspondence with housing market area definitions. Small Area FMR areas are the U.S. Postal Service Zip code areas within a designated metropolitan area. Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed. Fair Market Rents are estimates of 40th percentile gross rents for quality units within a metropolitan area or nonmetropolitan county.
6	Data Source Name HOME Rents List the name of the organization or individual who originated the data set. U.S. Department of Housing and Urban Development

Provide a brief summary of the data set. HOME-assisted units in a rental housing project must be occupied by households that are eligible as low-income families. As such, HUD provides maximum HOME rent limits, which are the lesser of the following: 1) The fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or 2) A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the median income for the areas, as determined by HUD, with adjustments for number of bedrooms in the unit.
What was the purpose for developing this data set? This data set was developed to ensure that HOME-assisted units in a rental housing project are occupied by eligible households.
Provide the year (and optionally month, or month and day) for when the data was collected. 2023. HUD updates this dataset annually.
Briefly describe the methodology for the data collection. HUD uses a variety of data to develop base-year FMR estimates, including ACS data, locally collected survey data acquired through Address-Based Mail surveys or Random Digit Dialing (RDD) telephone survey data, and other statistically valid information presented to HUD during the public comment and review period. Additionally, base-year recent moved adjusted FMRs are updated and trended to the midpoint of the program year they are to be effective using Consumer Price Index (CPI) data for rents and utilities. Additionally, HUD develops income limits based on Median Family Income estimates for each metropolitan area, parts of some metropolitan areas, and each non-metropolitan county.
Describe the total population from which the sample was taken. FMRs are established for metropolitan areas and nonmetropolitan counties. With several exceptions, the most current Office of Management and Budget (OMB) metropolitan area definitions of Metropolitan Statistical Areas (MSAs) are used because of their generally close correspondence with housing market area definitions. Small Area FMR areas are the U.S. Postal Service Zip code areas within a designated metropolitan area. As noted above, HUD develops income limits based on Median Family Income estimates for each metropolitan area, parts of some metropolitan areas, and each non-metropolitan county.
Describe the demographics of the respondents or characteristics of the unit of measure, and the number of respondents or units surveyed. Fair Market Rents are estimates of 40th percentile gross rents for quality units within a metropolitan area or nonmetropolitan county. Additionally, HUD's HOME rent limits account for average occupancy per unit and are adjusted for income.



DRAFT

Fair Housing Plan

PREPARED FOR:

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ADOPTED

TBD

CITY OF BOZEMAN

2024-28 FAIR HOUSING PLAN

This document is a requirement of the U.S. Department of Housing and Urban Development (HUD) as a condition of receiving a direct allocation of Community Development Block Grant (CDBG) funds. As a recipient of HUD funds, the City is required, under the Fair Housing Act (Title VIII of the Civil Rights Act of 1968) to administer federal funds in a way that affirmatively furthers fair housing. This Fair Housing Plan meets the federal standards for evaluating fair housing challenges in Bozeman and identifying meaningful actions to promote fair housing choice. Its contents are guided by federal standards and best practices. It should be noted that the analysis may evaluate conditions—and identify challenges—that are outside the City government’s sphere of influence.

*This document is not intended to replace the City’s other housing and equity plans, including **Belonging in Bozeman** and the **Community Housing Action Plan**—rather it draws from those plans and builds on previous analyses in order to comply with HUD reporting requirements.*

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I. EXECUTIVE SUMMARY

SECTION I.

Executive Summary

This Fair Housing Plan commits the City of Bozeman to advancing equity in housing, community development programs, and residents' access to high-opportunity and well-resourced areas. The plan identifies meaningful actions to promote fair housing choice and foster inclusive communities that are free from discrimination. The plan does also identify fair housing barriers that may be market-driven and/or outside the direct sphere of influence of the City and its partners.

Note to Readers: *This document is a requirement of the U.S. Department of Housing and Urban Development (HUD) as a condition of receiving a direct allocation of Community Development Block Grant (CDBG) funds. As a recipient of HUD funds, the City is required, under the Fair Housing Act (Title VIII of the Civil Rights Act of 1968) to administer federal funds in a way that affirmatively furthers fair housing. This Fair Housing Plan meets the federal standards for evaluating fair housing challenges in Bozeman and identifying meaningful actions to promote fair housing choice. Its contents are guided by federal standards and best practices. It should be noted that the analysis may evaluate conditions—and identify challenges—that are outside the City government's sphere of influence to address.*

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Primary Findings

The analyses of community engagement (Section II), demographics (Section III), access to opportunity (Section IV), disproportionate housing needs (Section V), and fair housing environment (Section VI) yield the following primary findings for the city of Bozeman.

Community engagement. This section summarizes challenges, ideas, and outcomes gathered throughout the community engagement process from a wide variety of residents and stakeholders; see Section II for details. Primary findings include:

- The lack of affordable housing was the number one challenge identified by residents and stakeholders in Bozeman. Factors identified by residents and stakeholders contributing to the lack of affordable housing included the high cost and lack of available land, high development costs, zoning constraints, and community opposition.
- Specific housing types needed in Bozeman articulated by residents and stakeholders include more affordable housing for the local workforce, transitional housing options, supportive housing for older residents, and accessible housing.
- Populations with disproportionate housing needs and service needs identified by residents and stakeholders include undocumented residents, Indigenous residents, residents living with disabilities, and low-income households.
- Barriers contributing to the challenge of finding and securing housing for these populations included bad credit, criminal history, burdensome application processes and fees, citizenship status, and low wages compared to the cost of housing (e.g., lack of employment options to cover the current cost of living).
- Residents and stakeholders articulated several housing and service outcomes they wanted to see, including more landlords willing to take housing choice vouchers, the availability of more mental health and addiction/chemical dependency services, and more available and affordable childcare options.

Housing and Community Needs survey findings. The City of Bozeman administered a Housing and Community Needs survey from March 2024 to May 2024. Residents and stakeholders throughout the community were asked to identify resident groups with the greatest housing challenges, the types of housing and housing activities most needed in the city, the greatest unmet community development, economic development, and public service needs, and how they wanted the City to prioritize its federal resources. A brief summary of the high-level results is provided below.

- Low- and moderate-income families, persons/families who are currently unhoused, residents in the local workforce, residents living with mental illness, and residents living with disabilities were identified as groups with the greatest housing challenges in Bozeman.
- According to residents and stakeholders, the five most critical housing outcomes for prioritization are more affordable rental housing for low- to moderate-income residents, more homeownership opportunities for low- to moderate-income residents, a better distribution of affordable housing, more downpayment assistance for low- and moderate-income households, and fewer affordable units converted to market rate housing.
- The five most critical community development outcomes identified by residents and stakeholders included increased access to mental health care services, additional and/or higher quality childcare centers, more climate resilience-focused planning and

implementation efforts, increased access to addiction treatment services, and street and sidewalk improvements.

- One in five survey respondents (21%) reported being displaced from their housing situation (e.g., moving out of a home/apartment when they did not want to move) in Bozeman over the last five years.

Demographic patterns. This section analyzed demographic patterns associated with residential settlement, housing availability and affordability, and access to opportunity. Primary findings of this section are detailed below.

- Bozeman’s population largely consists of non-Hispanic White residents (87%); however, over the last twelve years, the city has gradually become more diverse.
- The majority of households (54%) in the city are “non-family” households—largely householders who live alone or share the home with people they are not related to. This is driven in part by the presence of Montana State University.
- The percentage of people living in poverty in Bozeman (14.7%) has declined by over a quarter since 2010. Poverty varies by race and ethnicity but is significantly high for African American/Black residents (30%). Hispanic residents, residents who identify as some other race, and single mothers are more likely to live in poverty relative to the general population.
- American Indian and/or Alaska Native (AIAN) and Asian residents have lower household median incomes compared to the general population.
- One in four residents in Census Tract 6, which is located in the northeast quadrant of the city, are living in poverty. This tract also has concentrations of residents living with disabilities, Hispanic residents, and AIAN residents. It is important to note that some sources of federal funding prioritizes low/moderate income Census tracts which can have the effect of concentrating federally supported housing serving poverty populations, in some cases maintain poverty concentrations.
- While Bozeman’s Dissimilarity Index score—a measure of the severity of segregation—show low levels of segregation between residents of color and non-Hispanic White residents, this is primarily due to the city’s relatively low proportion of households of color.

Access to opportunity. Analysis in this section points to gaps in access to opportunity in:

- **Education.** Non-Hispanic White students have substantially higher proficiency rates than all other student groups by race and income within Bozeman schools. Indigenous students have lower proficiency rates and high school graduation rates in Bozeman compared to other students by race and ethnicity. Hispanic students in Bozeman also have low graduation rates. Respondents living in households of color were much more

likely to report dissatisfaction with their child(ren)'s education than non-Hispanic White respondents in the housing and community needs survey. Note that the City of Bozeman does not have direct influence on the school district, as the State of Montana bars municipalities from regulating the school system, programs, and funding.

- **Employment outcomes.** Between 2010 and 2022, the unemployment rate decreased for non-Hispanic White and Hispanic residents, as well as residents who identify as two or more races. Conversely, Indigenous workers saw a nine-percentage point increase in unemployment over the same time period. While approximately four in ten Bozeman residents have a college degree, nearly half of Indigenous residents are college educated. Black residents have the lowest proportion of residents with a college degree in Bozeman. Over a third of survey respondents (35%) identified an increase in wages as needed to improve their job satisfaction.
- **Broadband access.** While 97% of households with income above \$75,000 have an internet subscription, only 71% of households earning below \$20,000 have an internet subscription. For low-income households, lack of internet access may limit their ability to access employment opportunities and community resources. Seven percent of survey respondents indicated that increased access to broadband/internet was a significant community need in Bozeman.
- **Access to transportation.** According to the housing and community needs survey, 25% of respondents are unsatisfied with their current transportation options. Of these respondents, most wanted to see increased frequency, reliability, and coverage of the district bus system¹, as well as expanded connective networks for alternative transportation options (e.g., biking and walking). Additionally, through stakeholder conversations and focus groups conducted to support this study, as well as findings from previous city efforts, several barriers exist for residents living with disabilities to easily access the transportation system. Inaccessible buses, infrequent fixed-route service, limited paratransit services, and other current infrastructure (e.g., sidewalks, parking spaces) make it challenging for residents to utilize these services and spaces to their full advantage.
- **Healthy communities.** Survey respondents identified a variety of outcomes they wanted to see to improve their neighborhoods and health, including street and sidewalk improvements, parks and recreation facility improvements, new/improvements to existing community centers, more recreation opportunities, making it easier to exercise, and better access to healthier foods. Census Tract 11.02, which covers Montana State University and the southwest area of the city, was

¹ Note that the City does not operate or own the bus system. There is a separate transit district which sets routes and frequency and receives federal transportation funding.

identified as having limited food access, though there is a full-service grocery store in the adjacent tract.

Disproportionate housing needs. The data analysis in this section of the Fair Housing Equity Plan finds the most severe disproportionate housing needs in:

- **Cost burden and severe cost burden.** Half of Black/African American households experience cost burden, while a fifth of Asian households and a quarter of Hispanic households experience severe cost burden. These households are much more likely to experience eviction and homelessness due to inability to keep up with their rent or mortgage payments.
- **Homeownership rates.** Significant gaps in homeownership exist for Black/African American households in Bozeman; large gaps also exist for Hispanic households. According to recent ACS data, there are no Black/African Americans that own their homes in Bozeman, compared to 45% of non-Hispanic White households. Additionally, just 26% of Hispanic households own their homes. According to the housing and community needs survey, Black/African American and American Indian/Alaska Native survey respondents are much more likely to have trouble keeping up with their property taxes than city respondents overall.
- **Displacement.** Approximately one in five Bozeman households (21%) report moving in the last five years against their choice. While the sample sizes were small, 50% of American Indian/Alaska Native and 40% of Black/African American respondents report experiencing displacement. AIAN respondents were more likely to be displaced due to their landlord not renewing the lease or losing their job, while Black/African American respondents were more likely to report being evicted because they were behind on rent or their home went into foreclosure. Renters, respondents living with a disability, and low-income renters also experienced displacement at a disproportionate rate. These households reported rent increases as the primary reason for displacement.
- **Access to mortgage loans.** Of applicants for mortgage loans in 2022, Hispanic residents had the highest denial rates (12%), 25% higher than non-Hispanic White applicants. In Bozeman, nearly half of all loan applications are denied due to debt-to-income ratio. While too few observations were available for most applicants by race and ethnicity, Hispanic applicants (5%) were more than twice as likely than non-Hispanic White applicants (2%) to receive a high-priced loan.

Fair housing environment. This section of the Fair Housing Equity Plan assesses private and public barriers to housing choice within the context of existing fair housing laws, regulations, and guidance.

- HUD reported seven fair housing complaints in Bozeman between 2019 and 2023. Most complaints submitted to HUD during this period affected individuals living with physical disabilities.
- Approximately one in five Bozeman survey respondents (19%) reported experiencing housing discrimination in the last five years. Populations experiencing housing discrimination at a disproportionate rate include low-income respondents, respondents with disabilities, single parents, and students. Nearly half of survey respondents (46%) reported doing nothing about the discrimination because they were not sure what to do.
- The City of Bozeman has tentatively paused its process for updating its Unified Development Code (UDC). As such, a list of best practices to ensure land use and zoning regulations don't serve as barriers to fair housing choice are detailed later in the section for the consideration of the City to incorporate its UDC update. The City's existing code does already meet many of these best practices, such as:
 - Include a definition of "disability" or "person with disabilities" that aligns with Fair Housing Amendments Act (FHAA) and Americans with Disabilities Act (ADA) in the development code. In defining disability, it is important to include the broad definition that has been interpreted by the courts to apply to the Fair Housing Act (FHA), which includes persons in recovery from substance abuse challenges and persons with HIV/AIDS. See code section 38.700.010.A.
 - Establish a standard process for reasonable accommodation requests in the development code. See code section 38.250.100.
 - Implement residential unit classifications, zone districts, and site design requirements for alternative housing types (e.g. tiny homes, cottage housing, courtyard development, micro-homes, and cooperative housing).
 - Include a statement in the purpose of the zoning ordinance that discusses fair housing law or include a cross-reference that identifies the adopted planning documents that discuss and contain policies related to fair housing. See code section 38.700.010.A.

Impediments and Fair Housing Actions

Impediments. The fair housing impediments found in this Fair Housing Plan include:

Shortage of affordable and accessible housing units. There is a significant shortage of affordable and accessible housing units in the city, which disproportionately impacts low-income households—primarily minorities—and households with individuals living with a disability.

Disparate access to opportunity. As articulated in Section IV of this report, Indigenous residents in Bozeman have the lowest English and Math proficiency rates among K-8 students by race and ethnicity, as well as the lowest high school graduation rates and highest unemployment rate among city residents. Residents and stakeholders also highlighted transportation challenges in the city, which primarily impact low-income households, Hispanic/Latino immigrants, and residents living with disabilities.

Barriers to homeownership. Households of color have lower rates of homeownership compared with non-Hispanic White households in Bozeman. Significant gaps in homeownership exist for Black/African American while large gaps exist for Hispanic households in Bozeman. Additionally, Hispanic applicants are more than twice as likely to receive high-priced loans compared with non-Hispanic White applicants. From a policy perspective, Hispanic households may be most at risk for high-cost loans (predatory, credit cards) to help with needed home improvements, and would benefit from publicly-assisted home improvement grants and low cost loans.

Lack of access to fair housing resources. As detailed in Section VI of this report, the City does not currently have a Fair Housing page on its website. Nearly half of survey respondents who reported experiencing housing discrimination (46%) identified a need for more resources and education for residents related to fair housing and how to respond to housing discrimination. Over a third of these survey respondents also advocated for local officials and staff to receive fair housing education and training.

Lack of access to translation and interpretation services. Stakeholders articulated a need for more translation and interpretation services provided by the City, specifically Spanish. Many stakeholders noted that the Latino/Hispanic community continues to grow in Bozeman and to ensure that they are able to access mainstream services, translation and interpretation services need to be available.

Actions. To address the fair housing impediments identified in this Fair Housing Plan, the City of Bozeman has aligned its fair housing plan actions with the goals developed for its Consolidated Plan. Consequently, many of the goals outlined in the City's Equity and Inclusion Plan address the impediments identified in this Plan. As such, many of the actions articulated below are meant to reinforce the actions identified in the Belonging in Bozeman Plan.

Increasing and Preserving Housing Options. Increase, protect, and preserve affordable rental and homeownership housing opportunities by improving access to a diverse set of affordable housing options, including but not limited to, naturally occurring affordable housing (NOAH) including mobile home communities, supportive housing for seniors and residents living with disabilities, and accessible housing.

Current or ongoing actions:

- While currently paused, the City is in the process of updating its Unified Development Code (UDC). The UDC update aims to align its development regulations with the vision and goals established in Bozeman’s guiding documents, such as the 2020 Community Plan, the Climate Action Plan, and strategic priorities such as affordable housing.²

Planned or potential actions:

- One of the goals outlined in the City’s Belonging in Bozeman Equity and Inclusion Plan is to “Promote aging in place and universally accessible residential development.” To achieve this goal, the City will conduct an educational workshop for design, construction, and real estate professionals on universal design practices and adaptable dwellings within residential developments. The City may also consider home-buyer and renter education on universal design practices.
- Additionally, the City will explore potential development incentives that could enable aging in place and universal accessibility beyond the requirements of the building code.
- The City will continue prioritizing investment in innovative housing models, such as community land trusts and housing cooperatives, to increase access to affordable homeownership opportunities.
- Explore policies that address disparities in access to homeownership opportunities.

Supporting Vulnerable Populations. Improve housing stability for individuals and households with critical needs, including persons experiencing or at-risk of homelessness by providing appropriate housing and service solutions grounded in Housing First approaches, including but not limited to, emergency shelter, transitional housing, and other supportive services.

Planned or potential actions:

- The City is currently working with partners to develop a coordinated strategy to address homelessness in the Bozeman area. Specifically, the City will:
 - Identify and prioritize Housing First approaches to address housing instability and homelessness.

² Note that 76-25 MCA is driving substantial procedural changes and state-level requirements on additional regulatory changes.

- Support partner organizations by funding transitional and emergency housing initiatives and programs.
- Work with partners to leverage creative funding mechanisms, incentives, and existing assets to increase the City's long-term affordable housing supply.

Critical Community Services. Improve community services by addressing critical needs and promoting equity through improved or increased access to community programming, including but not limited to, mental health services, chemical dependency services, and affordable and available childcare.

Planned or potential actions:

- The City will develop a fair housing page on its website, which will include information on the Federal Fair Housing Act, the Montana Human Rights Act, fair housing-related education and training opportunities, and local resources and organizations available to help residents learn more about fair housing.
- One of the goals articulated in the City's Belonging in Bozeman plan is to "Increase community knowledge in housing issues." As such, the City will work with a variety of partners to host workshops on the Montana Tenant Act and Fair Housing Act for landlords and tenants, becoming a Housing Choice Voucher landlord, and resident-owned community models.
- Another Belonging in Bozeman goal is "Address language barriers to local government services and public engagement processes." Currently, the City is training frontline staff to utilize on-demand interpretation services. Additionally, the City plans to:
 - Develop and implement a comprehensive Language Access Plan; and
 - Will consider providing multilingual learning opportunities for staff to learn other languages, as well as compensating multilingual staff for providing translation services.

II. COMMUNITY ENGAGEMENT

SECTION II.

Community Engagement Summary

This section reports the findings from the City of Bozeman's Housing and Community Needs survey and incorporates feedback from resident focus groups and stakeholder interviews. The survey asked residents and stakeholders to identify groups in Bozeman with the greatest housing challenges, the greatest unmet housing, community development, and economic development needs of the city, and which outcomes should be prioritized by the City with the federal funding it receives from HUD. The survey also asks about residents' experience with discrimination and displacement.

The survey was available online, in a format accessible to screen readers, and promoted through the City's communications and social media channels, as well as through partner networks. The survey was also available in paper format.

The survey was available from March to May 2024, collecting a total of 953 responses.

Primary Findings

The **953 residents who responded to the survey** for the Consolidated Plan and Equity Plan were asked about:

- Resident groups with the greatest housing challenges;
- Housing, community, and economic development needs;
- The types of shelter most needed in the city;
- The types of housing that should be prioritized by the city;
- Experiences with discrimination and displacement; and
- Housing, community and economic development outcomes.

Needs and challenges. Residents and stakeholders were asked a series of questions related to resident groups with the greatest housing challenges, as well as the greatest housing, community development, and economic development needs in the city.

Resident groups with the most housing challenges. According to residents, the groups that face the most challenges finding and keeping housing in Bozeman include:

- Low- and moderate-income families;
- Persons or families who are currently unhoused;
- Members of the local workforce;

- Persons living with mental illness; and
- Persons with disabilities.

Stakeholders identified unhoused residents, low- and moderate-income families, members of the local workforce, and persons with mental illness as the top four resident groups with the greatest housing challenges in Bozeman.

Residents in focus groups and feedback from stakeholder interviews also highlighted additional barriers for disabled veterans, undocumented residents who do not qualify for many assistance programs and face additional language barriers.

Housing types/activities most needed in Bozeman. Residents in Bozeman identified the following housing types/activities as most needed in the city:

- Homeownership opportunities for low-or moderate-income residents;
- Rental housing for low-income renters;
- Workforce housing;
- Emergency shelters; and
- Housing rehabilitation for low-income renters.

Stakeholders identified a similar list of housing types and activities most needed in the city, including:

- Homeownership opportunities for low- or moderate-income residents;
- Rental housing for low-income renters;
- Workforce housing;
- Transitional housing; and
- Housing rehabilitation for low-income renters.

Greatest unmet community and economic development needs. Residents articulated the following in their top five greatest unmet community and economic development needs:

- Affordable childcare;
- Mental health services;
- Supportive services for low-income residents, persons living with disabilities, LGBTQIA+ residents, and other vulnerable populations;
- Climate resilience-focused planning and implementation; and
- More focus on local renewable energy.

Stakeholders identified affordable childcare, mental health services, supportive services, public transit, and additional assistance for nonprofits as their top five community and economic development needs.

Priorities and outcomes. Both residents and stakeholders were asked what they perceive as the most desirable outcomes as a result of HUD funding. Those collective priorities and outcomes are summarized below.

Housing outcomes. Residents and stakeholders identified the same five housing outcomes that should be prioritized by the City:

- More affordable rental housing;
- More opportunities for homeownership;
- Better distribution of affordable housing;
- More downpayment assistance for low- and moderate-income households; and
- Fewer affordable units that are converted to market rate housing.

Community development outcomes. Residents and stakeholders identified the same five community development outcomes that should be prioritized by the City:

- Increased access to mental health care services;
- Additional and/ or higher quality childcare centers;
- Climate resilience-focused planning and implementation;
- Increased access to addiction treatment services; and
- Street and sidewalk improvements.

Economic development outcomes. Residents and stakeholders identified the same three economic development outcomes that should be prioritized by the City:

- Job training programs or job training centers;
- More opportunities for start-up businesses, businesses looking to expand, or businesses looking to relocate; and
- Revitalization of neighborhood businesses.

Explanation of terms. Terms used throughout this section include:

- “Respondent” means a person who responded to the survey and provided input on housing and community development needs and allocation priorities;
- “Stakeholder” is a person who works with an organization or agency that provides housing, community development, and/or services to Bozeman residents;
- “Resident” means someone living in the city of Bozeman;
- “Disability” indicates that the respondent or a member in the respondent’s household has some type of disability, which can include physical, mental, intellectual, and/or developmental;
- “Large households” means a respondent who lives in a household that has five or more people;
- “Section 8” is shorthand for the Housing Choice Voucher program which provides rental assistance to low-income renters living in privately provided housing.

Survey Methodology

The survey was available to both residents and individuals working at organizations or agencies that operate in the housing, community development, and/or service space and provide services to Bozeman residents. Participation was voluntary. The purpose of the survey is to collect information on the housing and community development challenges and solutions to address those challenges in Bozeman. The data supplement the quantitative analysis in both the Consolidated Plan and Equity Plan.

Sampling note. Survey respondents do not represent a random sample of residents living in Bozeman. A true random sample is a sample in which each individual has an equal chance of being selected for the survey. The self-selected nature of the survey prevents the collection of a true random sample. Important themes and insight are gained from the survey as it allows for a deeper understanding of resident needs as well as the differences of the sample from the larger population. However, due to the small sample size of some resident respondent groups by demographic and economic characteristics, results should be interpreted with caution.

Survey Responses

Respondent profile. A total of 953 people responded to the survey—736 Bozeman residents and 217 stakeholders who serve Bozeman residents. The demographic and economic characteristics of resident respondents are illustrated in Figure II-1.

**Figure II-1.
Survey
Respondent
Profile**

Note:

N=953; Numbers do not aggregate either due to multiple responses or that respondents chose not to provide a response to all demographic and socioeconomic questions.

Source:

Root Policy Research
from the 2024 Bozeman
Housing and Community
Survey.

	Total Responses
Respondent Type	
Residents	736
Stakeholders	217
Tenure	
Owner	453
Renter	330
Mobile Home/ Other	15
Unhoused	44
Race/Ethnicity	
African American/Black	10
American Indian/Alaska Native	13
Asian	2
Hispanic or Latino	18
Non-Hispanic White	542
Gender Identity	
Female	371
Male	254
Non-Binary	8
Income	
Less than \$25,000	62
\$25,000-\$49,999	121
\$50,000-\$99,999	208
\$100,000-\$149,999	113
Above \$150,000	109
Employment Status	
Employed full-time	425
Employed part-time	64
Unemployed/looking for work	9
Retired	100
Student	44
Selected Household Characteristics	
Children under 18	181
Disability	159
Large Households	48
Single Parents	59
Seniors (Older than 65)	154

Stakeholder respondent profile. Survey respondents who identified as stakeholders represented a variety of organizations and industries (Figure II-2).¹:

**Figure II-2.
Survey
Respondent
Profile,
Stakeholders**

Note:
N=217; Numbers do not
aggregate either due to
multiple responses.
Source:
Root Policy Research
from the 2024 Bozeman
Housing and Community
Survey.

	Total Responses
Respondent Type	
Services for Unhoused	50
Affordable Housing Advocate	47
Other	39
Affordable Housing Developer	35
Supportive Services for Residents	31
Affordable Housing Provision	30
Fair Housing	28
Business Owner	24
Government	24
Land Use	23
Owner of Rental Property	21
Regional Planning	21
Home Sales	21
Homeownership Counseling	19
Landlord Tenant Services	17
Property Management	16
Transit Planning	15
K-12 or Education	14
Food Provision	14
Civil Rights	12
Disability Advocate	12
Economic Development	12
Market Rate Housing Developer	12
Services for Businesses	10
Transit Provider	9
Rural Development	8
Criminal Justice	5
Legal Aid	5
Public Housing Authority	3
Residential Appraisals	3
Environmental Justice	1
Insurance	1

¹ Respondents were allowed to choose all industries/organizations that applied to their position.

Survey Findings

Housing challenges. Both residents and stakeholders were asked to identify which resident groups in Bozeman face the greatest challenges finding and keeping housing. Survey respondents were instructed to select up to five groups.

Resident groups with the greatest housing challenges. Residents and stakeholders considered the following groups in Bozeman:

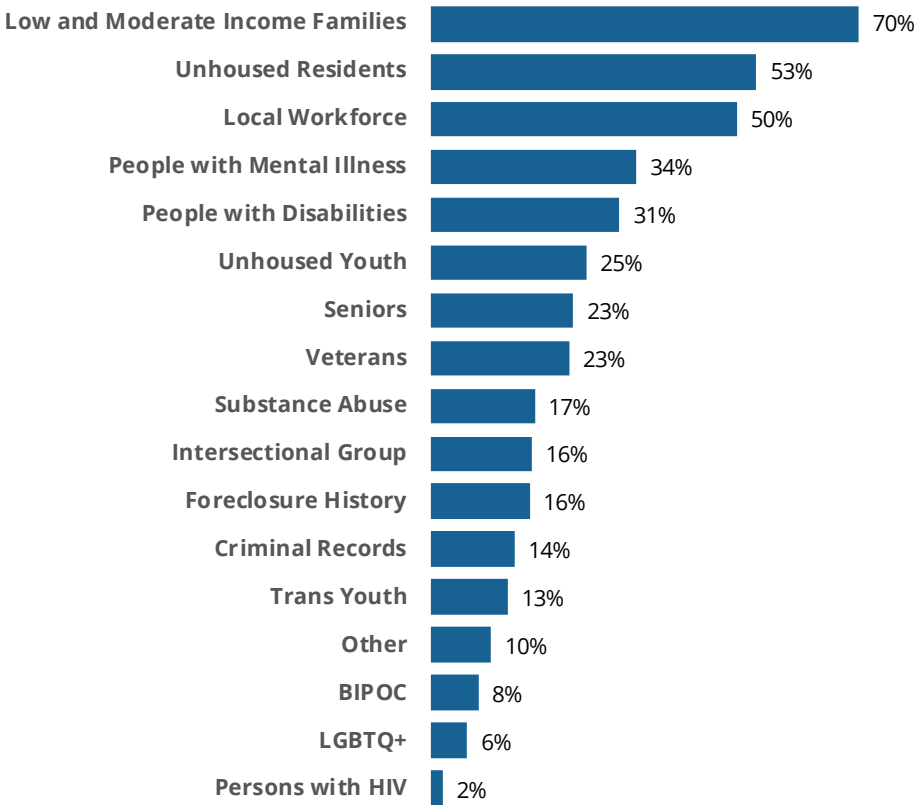
- Adults with criminal records
- Adults with histories of eviction/foreclosure
- Black, Indigenous, and People of Color (BIPOC)
- Low- or moderate-income families
- Persons and/or families who are currently unhoused
- Persons identifying as LGBTQIA+
- Persons with a mental illness
- Persons living with disabilities
- Persons with HIV/AIDS
- Persons with intersectional identities (more than one of the options provided)
- Persons with substance abuse/chemical addictions
- Senior/elderly persons
- Veterans who are currently unhoused
- Youth transitioning from foster care
- Youth who are currently unhoused
- Other

Resident respondents. Low- to moderate-income families (70%) were identified by residents as the groups with the greatest housing needs in Bozeman (Figure II-3). Residents also identified persons/families who are currently unhoused (53%), members of the local workforce (50%), persons with mental illness (34%), and persons with disabilities (31%) as groups experiencing the greatest housing challenges. Ten percent of resident respondents chose “Other”; a sample of those responses are below:

- *“Everyone is having trouble finding housing.”*
- *“Those who grew up here and those who work in more basic services like food and retail.”*
- *“Anyone single and under 40 that doesn’t have inter-generational support.”*
- *“Workers 18-28 trying to start out in Bozeman.”*

**Figure II-3.
Which
groups in
Bozeman
face the
greatest
challenges
finding and
keeping
housing?
Residents**

Note:
N= 736
Source:
Root Policy Research
from the 2024 Bozeman
Housing and
Community Survey.



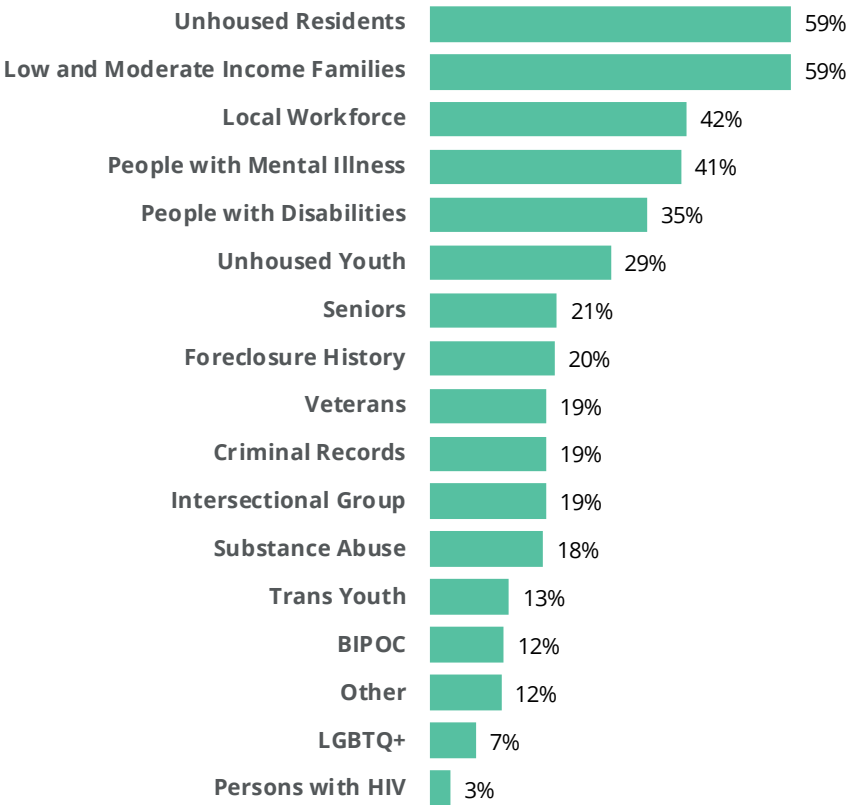
Stakeholder respondents. Stakeholders identified persons/families who are currently unhoused (59%), low- and moderate-income families (59%), members of the local workforce (42%), persons with mental illness (41%), and persons with a disability (35%) as groups facing challenges finding and keeping housing in Bozeman (Figure II-4). Stakeholders also identified unhoused youth (29%) as facing these challenges. Twelve percent of stakeholders chose “Other”; a sample of those responses are below.

- “Migrant and Spanish speaking populations.”
- “People with limited and poor rental or credit history.”
- “Women with children who are victims of domestic violence.”

**Figure II-4.
Which
groups in
Bozeman
face the
greatest
challenges
finding and
keeping
housing?
Stakeholders**

Note:
N= 217.

Source:
Root Policy Research
from the 2024 Bozeman
Housing and
Community Survey.



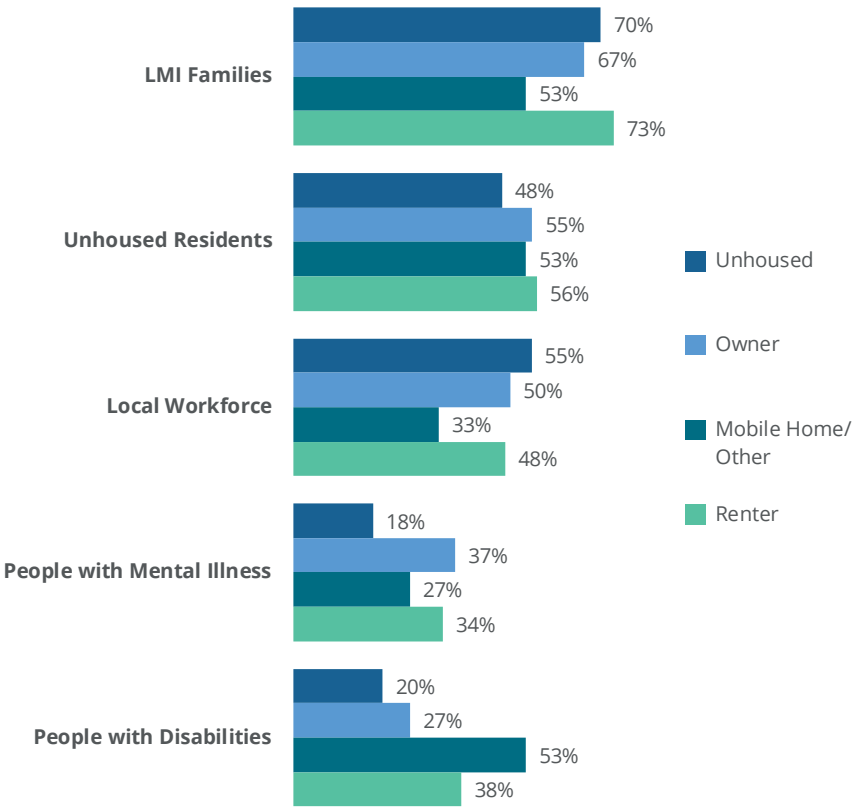
Respondents by demographic and economic characteristics. Figures II-5 through II-10 present the top five groups identified by resident respondents as having the greatest challenges finding and keeping housing in Bozeman, sorted by several demographic and economic characteristics.

By tenure, renter respondents were more likely to identify low- to moderate-income families, unhoused residents as the groups with the greatest housing challenges while owners were most likely to identify people with mental illness. Those who identified as unhoused were more likely to identify the local workforce.

**Figure II-5.
Top Groups
by Tenure**

Note:
n = 953.

Source:
Root Policy Research
from the 2024 Bozeman
Housing and Community
Needs Survey.

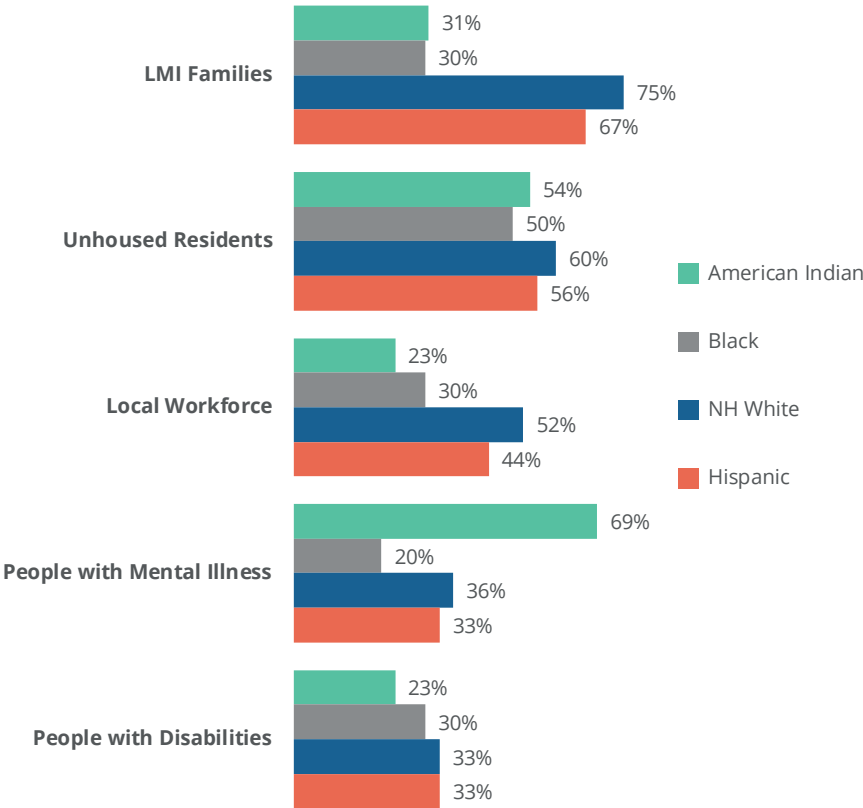


Non-Hispanic White, Hispanic/Latino, and Asian resident respondents were more likely to identify low- to moderate-income families as the group with the greatest housing challenges, while a greater proportion of African American/Black resident respondents identified persons with disabilities as having the greatest housing challenges (Figure II-6). American Indian/Alaska Native respondents were more likely to identify persons/families who are currently unhoused as experiencing the greatest housing challenges in Bozeman.

**Figure II-6.
Top Groups
by Race and
Ethnicity**

Note:
N= 953.

Source:
Root Policy Research
from the 2024
Bozeman Housing and
Community Needs
Survey.

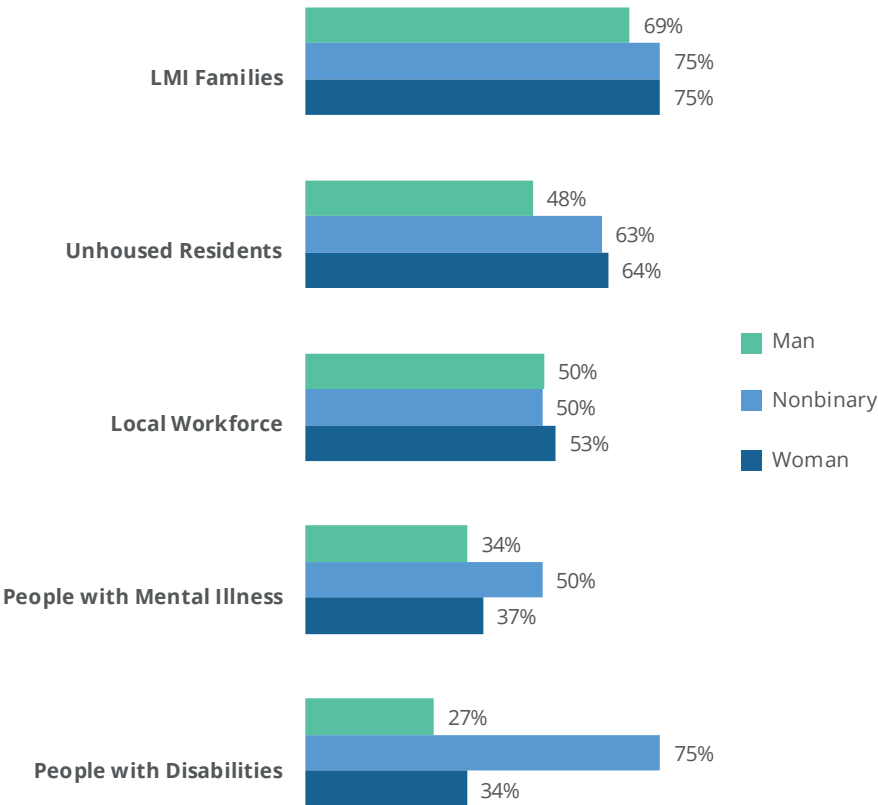


The proportion of responses by gender identity were relatively uniform among the top five groups facing housing challenges (Figure II-7). However, while respondents who identify as non-binary were more likely to identify persons with disabilities as having greater housing challenges than male and female respondents, they were less likely to identify the local workforce as experiencing challenges. Men were least likely to select unhoused residents and people with mental illness as facing housing challenges.

**Figure II-7.
Top Groups
by Gender
Identity**

Note:
N= 953.

Source:
Root Policy Research
from the 2024
Bozeman Housing and
Community Needs
Survey.

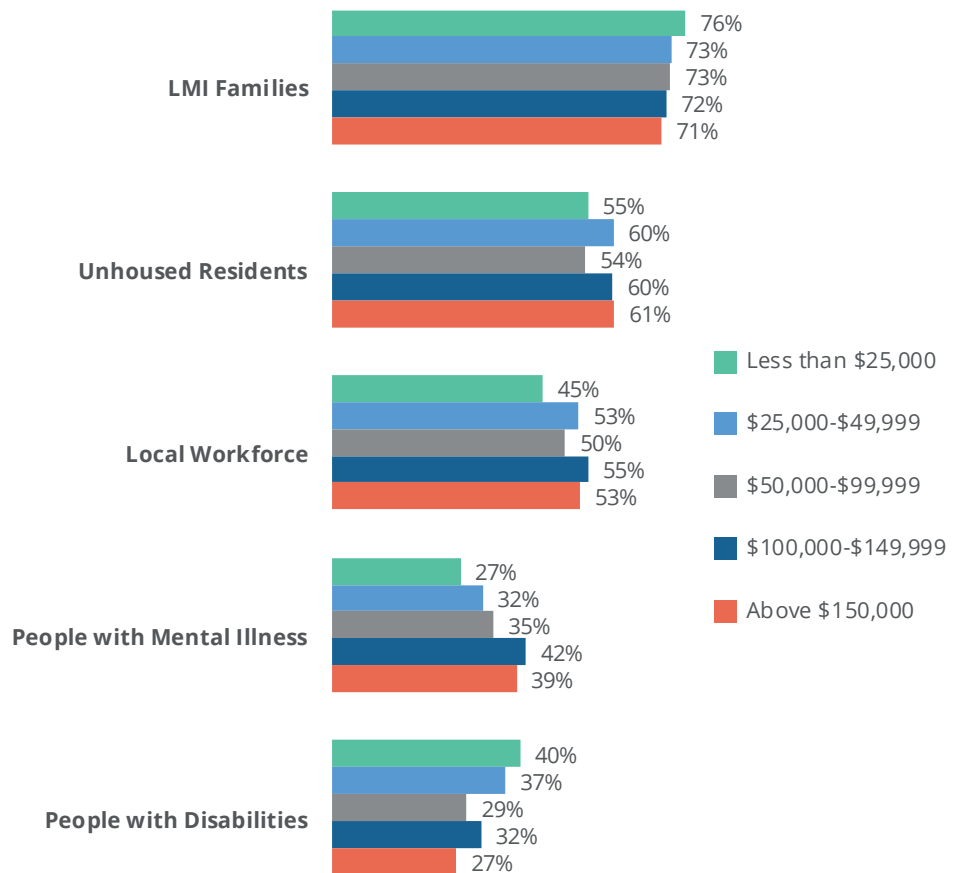


Responses by income level are relatively similar across categories. However, those with lower incomes identified those with low- to moderate-incomes as facing more housing challenges compared to those with higher incomes. Those with higher incomes were more likely to identify unhoused residents, people with mental illness, and the local workforce as facing the greatest housing challenges. and persons/families who are currently unhoused (Figure II-8).

**Figure II-8.
Top Groups
by
Household
Income**

Note: n = 953

Source:
Root Policy Research
from the 2024
Bozeman Housing and
Community Needs
Survey.



As shown in Figure II-9, resident respondents by employment status are relatively uniform for low- to moderate-income families. However, respondents identifying as unemployed were the most likely to identify people with mental illness.

**Figure II-9.
Top Groups
by
Employment
Status**

Source:

Root Policy Research
from the 2024
Bozeman Housing and
Community Needs
Survey.

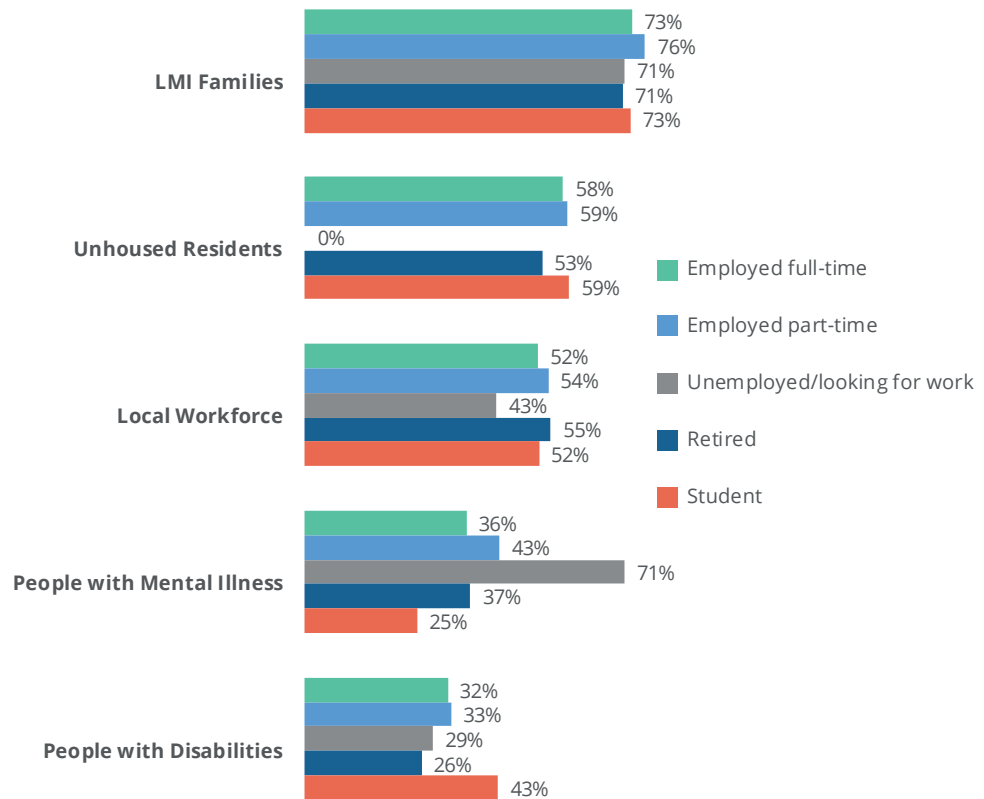
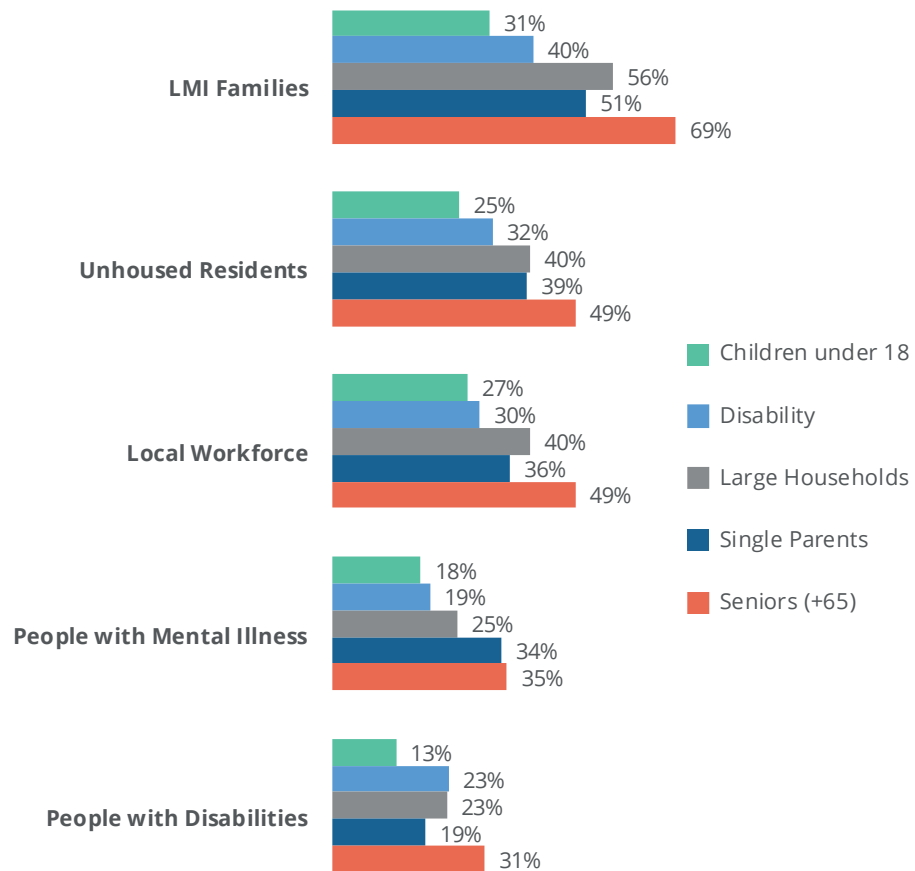


Figure II-10 presents respondents by other household types. Respondents with children under 18 were less likely than single parents to select low-to moderate-income households, unhoused residents, the local workforce, people with mental illness, and people with disabilities. Large households and respondents over age 65 were most likely to select low-to moderate-income families. Respondents over age 65 were most likely to select people with disabilities out of all household types.

**Figure II-10.
Top Groups
by Other
Household
Types**

Source:
Root Policy Research
from the 2024
Bozeman Housing and
Community Needs
Survey.



Additional community perspectives. Resident focus groups were held throughout Bozeman to enhance data points and hear from groups that are generally harder to connect with in surveys or community meetings. Stakeholders involved in service provision and development were also consulted. Residents and stakeholders highlighted the additional groups as facing additional challenges to finding and keeping housing:

Veterans. One resident shared that it is particularly difficult for disabled Veterans to find housing in Bozeman. They shared that they called around “quite a bit” for housing, as well as the local VA for help, but still encountered challenges.

Undocumented residents. One resident shared they believed the population with the greatest challenges right now are undocumented residents. They don’t qualify for any programs (e.g., WIC, SNAP, housing assistance). The only service that HRDC, a community action agency, can provide is a case manager. There is only one property group that will rent to undocumented families. The resident noted that one undocumented family currently living at Wheat Suites, a transitional housing facility, has been on the waitlist for that property for over two years. HRDC does not have fluent Spanish speakers on staff making day-to-day interactions challenging when working with undocumented people in need of assistance.

Housing activities. Residents and stakeholders were asked to identify the five most critical housing types or housing activities needed in Bozeman. Survey respondents were instructed to select up to five housing types/activities. Residents and stakeholders were asked to consider:

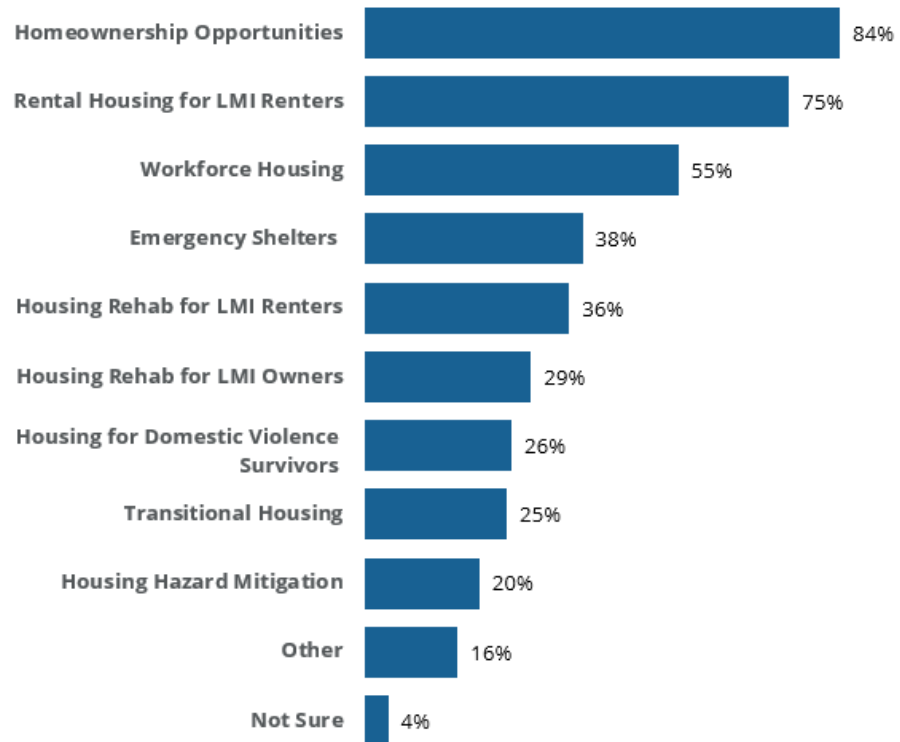
- Emergency shelters for persons who are currently unhoused
- Homeownership opportunities for low- or moderate-income residents
- Housing for people or households experiencing or have experienced domestic violence
- Housing for the city's workforce
- Housing hazard mitigation
- Housing rehabilitation for low-income homeowners
- Housing rehabilitation for low-income renters
- Not sure
- Rental housing for low-income renters
- Transitional housing
- Other

Resident respondents. Homeownership opportunities for low- to moderate-income residents (84%) were identified by residents as the housing activity/type most needed in Bozeman (Figure II-11). Residents also identified rental housing for low-income renters (75%), workforce housing (55%), emergency shelters (38%), and housing rehabilitation for low- to moderate-income residents (36%) as greatly needed housing types/activities in the city. Sixteen percent of residents chose "Other"; a sample of those responses are below.

- *"Affordable housing for young families."*
- *"Affordable housing for people who work for Bozeman-based companies."*
- *"City workers can't afford to buy a home in the city they work for."*
- *"Age restricted affordable mobile home parks or tiny home communities."*
- *"Housing for firefighters, teachers, and nurses."*

Figure II-11.
Which
housing
types/
activities are
most needed
in Bozeman?
Residents

Note:
N=736.
Source:
Root Policy Research
from the 2024 Bozeman
Housing and
Community Survey.

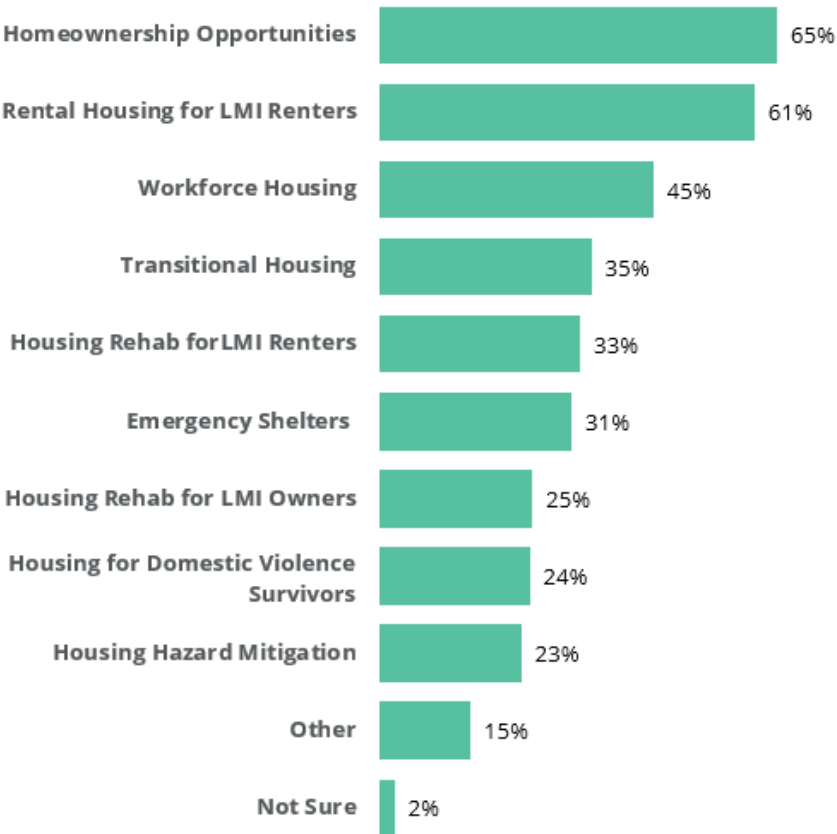


Stakeholder respondents. Stakeholder respondents identified homeownership opportunities for residents with low- to moderate-income (65%), followed by rental housing for low- to moderate-income renters (61%), workforce housing (45%), transitional housing (35%), and housing rehabilitation for low- to moderate-income renters (33%) as the housing types/activities most needed in the city. Fifteen percent of stakeholders chose “Other”; a sample of those responses are below.

- *“I believe those most challenged are those earning a middle income as there are no state or federal subsidies for these incomes, and they cannot afford market-rate homes.”*
- *“We could also use support for lower-middle class. As a support staff I make just barely over 60% AMI and thus don’t qualify [for assistance] and now pay 50% of my net income just towards housing. I also need housing so I can keep supporting these folks.”*
- *“Service industry and other low skill workers will begin to dwindle if workforce housing does not become available.”*

Figure II-12.
Which
housing
types/
activities are
most needed
in Bozeman?
Stakeholders

Note:
 N=217.
 Source:
 Root Policy Research
 from the 2024 Bozeman
 Housing and
 Community Needs
 Survey.



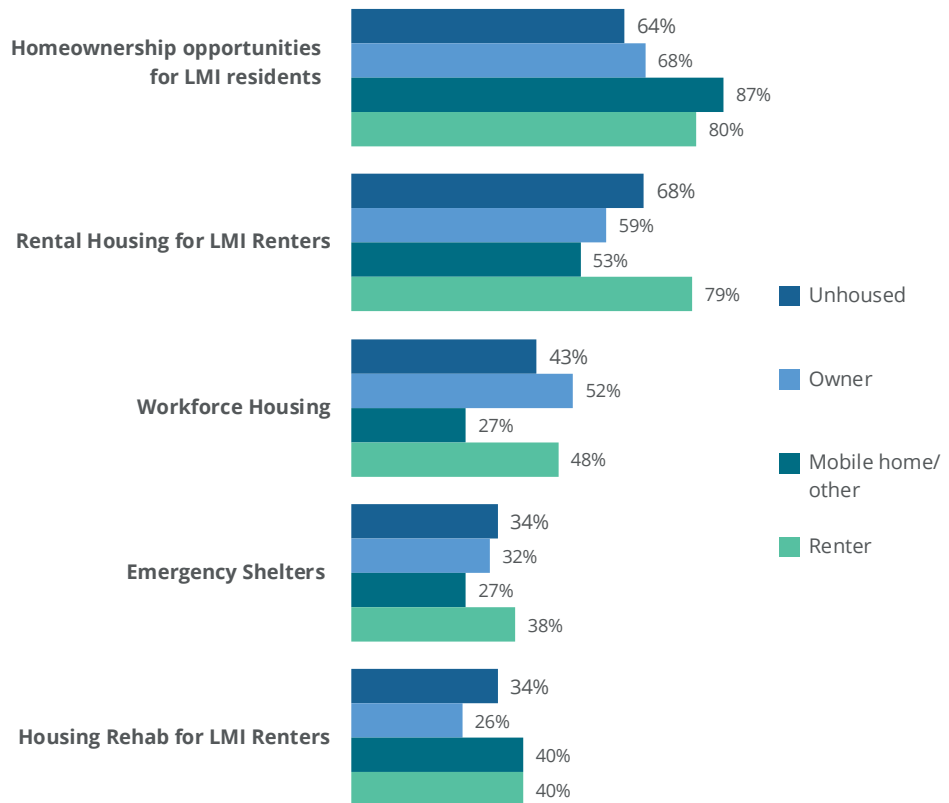
Respondents by demographic and economic characteristics. Figures II-13 through II-18 present the top five housing activities/types identified by resident respondents as most needed in Bozeman, sorted by several demographic and economic characteristics.

By tenure, those who lived in mobile homes or other housing types were most likely to select homeownership opportunities for low- to -moderate income residents followed by renters. Of all needed housing activities, unhoused residents identified rental housing for low- to moderate-income rentals the most often.

**Figure II-13.
Top
Housing
Types/
Activities
by Tenure**

Note:
N = 953.

Source:
Root Policy Research
from the 2024
Bozeman Housing
and Community
Needs Survey.

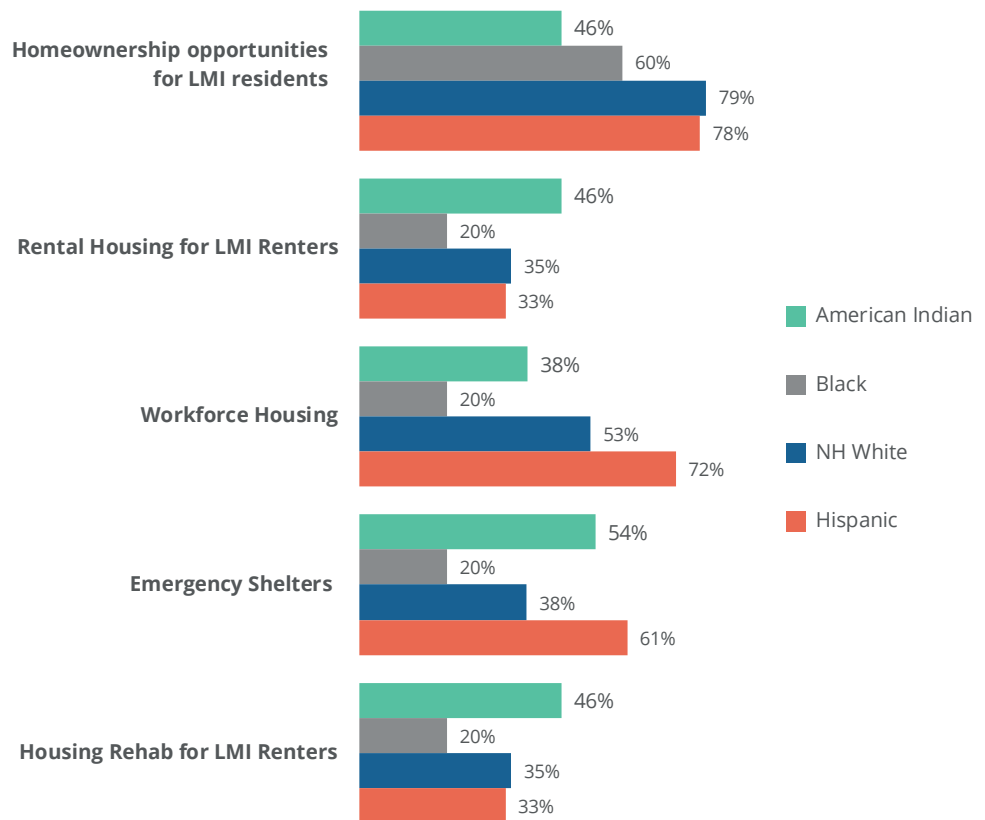


Hispanic/Latino, Non-Hispanic White, and Black respondents were more likely to identify homeownership opportunities for low- to moderate-income residents and workforce housing as most needed in Bozeman compared with other racial and ethnic groups. American Indian and Hispanic respondents were more likely to identify emergency shelter for unhoused residents as the greatest housing type/activity needed.

**Figure II-14.
Top
Housing
Types/
Activities by
Race and
Ethnicity**

Note:
N = 953

Source:
Root Policy Research
from the 2024
Bozeman Housing
and Community
Needs Survey.



Overall, the variability of responses by gender identity is relatively minimal (Figure II-15). Non-binary respondents were more likely to identify homeownership opportunities for low- to moderate-income residents and emergency shelter types/activities that are most needed compared with male and female respondents. Male and female respondents were more likely to identify workforce housing as a top need.

Figure II-15.
Top
Housing
Types/
Activities
by Gender
Identity

Source:
Root Policy Research
from the 2024
Bozeman Housing
and Community
Needs Survey.

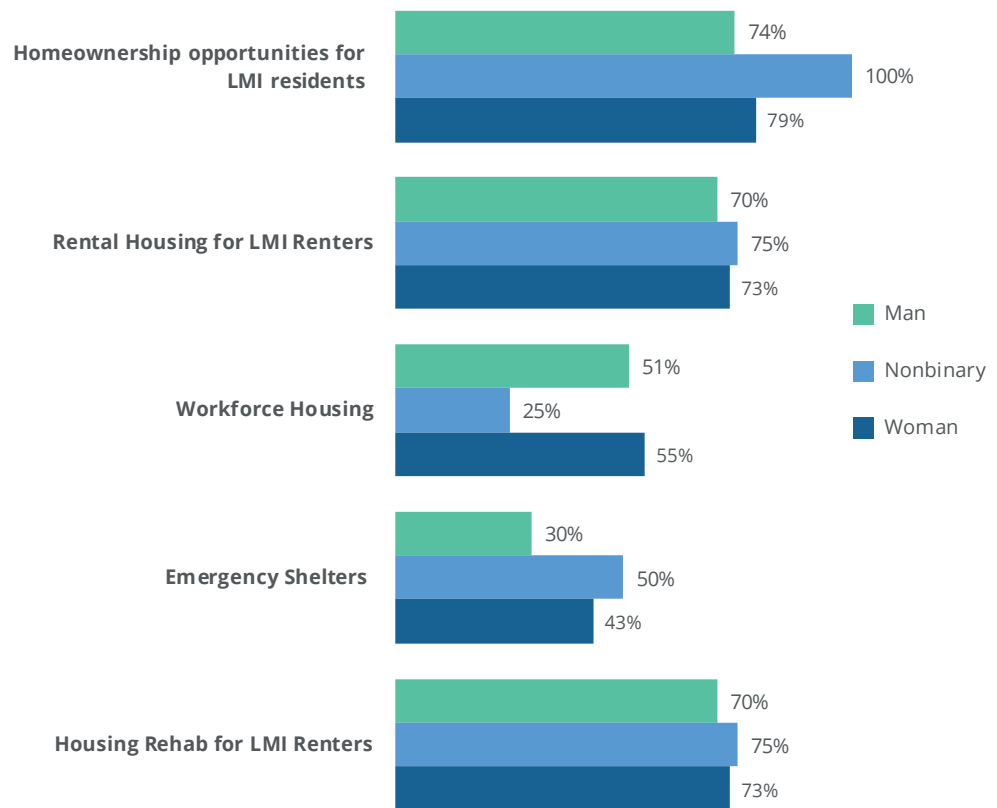
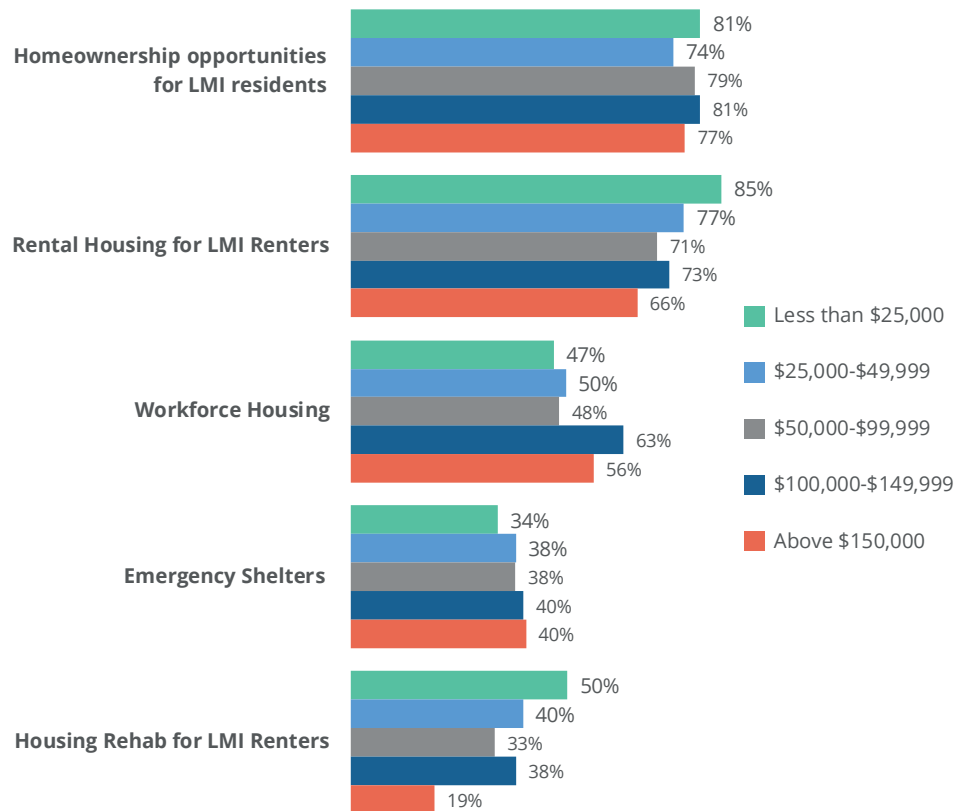


Figure II-16 presents respondents' greatest housing types and activities by income. Over three-quarters of each income group identified homeownership opportunities for low- to moderate-income residents as a greatly needed housing type or activity in Bozeman. Residents with income less than \$25,000 were more likely to identify rental housing and housing rehabilitation for low- to moderate-income renters, while those with income above \$100,000 were more likely to select workforce housing.

Figure II-16.
Top
Housing
Types/
Activities
by Income

Source:
Root Policy Research
from the 2024
Bozeman Housing
and Community
Needs Survey.



Similarly, respondents by employment status all identified homeownership opportunities for low- to moderate-income residents and rental housing for low-income renters as the greatest housing types/activities needed in Bozeman (Figure II-17). Those unemployed and looking for work were most likely to select workforce housing and students were most likely to select homeownership opportunities, rental housing for low- to moderate-income residents, emergency shelters, and housing rehabilitation for low- to moderate income renters.

**Figure II-17.
Top Housing
Types/
Activities by
Employment
Status**

Source:

Root Policy Research
from the 2024
Bozeman Housing and
Community Needs
Survey.

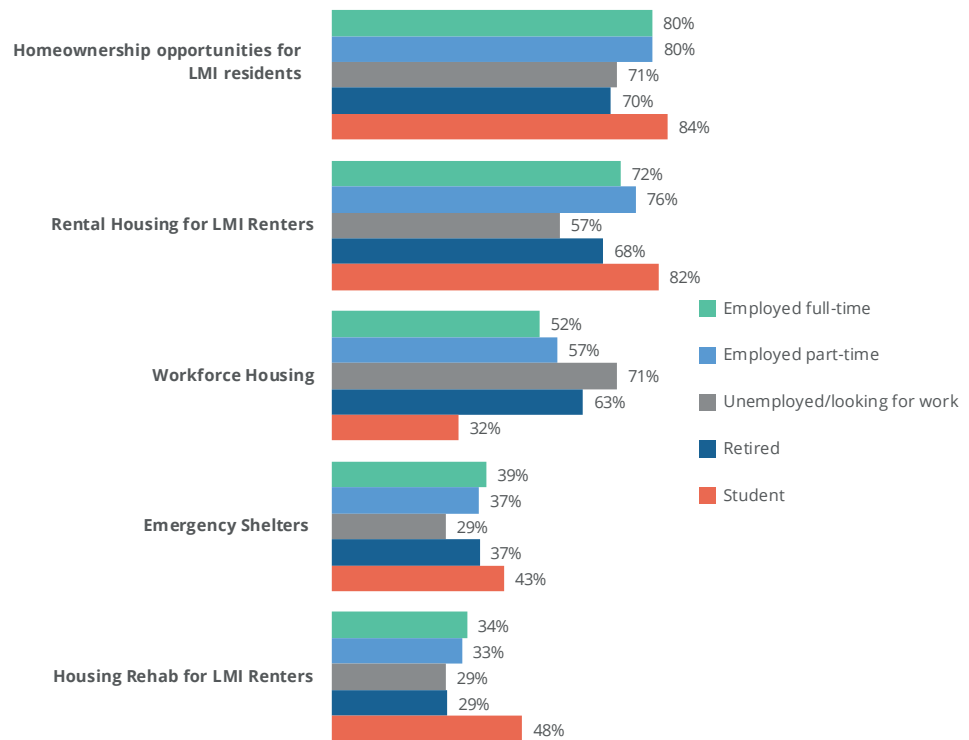
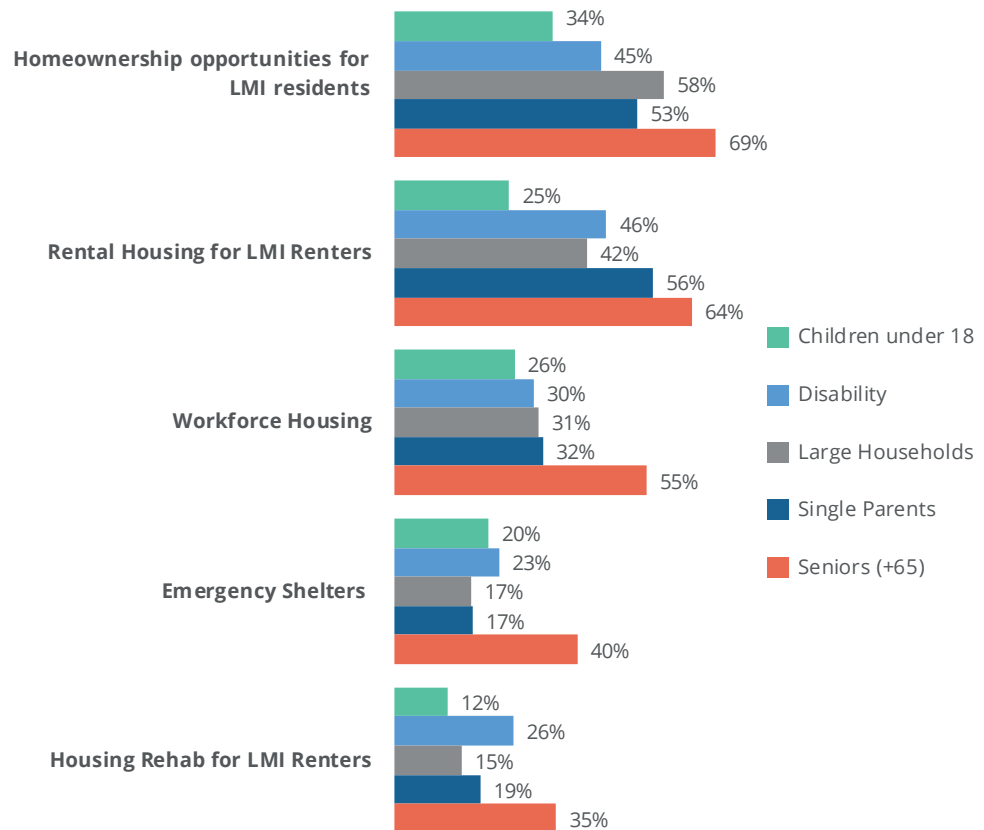


Figure II-18 presents that over half of respondents who identified as single parents want to see more homeownership opportunities and rental housing for low- to-moderate-income residents in Bozeman, while seniors accounted for the greatest proportion of respondents advocating for all housing types.

Figure II-18.
Top Housing
Types/
Activities by
Other
Household
Types

Source:

Root Policy Research
 from the 2024
 Bozeman Housing and
 Community Needs
 Survey.



Additional community perspectives. In one-on-one interviews, stakeholders also identified workforce housing as a key issue not just in Bozeman, but in the entire county. One stakeholder described that affordable manufactured homes could be part of the solution. They shared that Cameron Crossing, a manufactured home community of 380 homes, is opening soon. The developer received a low interest loan fund from First Bank for the development. The community is made up of seven different prototypes and tenants of the home don't own the land. These homes are selling for \$210,000-\$275,000 and approximately \$875/month. While these homes are relatively affordable, this stakeholder shared that "traditional financing is hard to get." This stakeholder shared that this type of development makes land costs "less impactful" because of how many units you can get on the ground. They added that the community "is trying so many different things" to get permanent housing built.

Unhoused residents. Survey respondents were asked if they currently are or have recently been unhoused while living in Bozeman. Five percent of respondents (n = 44) reported that they are currently or have been unhoused.

Unhoused respondents by demographic and economic characteristics. Figure II-19 presents the percentage of resident respondents sorted by demographic and economic characteristics that responded they are currently or have been unhoused in Bozeman.

While sample sizes are extremely small, residents that identify as non-Hispanic White made up a higher proportion of unhoused people relative to residents of color.

By gender identity, female respondents made up a higher proportion of homeless individuals compared to male and non-binary respondents. Residents with incomes between \$50,000 and \$99,999 and those who worked full-time made up the highest proportion of unhoused individuals within the categories in the following figure. A quarter (25%) of the unhoused population has a disability and one in five (20%) unhoused people have children under 18.

Figure II-19.
Percent of
Unhoused
Residents
by
Respondent
Type

Note:
n = 44. Numbers do not aggregate either due to multiple responses or that respondents chose not to provide a response to all demographic and socioeconomic questions.

Source:
Root Policy Research from the 2024 Bozeman Housing and Community Survey.

	Percent unhoused	n
Race/Ethnicity		
African American/Black	2%	1
American Indian/Alaska Native	0%	0
Asian	0%	0
Hispanic or Latino	5%	2
Non-Hispanic White	55%	24
Gender Identity		
Female	34%	15
Male	27%	12
Non-Binary	0%	0
Income		
Less than \$25,000	9%	4
\$25,000-\$49,999	20%	9
\$50,000-\$99,999	25%	11
\$100,000-\$149,999	5%	2
Above \$150,000	2%	1
Employment Status		
Employed full-time	41%	18
Employed part-time	9%	4
Unemployed/looking for work	2%	1
Retired	0%	0
Student	9%	4
Selected Household Characteristics		
Children under 18	20%	9
Disability	25%	11
Large Households	9%	4
Single Parents	11%	5
Seniors (Older than 65)	16%	7

Additional community perspectives. A resident focus group was held at a transitional housing facility and stakeholders working within the homeless prevention and

intervention space shared their thoughts regarding existing transitional housing. A stakeholder described that “the goal is to transition people into permanent housing. The first few months, we want them to focus on getting settled (e.g., signing up for benefits programs, getting a car, finding a job, etc.). Once they have a job and have income, we can help them with budgeting.” A resident described that they have weekly appointments with their case managers where they get help with budgeting, applying for housing and employment, and mental health services.

One stakeholder expressed a need for more case managers and social workers who speak Spanish to help unhoused Hispanic community members. They noted that “We get people, but when jobs open up that offer more money, they understandably leave. If we could offer more money for these positions, that would be great.”

Another stakeholder shared that while they are usually able to find housing for their families, there is a need for more transitional housing with supportive services. This stakeholder emphasized the importance of continuing to provide supportive services to families as they begin to look for housing on their own. They also noted that transitional housing should be true homes instead of hotels that usually lack kitchen amenities.

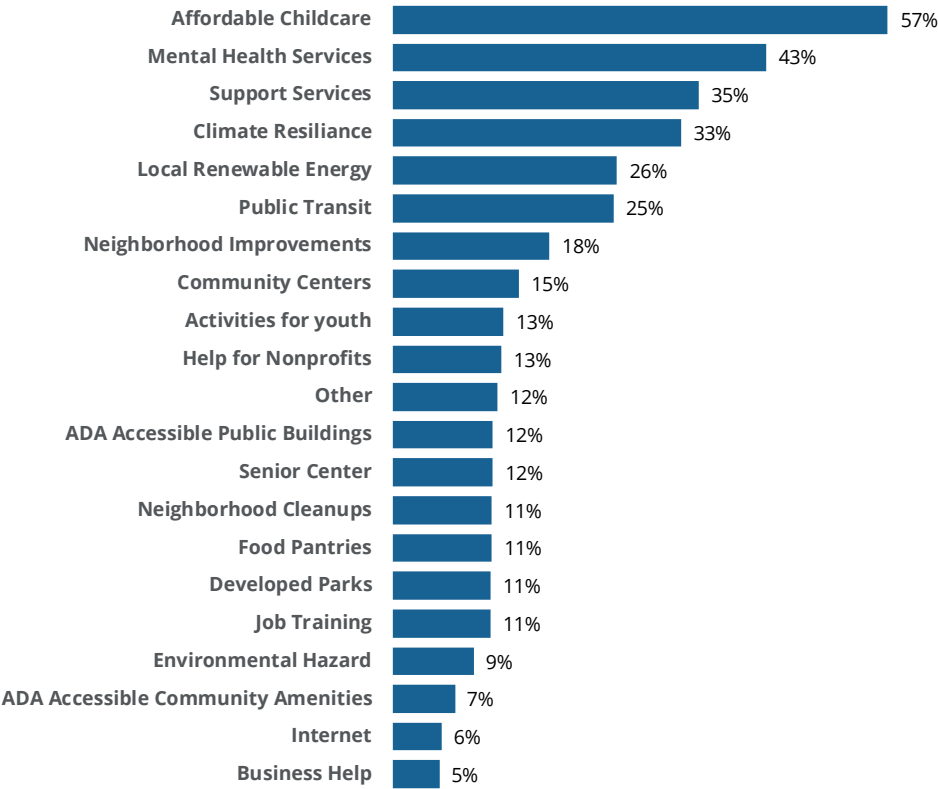
Community and Economic Development Needs. Survey respondents were asked to identify the greatest unmet community and economic development needs in Bozeman. Respondents were presented the following options:

- Accessibility (ADA) improvements to public buildings;
- Accessibility (ADA) improvements to community amenities (e.g., parks);
- Developed parks/playgrounds;
- Affordable childcare;
- Environmental hazard mitigation;
- Job training programs;
- Access to internet/broadband;
- Neighborhood cleanups;
- Food pantries;
- Mental health services;
- Access to reliable public transportation;
- Senior center/senior services;
- Community centers;
- Sidewalks, streetlights, and similar neighborhood improvements;
- Help for businesses—for example, business plan development, accounting and management, social media strategy, etc.;
- Help for non-profits—for example, identifying loan/grant opportunities, capacity building;
- Youth activities;
- Support services for low-income residents, persons living with disabilities, LGBTQIA+ persons;
- Local renewable energy generation; and
- Climate resilience-focused planning and implementation.

Resident respondents. Affordable childcare was the greatest unmet community development need identified by resident respondents (57%) (Figure II-20). Residents also identified mental health services for low-income residents (43%), support services (35%), and climate resilience-focused planning and implementation (33%), as well as local renewable energy (33%).

Figure II-20.
What are the greatest unmet community and economic development needs in Bozeman? Residents

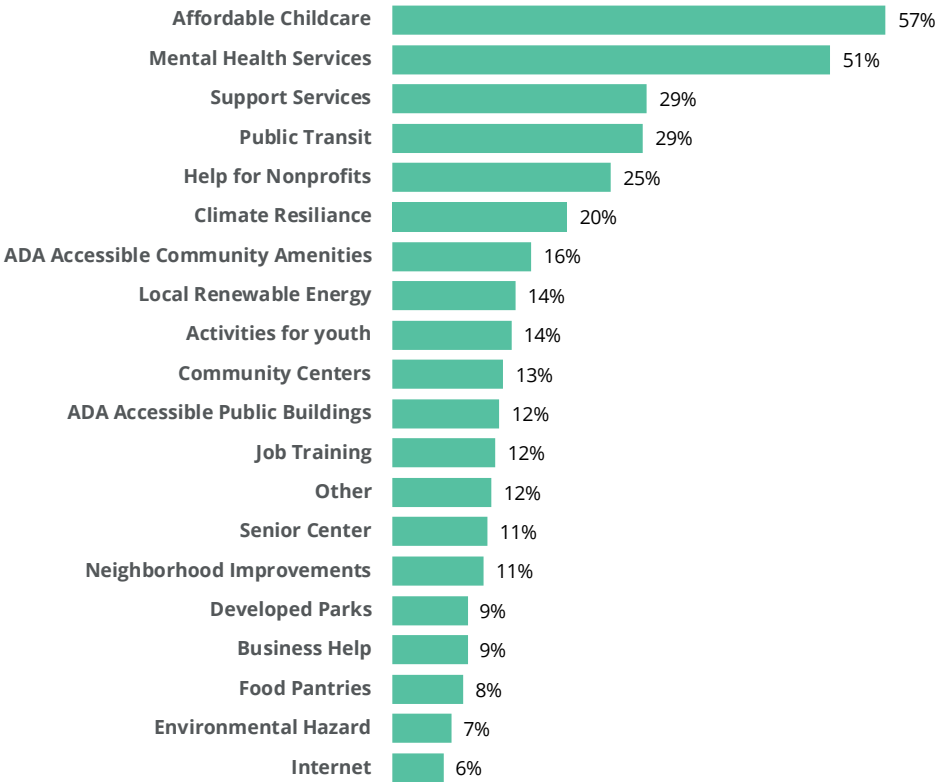
Note:
N= 736.
Source:
Root Policy Research
from the 2024 Bozeman
Housing and
Community Needs
Survey.



Stakeholder respondents. Similar to residents, stakeholders identified affordable childcare (57%), mental health services (51%), support services for vulnerable populations (29%), and public transit (29%) as the four greatest unmet community and economic development needs in Bozeman (Figure II-21). Stakeholders also identified help for nonprofits (25%) as a significant need in the city.

Figure II-21.
What are the
greatest
unmet
community
and
economic
development
needs in
Bozeman?
Stakeholders

Note:
 N= 217.
 Source:
 Root Policy Research
 from the 2024 Bozeman
 Housing and
 Community Needs
 Survey.



Of the respondents who selected “Other”; a sample of those responses are below.

- *“More bike paths and bike lanes.”*
- *“Reliable paratransit service that meets legal requirements for comparable service to fixed route.”*
- *“More indoor activities for people to do.”*

Respondents identified the following quadrants in Bozeman where these needs are most prominent:²

- **Northwest (39%, n=375)**
- **Northeast (39%, n=374)**
- **Southeast (25%, n=235)**
- **Southwest (22%, n=209)**

² Respondents were instructed to “select all that apply” to identify neighborhoods with the most prominent needs.

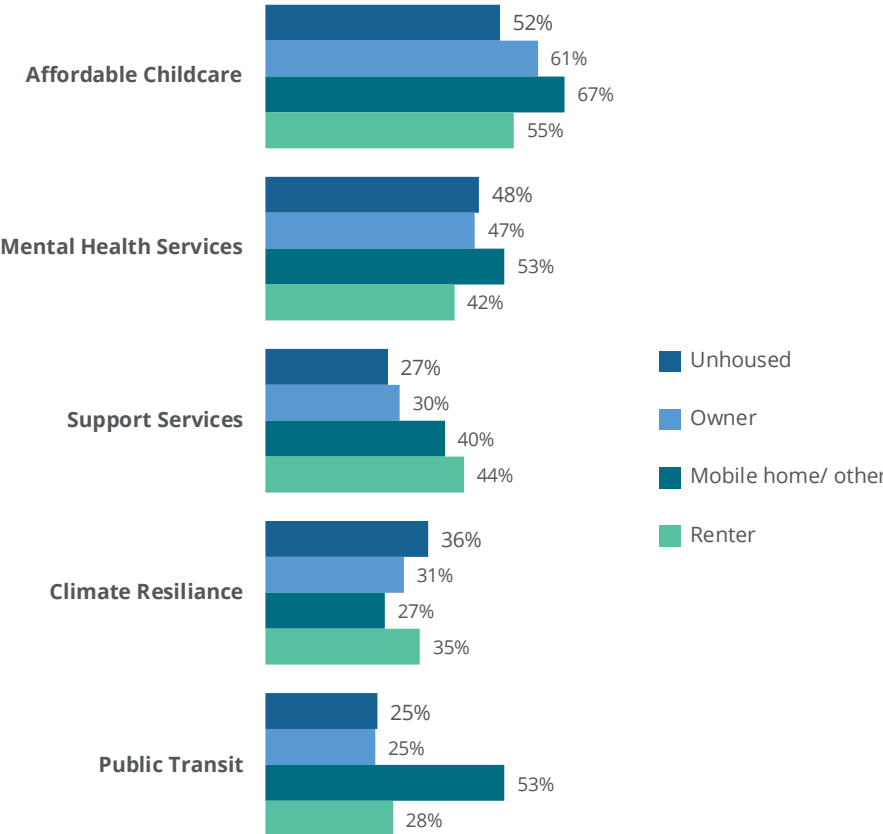
Respondents by demographic and economic characteristics. Figures II-22 through II-27 present the five greatest unmet community and economic development needs identified by respondents, sorted by demographic and economic characteristics.

By tenure, those in mobile homes and renters were most likely to select affordable childcare, mental health services, and public transit as top community needs. Unhoused people and owners were more likely to select climate resilience.

Figure II-22.
Top
Community
Needs by
Tenure

Note:
N = 953.

Source:
Root Policy Research
from the 2024
Bozeman Housing and
Community Needs
Survey.



Hispanic residents were more likely to identify mental health services, support services, and climate resilience, while White respondents were most likely to select affordable childcare and public transit.

**Figure II-23.
Top
Community
Needs by
Race and
Ethnicity**

Source:
Root Policy Research
from the 2024
Bozeman Housing
and Community
Needs Survey.

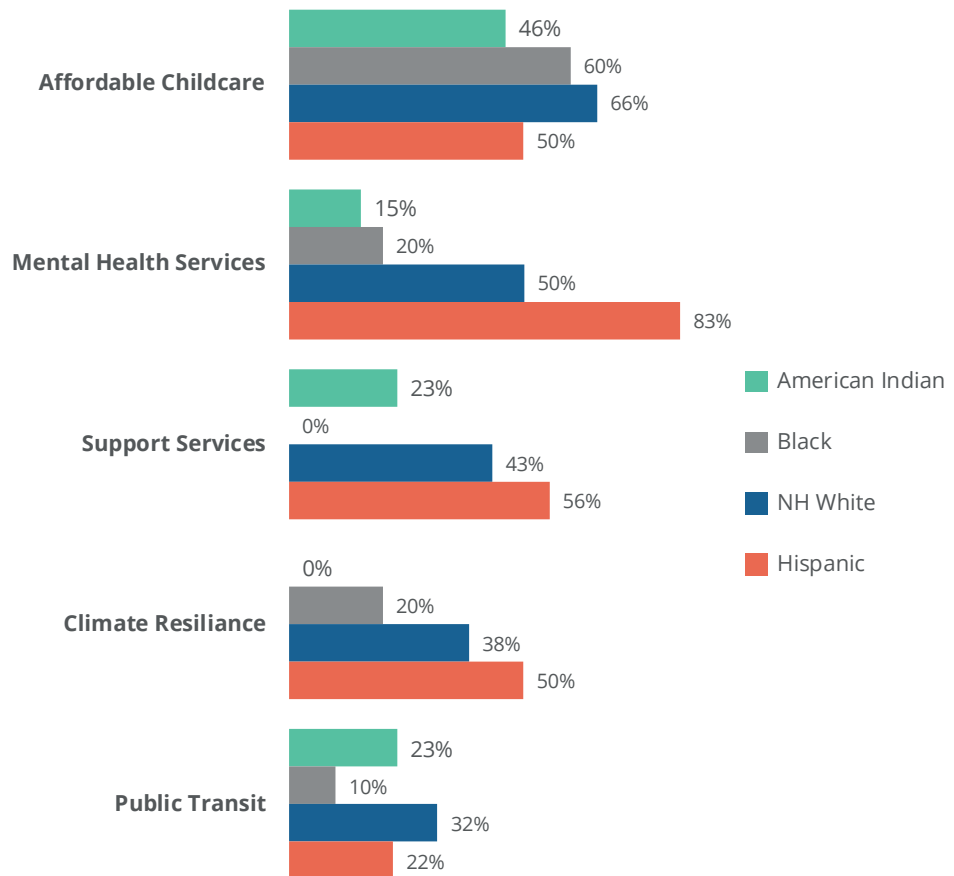
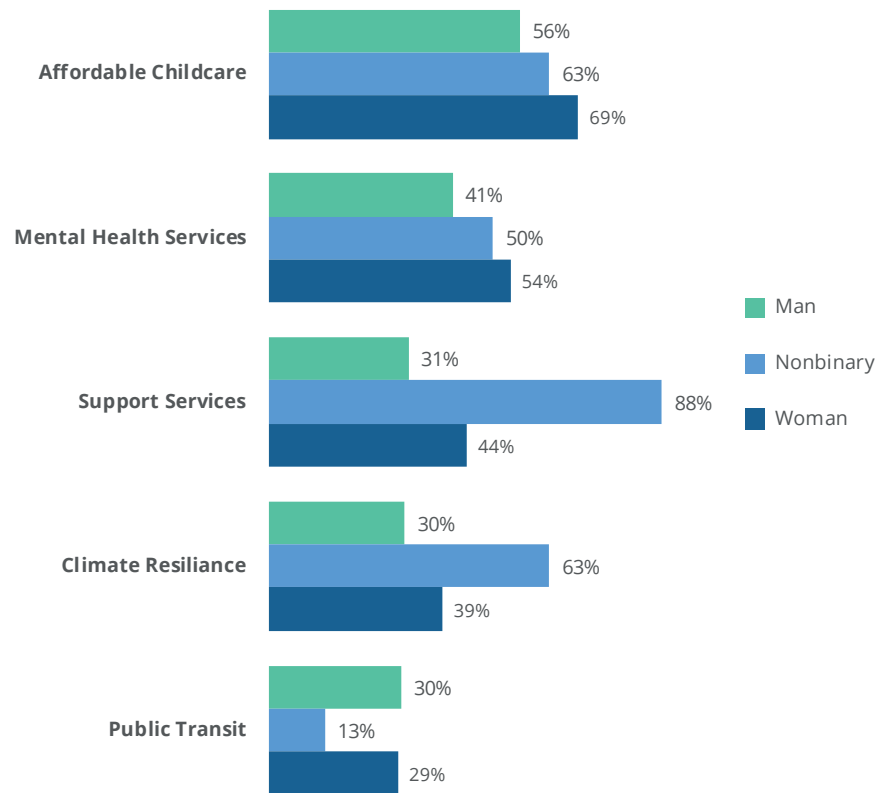


Figure II-24 presents the top five unmet community and economic development needs identified by respondents and sorted by gender identity. While female respondents were more likely to identify affordable childcare and mental health services as a significant unmet need, non-binary respondents were more likely to identify support services for vulnerable populations and climate resilience-focused planning and implementation as unmet needs compared to male and female respondents.

**Figure II-24.
Top
Community
Needs by
Gender
Identity**

Source:
Root Policy Research
from the 2024
Bozeman Housing
and Community
Needs Survey.

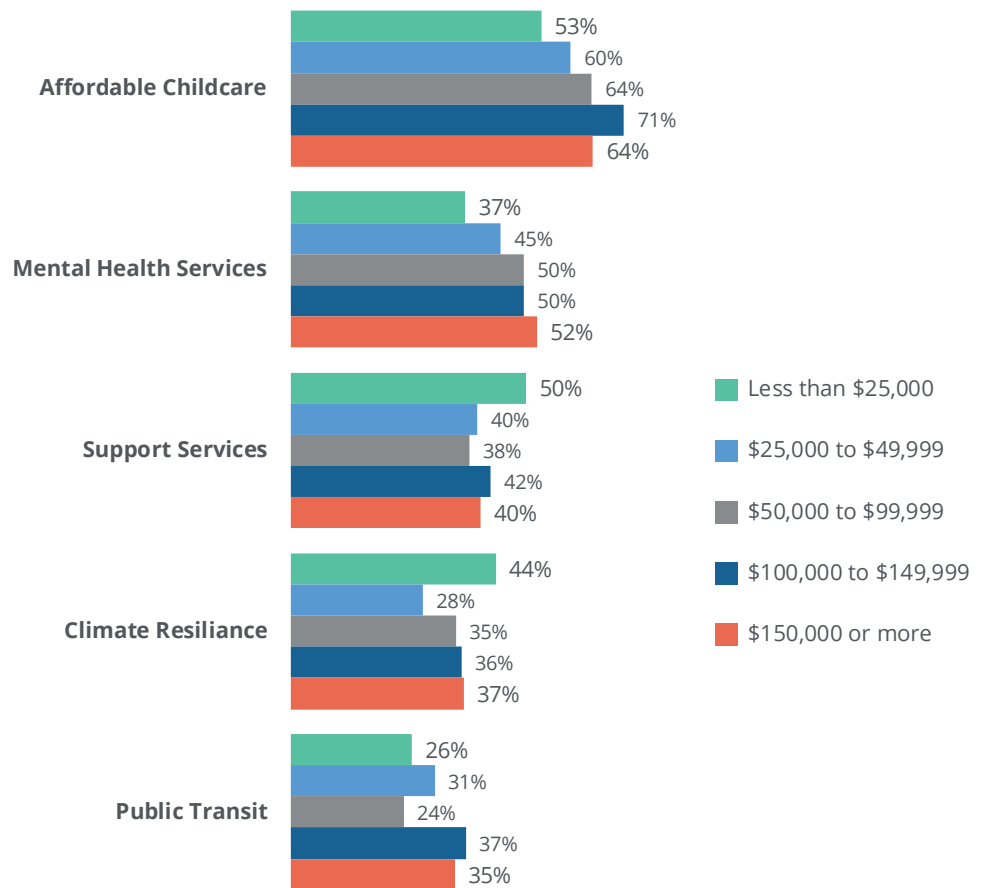


By income status, respondents making more than \$150,000 were more likely to identify mental health services and affordable childcare as unmet community needs in Bozeman compared with lower income residents (Figure II-25). Conversely, respondents making less than \$25,000 were more likely to identify support services for vulnerable populations and climate resilience as unmet community needs compared with higher income residents.

**Figure II-25.
Top
Community
Needs by
Income**

Note: N = 953.

Source:
Root Policy Research
from the 2024
Bozeman Housing
and Community
Needs Survey.



By employment status, respondents who are unemployed/looking for work were more likely to identify affordable childcare and public transit as unmet community needs in Bozeman compared with other respondents (Figure II-26). Residents that are retired were more likely to identify mental health services as an unmet community need, while students were more likely to identify support services, climate resilience, and public transit as unmet community needs.

**Figure II-26.
Top
Community
Needs by
Employment
Status**

Note: n = 953

Source:
Root Policy Research
from the 2024
Bozeman Housing and
Community Needs
Survey.

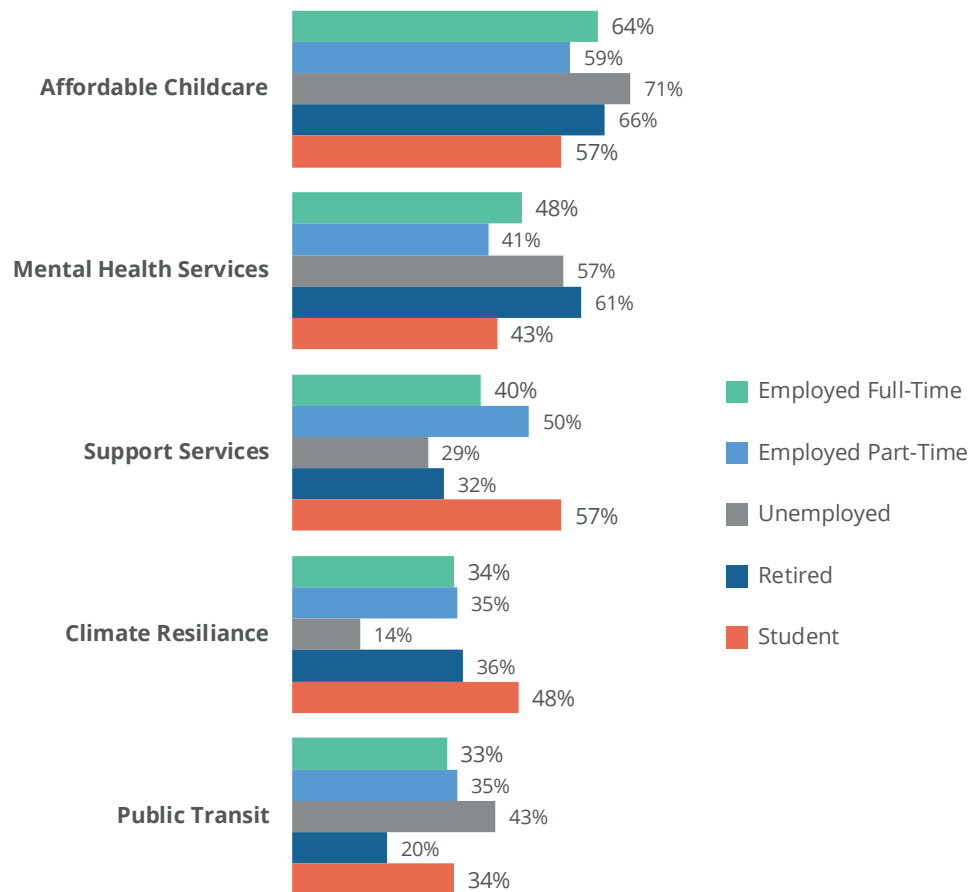
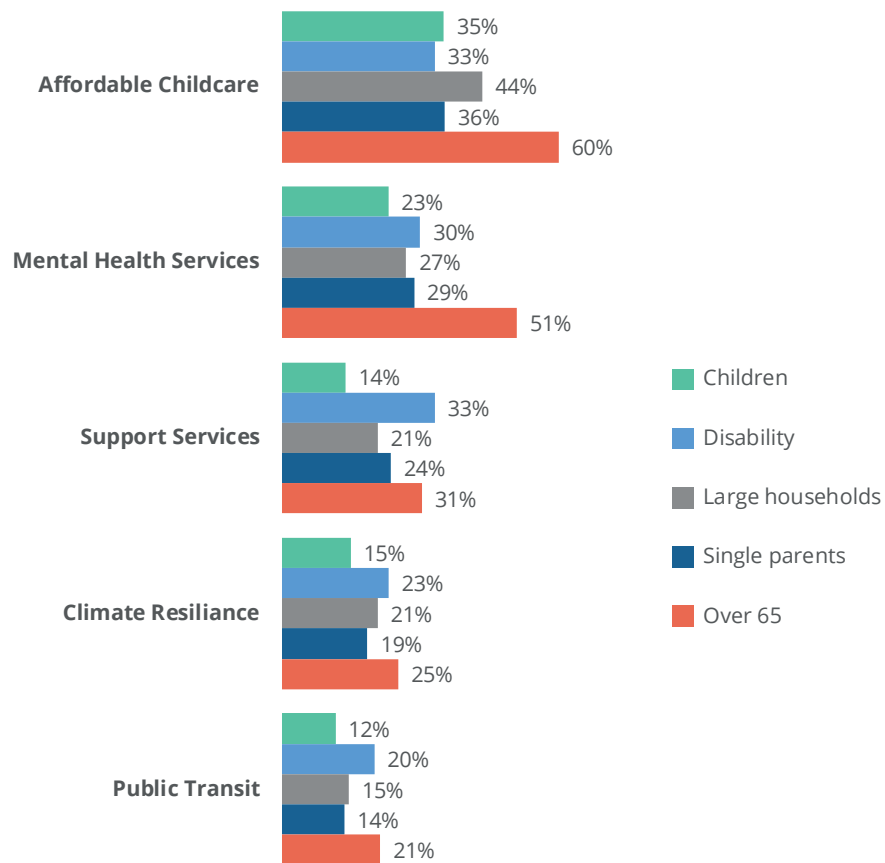


Figure II-27 presents the five greatest unmet community and economic development needs identified by respondents, sorted by other household types. Senior households were most likely to select affordable childcare, public transit, and mental health services while those with disabilities were most likely to select support services and public transit.

Figure II-27.
Top
Community
Development
Needs by
Other
Household
Type

Note: n = 953

Source:
 Root Policy Research
 from the 2024 Bozeman
 Housing and
 Community Needs
 Survey.



Additional community perspectives. Stakeholders and residents who participated in focus groups and interviews frequently identified affordable childcare, mental health services, and public transit as community development needs.

Stakeholders viewed the lack of affordable housing and childcare as intertwined and as key barriers to community development. The cost of living is so high that those who work in childcare cannot afford to work or maintain a business and thus take their labor and expertise elsewhere. Existing programs have income restrictions that do not reach the entire need of the city, one stakeholder said. Another added that there are no local or state subsidies to help with childcare costs, stretching the limits of local fundraising and scholarships available to parents.

Residents utilized split shifts, family members, and attempting to work from home to maintain childcare and some desired non-traditional hour childcare for people who work swing shifts. Stakeholders have also observed that many people have left the workforce entirely to take care of their children. This leads to problems in retaining a workforce in Bozeman, they added.

Many stakeholders highlighted a lack of mental health support in Bozeman, especially credential support. Residents also felt there was a critical need for more drug addiction

services. They reported that wait lists were long for treatment and supportive housing. One reported that they were happy to see that the city has a crisis response team to assist people experiencing mental health episodes or drug-related issues, but would like to see more services available brought directly to people most likely to experience addiction.

Residents wanted to see the transportation system in Bozeman expand outside of city boundaries. Currently, residents shared that where they're currently living sits just outside of the city and there is no way to get to and from their homes via public transportation. Several residents shared that rideshare options are expensive. One resident shared that they have walked from Walmart to the campus before, which is 8 miles roundtrip. The cost of housing also ate into the budget of residents who could not access public transit, thus making it difficult to get to work and earn money to pay for housing.

Discrimination. Survey respondents were asked if they or anyone they know has been discriminated against when looking for housing in Bozeman, as well as when the most recent instance of housing discrimination occurred and what they or the people they know did about the discrimination. Respondents were also asked to describe the reason(s) that they or the person(s) they know felt like they were discriminated against.

Resident respondents. Of the 736 resident respondents, 103 (14%) residents reported that they or someone they know have experienced discrimination when looking for housing in Bozeman. Of those that said they had been discriminated against, 48% reported that the discrimination occurred 2 to 5 years ago, 38% reported that it occurred in the past year, and 15% responded that the discrimination occurred more than five years ago. Two percent of respondents who reported experiencing housing discrimination in Bozeman did not remember when it occurred (Figure II-28).

By race and ethnicity, Hispanic and American Indian/Alaska Native resident respondents were more likely to experience or know someone who has experienced housing discrimination in Bozeman compared to other racial and ethnic groups. Black and American Indian respondents were the most likely to report discrimination in the past year.

By gender identity, half of non-binary respondents and 20% of female respondents reported experiencing or knowing someone who has experienced housing discrimination. Sixty-seven percent of non-binary people experienced discrimination within the past year.

Resident respondents with lower incomes were more likely to report experiences of housing discrimination compared with higher income residents. By employment status, students and residents who are unemployed/looking for work were more likely to report experiences with housing discrimination, while people living with disabilities and single parents were more likely to report housing discrimination compared with other household types.

Below are a sample of responses from residents about why they felt like they/the person(s) they know were discriminated against:

- *"I had a pet."*
- *"Age and income."*
- *"Because I am in college."*
- *"Family size."*
- *"Friends have felt discriminated against because of their age, race, employment."*
- *"[Friend] felt discriminated against because he is black and his application was declined despite his excellent credit and rental history."*
- *"I am low income, have a disability, children, am queer, and BIPOC."*
- *"Mental health issues."*
- *"Nothing direct but trying to be open and honest about having an emotional support animal we have be suddenly denied housing after being verbally assured that we were accepted."*
- *"Didn't speak English."*
- *"Adult had a felony on his record from when he was 19 year old for marijuana. The adult was 24 and sober for years from marijuana and was still declined due to the conviction."*
- *"The lease was not renewed once they got a Section 8 voucher."*
- *"Race and income."*

Additionally, nearly half of respondents (46%) who experienced housing discrimination in Bozeman did not do anything about it because they did not know what to do. Thirty-nine percent of residents reported moving or finding another place to live while 15% of respondents did not do anything about the discrimination because they were afraid of being evicted or harassed (Figure II-29).

Figure II-28.

Percent of Residents Experiencing Discrimination and Most Recent Occurrence

	Overall percent has been or knows someone who has faced discrimination	n	Most recent instance of housing discrimination				n
			In the past year	2 to 5 years ago	More than 5 years ago	Don't remember	
Respondent Type							
Resident	16%	103	38%	48%	11%	2%	99
Stakeholder	34%	46	41%	46%	10%	2%	41
Tenure							
Owner	9%	37	33%	45%	15%	6%	33
Renter	28%	79	43%	51%	6%	0%	77
Mobile Home / Other	23%	3	67%	0%	33%	0%	3
Unhoused	24%	8	38%	38%	13%	13%	8
Race/Ethnicity							
African American	20%	2	50%	50%	0%	0%	2
American Indian/Alaska Native	42%	5	60%	40%	0%	0%	5
Asian	50%	1	0%	100%	0%	0%	1
Hispanic	24%	4	25%	75%	0%	0%	4
Non-Hispanic White	18%	97	39%	49%	9%	2%	97
Gender Identity							
Female	20%	73	38%	55%	4%	3%	74
Male	13%	34	41%	41%	18%	0%	34
Non-Binary	50%	4	67%	33%	0%	0%	3
Income							
Less than \$25,000	39%	24	52%	32%	16%	0%	25
\$25,000-\$49,999	26%	31	47%	43%	10%	0%	30
\$50,000-\$99,999	17%	36	37%	54%	6%	3%	35
\$100,000-\$149,999	12%	14	7%	79%	7%	7%	14
Above \$150,000	9%	10	40%	50%	10%	0%	10
Employment Status							
Employed full-time	18%	73	38%	58%	8%	1%	73
Employed part-time	17%	8	38%	38%	25%	0%	8
Unemployed/looking for work	57%	4	50%	50%	0%	0%	4
Retired	9%	9	57%	0%	29%	14%	7
Student	27%	12	69%	31%	0%	0%	13
Household Characteristics							
Children under 18	10%	9	33%	67%	0%	0%	9
Large Households	14%	5	80%	20%	0%	0%	5
Single Parent	31%	13	31%	62%	8%	0%	13
Disability	36%	34	38%	53%	9%	0%	34
Older Adults (age 65+)	16%	24	27%	36%	23%	14%	22

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

When sorted by demographic and economic household characteristics, generally, the majority of respondents did nothing about the discrimination because they were unsure of what to do, were afraid of being evicted, or moved and found another place to live.

Figure II-29

Percent of Residents Experiencing Discrimination and Response to Discrimination

			What respondent did about the discrimination										
			Nothing—I wasn't sure what to do	Nothing—I was afraid of being evicted	Moved/ found another place to live	Called/ emailed housing authority	Called/ emailed local fair housing organization	Called/ emailed Montana Fair Housing	Called/ emailed City office or human rights department	Called/ emailed a lawyer, Legal Aid, and/or ACLU	Filed a complaint	Other	
Overall percent has been or knows someone who has faced discrimination	n												
Respondent Type													
Resident	16%	103	48%	16%	41%	8%	8%	3%	4%	5%	5%	7%	
Stakeholder	34%	46	41%	13%	35%	13%	13%	9%	0%	2%	4%	11%	
Tenure													
Owner	9%	37	38%	5%	41%	5%	3%	8%	3%	3%	0%	5%	
Renter	28%	79	53%	19%	41%	8%	9%	3%	3%	5%	6%	10%	
Mobile Home / Other	23%	3	33%	0%	67%	0%	0%	0%	0%	0%	0%	0%	
Unhoused	24%	8	25%	38%	38%	25%	0%	13%	13%	13%	13%	0%	
Race/Ethnicity													
African American	20%	2	50%	0%	0%	0%	0%	0%	0%	0%	0%	50%	
American Indian/Alaska Native	42%	5	60%	0%	20%	40%	40%	0%	0%	0%	0%	0%	
Asian	50%	1	0%	0%	0%	100%	0%	0%	0%	0%	0%	0%	
Hispanic	24%	4	25%	25%	50%	0%	0%	0%	0%	0%	0%	0%	
Non-Hispanic White	18%	97	47%	16%	45%	8%	7%	6%	4%	6%	5%	9%	
Gender Identity													
Female	20%	73	52%	15%	38%	4%	7%	4%	1%	5%	3%	8%	
Male	13%	34	38%	21%	44%	18%	12%	3%	6%	6%	3%	6%	
Non-Binary	50%	4	25%	0%	50%	25%	0%	0%	0%	0%	25%	25%	
Income													
Less than \$25,000	39%	24	63%	29%	42%	13%	17%	4%	4%	8%	8%	8%	
\$25,000-\$49,999	26%	31	35%	26%	45%	10%	10%	3%	0%	6%	3%	0%	
\$50,000-\$99,999	17%	36	53%	8%	31%	11%	8%	3%	3%	3%	3%	14%	
\$100,000-\$149,999	12%	14	57%	7%	36%	7%	0%	7%	0%	7%	0%	14%	
Above \$150,000	9%	10	20%	0%	60%	0%	0%	20%	10%	0%	0%	10%	
Employment Status													
Employed full-time	18%	73	48%	11%	45%	5%	8%	5%	1%	5%	4%	8%	
Employed part-time	17%	8	63%	13%	25%	25%	25%	13%	13%	13%	0%	13%	
Unemployed/looking for work	57%	4	25%	0%	25%	50%	25%	0%	0%	0%	0%	0%	
Retired	9%	9	33%	0%	22%	0%	0%	0%	22%	0%	0%	0%	
Student	27%	12	67%	42%	50%	25%	0%	0%	0%	0%	8%	17%	
Household Characteristics													
Children under 18	10%	9	44%	11%	56%	0%	0%	11%	0%	0%	0%	0%	
Large Households	14%	5	40%	40%	40%	0%	0%	0%	0%	0%	0%	0%	
Single Parent	31%	13	62%	54%	23%	15%	8%	8%	0%	8%	0%	8%	
Disability	36%	34	41%	21%	38%	9%	12%	12%	0%	3%	3%	12%	
Older Adults (age 65+)	16%	24	38%	4%	29%	17%	17%	0%	13%	4%	0%	0%	

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Displacement. Survey respondents were asked if they have had to move out of a home/apartment in Bozeman when they did not want to move over the last five years. Respondents were also asked to describe the reason(s) that they had to move.

Resident respondents. Of the 736 resident respondents, 137 (21%) residents reported that they had to move out of a home/apartment in Bozeman when they did not want to move. Of those that said they had to move in the past five years when they didn't want to, the most common reasons articulated by residents included rent increases (50%), the landlord was selling the home/apartment (29%), landlord rented to someone else (21%), and personal/relationship reasons (18%) (Figures II-30 and II-31).

With the exception of non-Hispanic White residents, all other racial and ethnic groups were more likely to report experiencing displacement in Bozeman compared with resident respondents overall. Although a small sample size, 38% of non-binary respondents reported being displaced while 19% of female and 21% of male respondents reported being displaced from their housing.

Respondents making less than \$50,000 were more likely to report being displaced compared with higher income residents. Students and resident respondents who are unemployed/looking for work, as well as single parent households and those with disabilities, were all more likely to report being displaced compared with their counterparts in their respective comparison groups. In general, the number one reason that most respondents across all groups reported being displaced was due to rent increases.

Twelve percent of resident respondents reported "other" when asked about why they were displaced. Below are a sample of responses.

- *"My apartment turned into a VRBO."*
- *"New landlord wanted to remodel and rent to someone else for more money."*
- *"Rent increased from \$1,700 to \$2,400. Was told I had to pay increase or leave after lease ended."*
- *"Sewage came up my drains (the building's main line to the City was backed up) and they never fixed it."*

Figure II-30

Percent of Residents Reporting Displacement and Reasons they Had to Move

			Reason the respondent had to move								
			Evicted because I was behind on rent	Evicted because of apartment rules	Evicted for no reason	Landlord wanted to move back in/ move in with family	Landlord wanted to rent to someone else	Landlord refused to renew my lease	Landlord was selling the apartment	Lost job/ hours reduced	Career move/job change
Respondent Type											
Resident	21%	137	4%	5%	9%	18%	21%	18%	29%	9%	8%
Stakeholder	22%	30	0%	17%	10%	13%	27%	27%	30%	10%	20%
Tenure											
Owner	6%	25	12%	16%	8%	24%	20%	20%	20%	12%	12%
Renter	38%	110	1%	3%	10%	16%	22%	19%	32%	6%	8%
Mobile Home/ Other	23%	3	0%	0%	0%	0%	0%	0%	33%	33%	33%
Unhoused	32%	11	9%	18%	0%	18%	36%	18%	36%	27%	9%
Race/Ethnicity											
African American	40%	4	50%	25%	0%	0%	0%	25%	0%	25%	25%
American Indian/Alaska Native	50%	6	17%	0%	17%	33%	33%	67%	0%	50%	17%
Asian	100%	2	0%	0%	50%	50%	0%	100%	0%	0%	0%
Hispanic	22%	4	0%	0%	0%	0%	0%	0%	25%	0%	25%
Non-Hispanic White	20%	109	1%	5%	8%	17%	22%	17%	28%	6%	8%
Gender Identity											
Female	19%	72	1%	3%	7%	19%	17%	21%	26%	11%	10%
Male	21%	54	6%	7%	13%	15%	22%	19%	30%	7%	9%
Non-Binary	38%	3	0%	33%	0%	0%	33%	33%	0%	0%	0%
Income											
Less than \$25,000	31%	19	11%	5%	5%	21%	26%	21%	26%	11%	5%
\$25,000-\$49,999	34%	41	2%	10%	10%	15%	24%	20%	29%	17%	10%
\$50,000-\$99,999	25%	53	4%	0%	11%	13%	15%	19%	28%	6%	8%
\$100,000-\$149,999	14%	16	0%	13%	6%	25%	19%	19%	25%	0%	19%
Above \$150,000	4%	4	0%	0%	0%	0%	0%	0%	25%	0%	0%
Employment Status											
Employed full-time	24%	97	2%	5%	10%	14%	19%	18%	32%	6%	9%
Employed part-time	17%	8	0%	0%	13%	63%	13%	38%	13%	13%	13%
Unemployed/looking for work	43%	3	0%	0%	33%	0%	0%	67%	0%	33%	0%
Retired	4%	4	25%	0%	0%	0%	25%	0%	25%	0%	0%
Student	32%	14	0%	0%	0%	7%	14%	7%	29%	0%	7%
Household Characteristics											
Children under 18	8%	7	0%	14%	0%	29%	29%	43%	43%	14%	14%
Large Households	11%	4	0%	0%	25%	25%	0%	0%	50%	0%	25%
Single Parent	29%	12	0%	8%	25%	8%	17%	25%	42%	17%	0%
Disability	35%	33	6%	9%	9%	12%	30%	9%	12%	0%	6%
Older Adults (age 65+)	12%	18	17%	11%	6%	22%	17%	44%	17%	39%	22%

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Figure II-31

Percent of Residents Reporting Displacement and Reasons they Had to Move, continued

			Reasons that respondent had to move									
			Rent increased more than I could pay	Utilities were too expensive/ shut off	Personal/ relationship reasons	Health/ medical reasons	Housing was unsafe (e.g., domestic assault, harassment)	Natural disaster/ flooding/ fire	Poor condition of property (e.g., mold, bugs, etc.)	Property taxes/ other costs of owning a home	Circumstances related to a substance use disorder	Other
Respondent Type												
Resident	21%	137	50%	8%	18%	2%	10%	4%	15%	3%	1%	12%
Stakeholder	22%	30	53%	7%	13%	0%	3%	3%	20%	3%	0%	10%
Tenure												
Owner	6%	25	55%	18%	9%	0%	0%	9%	18%	0%	0%	27%
Renter	38%	110	32%	12%	12%	0%	8%	8%	8%	4%	4%	16%
Mobile Home/ Other	23%	3	33%	0%	33%	0%	33%	0%	33%	33%	0%	0%
Unhoused	32%	11	55%	6%	20%	3%	11%	2%	17%	2%	0%	9%
Race/Ethnicity												
African American	40%	4	0%	25%	25%	0%	0%	0%	0%	0%	25%	25%
American Indian/Alaska Native	50%	6	17%	33%	0%	0%	0%	17%	0%	0%	0%	0%
Asian	100%	2	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Hispanic	22%	4	75%	0%	0%	0%	25%	0%	0%	0%	0%	0%
Non-Hispanic White	20%	109	54%	7%	20%	3%	11%	3%	17%	4%	0%	12%
Gender Identity												
Female	19%	72	50%	10%	19%	1%	11%	6%	18%	3%	0%	13%
Male	21%	54	52%	6%	15%	4%	11%	4%	9%	4%	2%	6%
Non-Binary	38%	3	33%	0%	33%	0%	0%	0%	33%	0%	0%	0%
Income												
Less than \$25,000	31%	19	32%	11%	21%	0%	32%	5%	16%	5%	5%	11%
\$25,000-\$49,999	34%	41	56%	10%	27%	2%	10%	7%	20%	0%	0%	15%
\$50,000-\$99,999	25%	53	57%	9%	13%	4%	6%	4%	15%	8%	0%	11%
\$100,000-\$149,999	14%	16	31%	0%	6%	0%	6%	0%	6%	0%	0%	6%
Above \$150,000	4%	4	75%	0%	25%	0%	0%	0%	50%	0%	0%	25%
Employment Status												
Employed full-time	24%	97	56%	8%	18%	1%	11%	2%	13%	4%	0%	11%
Employed part-time	17%	8	38%	13%	13%	0%	0%	0%	0%	0%	0%	13%
Unemployed/looking for work	43%	3	0%	33%	0%	0%	0%	33%	33%	0%	0%	0%
Retired	4%	4	50%	0%	0%	0%	0%	0%	25%	25%	0%	25%
Student	32%	14	50%	7%	29%	14%	14%	0%	50%	0%	0%	14%
Household Characteristics												
Children under 18	8%	7	29%	0%	0%	0%	14%	0%	0%	0%	0%	0%
Large Households	11%	4	75%	0%	25%	0%	0%	0%	50%	0%	0%	0%
Single Parent	29%	12	33%	17%	25%	8%	17%	17%	17%	17%	0%	17%
Disability	35%	33	52%	6%	18%	6%	12%	0%	18%	0%	3%	12%
Older Adults (age 65+)	12%	18	28%	28%	6%	0%	0%	17%	6%	6%	0%	6%

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Additional community perspectives. Residents expressed the need for additional assistance for security deposits, first and last month's rent, and application fees. This assistance would help those displaced secure housing more quickly and prevent homelessness. Other residents voiced a desire to see more legal aid and tenants' rights resources available. One resident felt that "there needs to be a louder voice at the table representing our interests...I'm a functioning member of this community and I deserve to be heard."

Stakeholders also suggested more financial literacy classes to help families manage their expenses and better prepare for cost increases. Some noted that there should be more support available for people who were evicted due to hoarding or issues with neighbors to present themselves as desirable tenants.

Fair housing. Respondents who identified as stakeholders were asked to whom or where they refer clients who are interested in filing a fair housing complaint. Additionally, stakeholders were asked which types of fair housing activities are most needed in Bozeman. Stakeholders were provided the following options:

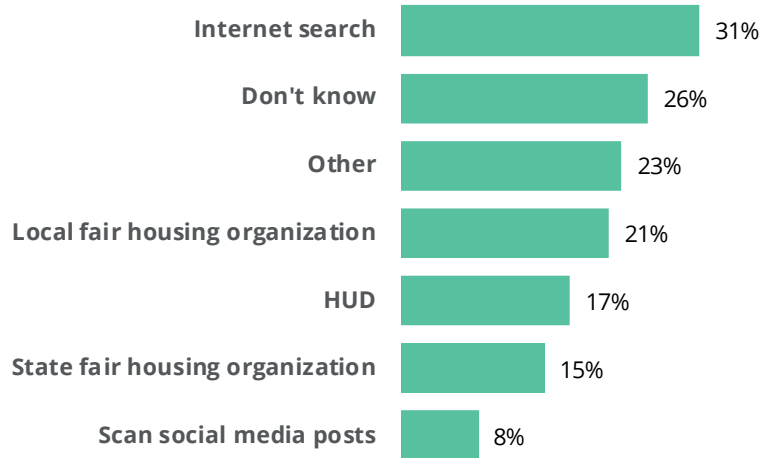
- Don't know
- Internet search
- Scan social media posts
- Local fair housing organization
- State fair housing organization
- HUD
- Other

Figure II-32 illustrates that internet search (31%), don't know (26%), and other (23%) were the most common referral options provided by stakeholders when asked to help file a fair housing complaint. For stakeholders that indicated "Other", below are a sample of responses.

- *"Joined Bozeman Tenant's United."*
- *"The rental agencies are very careful to not leave a paper trail and we are worried about retribution in the future of being turned down due to a complaint. There are a limited number of rental agencies."*
- *"I was encouraged to not take action against the discriminatory landlord because she was my friend's landlord, and she was afraid she'd be retaliated against or evicted."*

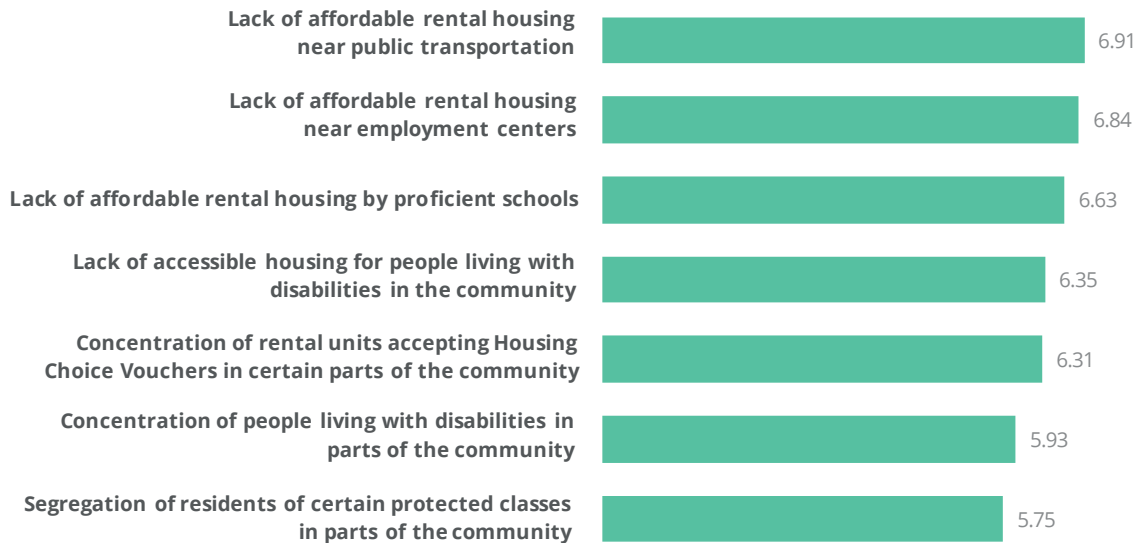
Figure II-32.
Fair Housing
Complaint
Referral
Options,
Stakeholder

Note:
 N=149.
 Source:
 Root Policy Research
 from the 2024 Bozeman
 Housing and
 Community Needs
 Survey.



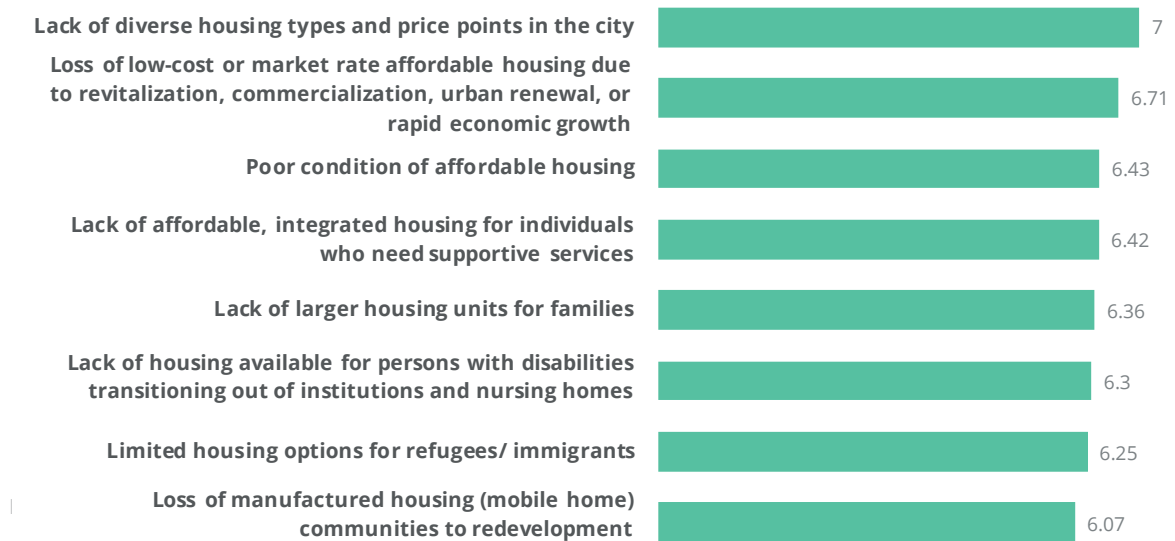
Stakeholders were asked to rank the seriousness of fair housing issues in Bozeman on a scale from 1 (not a fair housing issue) to 10 (a very serious fair housing issue). Figures II-33 to II-37 group the outcomes by average rating. Lack of diverse housing types and price points in the city was the top issue, followed by lack of affordable rental housing near public transit, lack of affordable rental housing near employment centers, loss of low-cost or market rate affordable housing due to revitalization, commercialization, urban renewal, or rapid economic growth, and lack of affordable rental housing by proficient schools.

Figure II-33.
Average Rating of Seriousness by Fair Housing Issue, Stakeholders



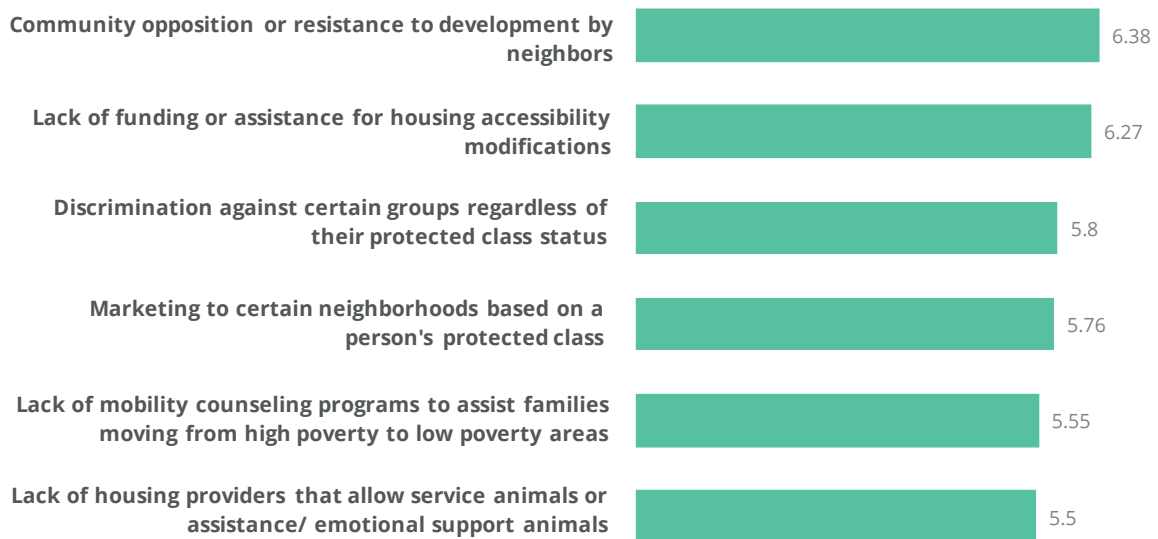
Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Assessment.

Figure II-34.
Average Rating of Seriousness by Fair Housing Issue, Stakeholders cont.



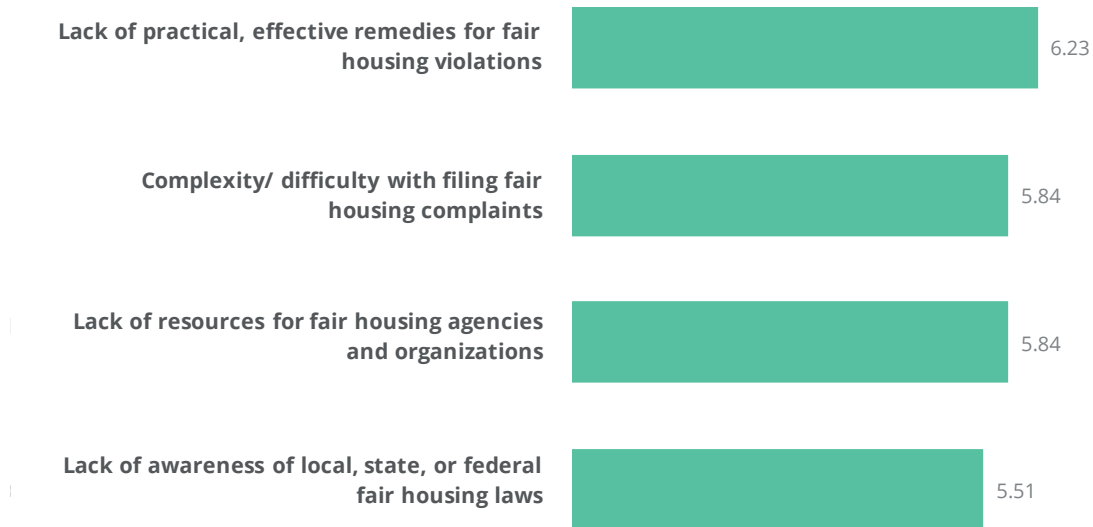
Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Assessment.

Figure II-35.
Average Rating of Seriousness by Fair Housing Issue, Stakeholders cont.



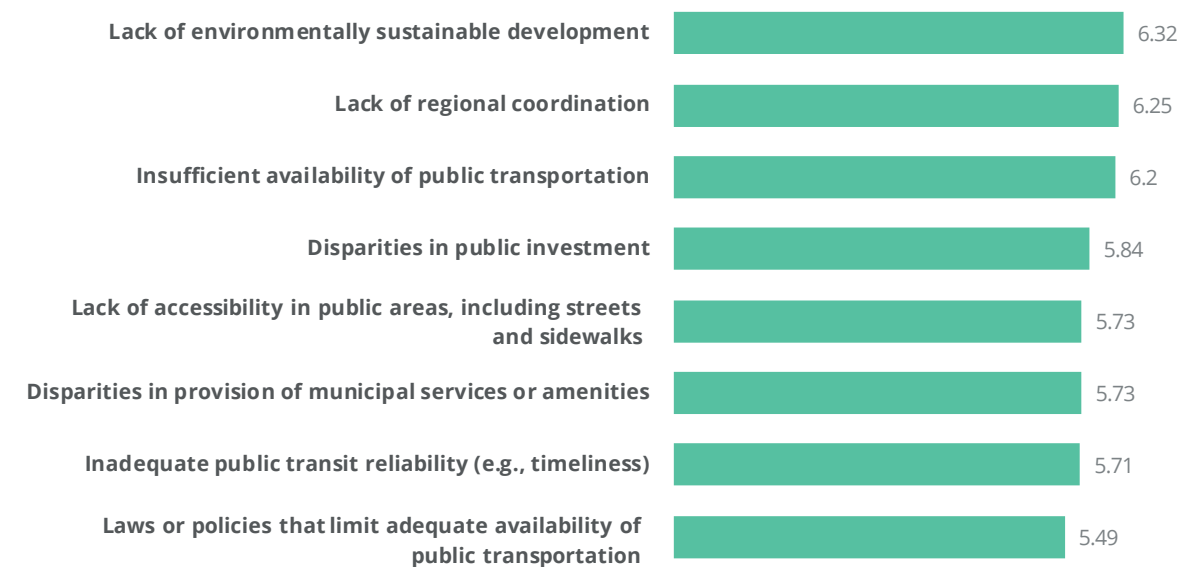
Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Assessment.

Figure II-36.
Average Rating of Seriousness by Fair Housing Issue, Stakeholders cont.



Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Assessment.

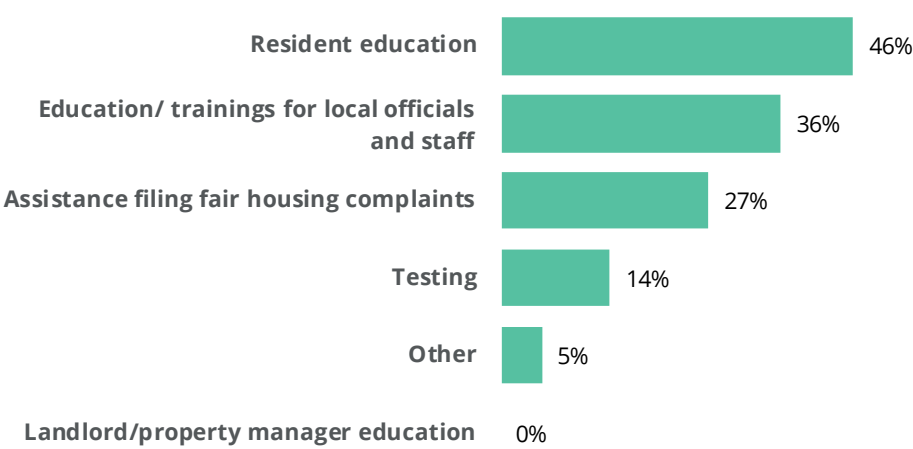
Figure II-37.
Average Rating of Seriousness by Fair Housing Issue, Stakeholders



Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Assessment.

Stakeholders identified resident education (46%), education/ training for local officials and staff (36%), and assistance filing fair housing complaints (27%) as the three most needed fair housing activities in Bozeman (Figure II-38). One stakeholder who responded “Other” articulated that no amount of education could fix housing costs that surpass wages and that the lack of affordable housing supply is the root of discrimination.

Figure II-38.
Fair Housing Activities Most Needed in Bozeman, Stakeholder



Note:

N=149.

Source:

Root Policy Research
from the 2024
Bozeman Housing
and Community
Needs Survey.

Additional community perspectives. In a resident focus group, participants shared their experiences with discrimination within the housing market in Bozeman. One resident felt that “Only a certain demographic fits most landlords’ preference for a tenant.” Most participants felt that minorities and people with disabilities were looked down upon by landlords and that they do not want to rent to this demographic.

Another resident shared that “Bozeman is looking for specific kinds of people. There’s a sense that Bozeman wants people who work in the service industry to not live in Bozeman.” Other residents shared that places like Livingston, Three Forks, and Townsend are cheaper options but during the winter months, it would be extremely difficult and unsafe to travel to Bozeman for work. One resident shared that the pass between Bozeman and Livingston is really dangerous and that a few people have lost their lives this past year.

One resident shared that their Hispanic friends who’ve looked for housing in Bozeman have experienced discrimination. They shared that “they are usually told their references don’t check out, even though they meet or exceed all of the renter requirements. But it’s hard to prove [the discrimination].” This resident reiterated that landlords are “looking for a specific type of demographic.”

Speaking about housing barriers, residents felt that “rental paperwork and applications” can be overwhelming, particularly for immigrant households. One resident shared that

immigrant families are “out of luck” when trying to get a place, because landlords require rental history, references, and credit information.

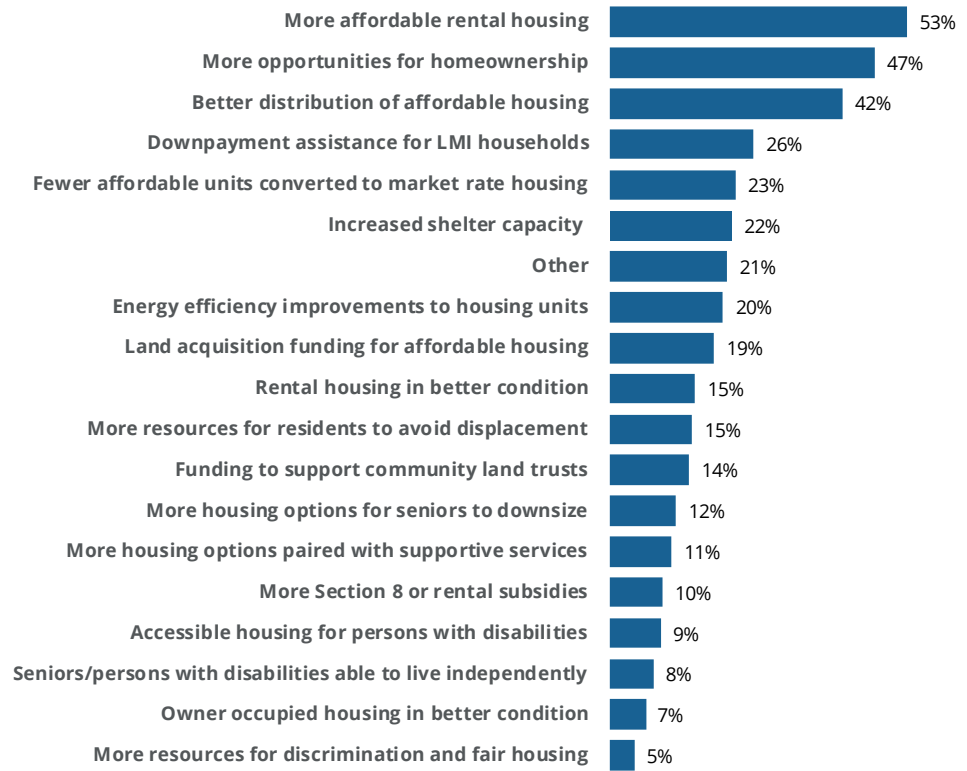
One resident shared that Spanish-speaking families have experienced discrimination while looking for housing in Bozeman. This resident shared that “when 15 people apply for a unit and the family doesn’t get the unit, they don’t have to ask why.”

Housing outcomes. Both residents and stakeholders were asked to select the five housing outcomes they would like to see prioritized as a result of the HUD housing and community development funding that the City of Bozeman will receive over the next five years. Residents and stakeholders were asked to consider the following housing outcomes:

■ Accessible housing for persons with disabilities	■ More housing options paired with supportive services
■ Better distribution of affordable housing	■ More opportunities for homeownership (specify home prices and product type below)
■ Downpayment assistance for low- and moderate-income households	■ More resources for residents to avoid displacement
■ Energy efficiency improvements to housing units	■ More resources for residents to resolve housing discrimination/better awareness of fair housing rights
■ Fewer affordable units converted to market rate housing	■ More Section 8 or rental subsidies
■ Funding to support community land trusts	■ Owner occupied housing in better condition
■ Housing options for seniors to downsize	■ Rental housing in better condition
■ Increased shelter capacity to support people who are currently unhoused	■ Seniors/persons with disabilities able to live independently
■ Land acquisition funding to help build affordable housing	■ Other
■ More affordable rental housing (specify type, rent, and target populations below)	

Resident respondents. More affordable rental housing (53%) was identified by residents as the housing outcome that should be the greatest priority for the City of Bozeman (Figure II-39). Residents also identified more opportunities for homeownership (47%), better distribution of affordable housing (42%), downpayment assistance for low- and moderate-income households (26%), and fewer affordable units converted to market rate housing (23%) as housing outcomes that should be prioritized.

Figure II-39.
What
housing
outcomes
would you
most like to
see as a
result of HUD
funding?
Residents

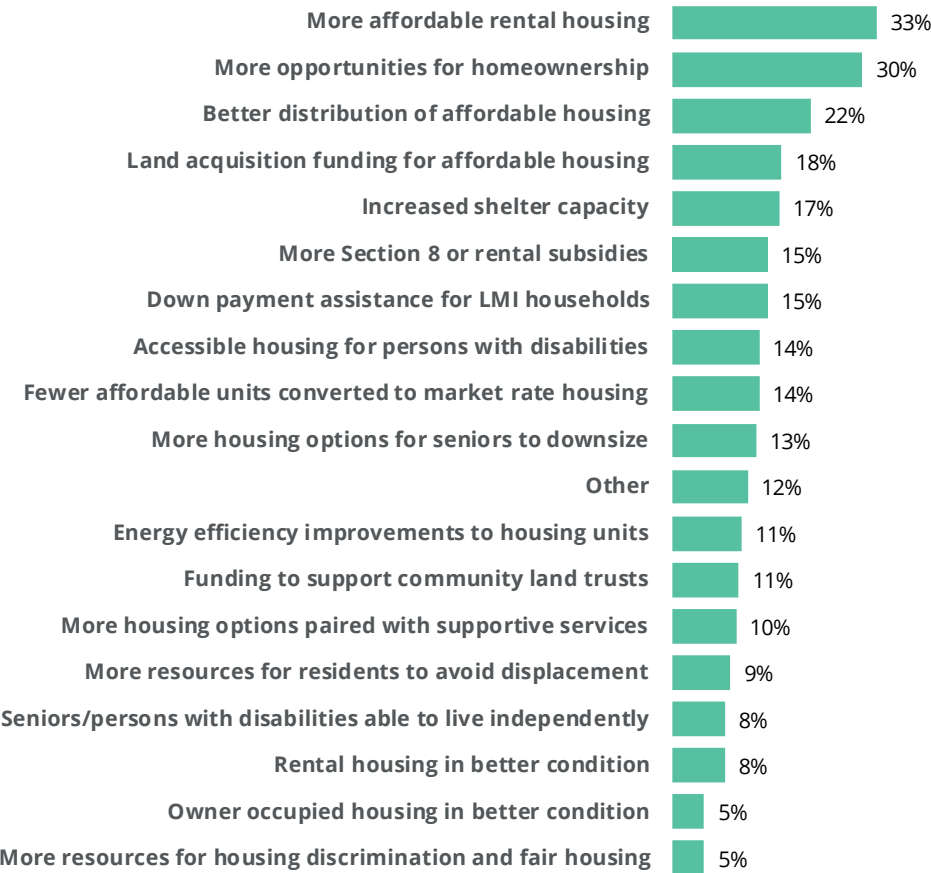


Note:
 N=736.
 Source:
 Root Policy Research
 from the 2024 Bozeman
 Housing and
 Community Needs
 Survey.

Stakeholder respondents. Stakeholder respondents ranked more affordable housing (33%), more opportunities for homeownership (30%), better distribution of affordable housing (22%), land acquisition funding for affordable housing (18%), and increased shelter capacity (17%) as the top five housing outcomes they would like to see in Bozeman.

Figure II-40.
What
housing
outcomes
would you
most like to
see as a
result of HUD
funding?
Stakeholders

Note:
 N=217.
 Source:
 Root Policy Research
 from the 2024 Bozeman
 Housing and
 Community Needs
 Survey.



Answers of respondents who selected “other” are below:

- *“Affordable housing for Bozeman’s workforce.”*
- *“Current definition of “affordable” here is inconsistent with wages of low and middle income families in the area.”*
- *“Affordable rent for young people who are working and would be able to save for future home ownership.”*
- *“Benefits for homeowners providing quality housing at below market rate.”*
- *“Fewer property taxes.”*
- *“More affordable single occupant apartments.”*
- *“Support for residents that can’t qualify for income restricted units but can’t afford market rate rent/home prices.”*

Resident respondents by demographic and economic characteristics. Figures II-41 through A-44 present the top five housing outcomes for each resident respondent

group by race and ethnicity, gender identity, household income, employment status, and other selected household types.

Across tenure, more affordable rental housing was desired. This was followed by more opportunities for homeownership for low- to- moderate-income residents, with the exception of mobile home/ other residents who ranked rental housing in better condition second.

Figure II-41.
Top Five Housing Outcomes by Tenure

OWNER	RENTER
1 More affordable rental housing 2 More opportunities for homeownership for LMI residents 3 Better distribution of affordable housing 4 Energy efficiency improvements to housing units 5 Fewer conversions of affordable units to market rate housing	1 More affordable rental housing 2 More opportunities for homeownership for LMI residents 3 Better distribution of affordable housing 4 More down payment assistance for LMI households 5 Fewer conversions of affordable units to market rate housing
MOBILE HOME/ OTHER	UNHOUSED
1 More affordable rental housing 2 Rental housing in better condition 3 Energy efficiency improvements to housing units 4 More opportunities for homeownership for LMI residents 5 Better distribution of affordable housing	1 More affordable rental housing 2 More opportunities for homeownership for LMI residents 3 Better distribution of affordable housing 4 Rental housing in better condition 5 Land acquisition funding to help build affordable housing

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

American Indian and Hispanic groups identified more affordable rental housing as a housing outcome that should be most prioritized by the City of Bozeman. Black resident respondents were more likely to identify accessible housing for persons with disabilities more Section 8 or rental subsidies as a housing outcome, while non-Hispanic White respondents prioritized shelter capacity and fewer conversions of affordable units to market rate housing.

Figure II-42.
Top Five Housing Outcomes by Race and Ethnicity

AMERICAN INDIAN 1 More affordable rental housing 2 Better distribution of affordable housing 3 Accessible housing for persons with disabilities 4 More opportunities for homeownership for LMI residents 5 Increased shelter capacity	BLACK 1 Accessible housing for persons with disabilities 2 More affordable rental housing 3 Better distribution of affordable housing 4 Energy efficiency improvements to housing units 5 More Section 8 or rental subsidies
NON-HISPANIC WHITE 1 Increased shelter capacity 2 Fewer conversions of affordable units to market rate housing 3 More opportunities for homeownership for LMI residents 4 Funding to support community land trusts 5 More housing options with supportive services	HISPANIC 1 More affordable rental housing 2 Better distribution of affordable housing 3 More opportunities for homeownership for LMI residents 4 Increased shelter capacity 5 Fewer conversions of affordable units to market rate housing

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Male and non-binary resident respondents articulated the same items within their top five housing outcomes (Figure II-43). Women were more likely to include increased shelter capacity.

Figure II-43.
Top Five Housing Outcomes by Gender Identity

MEN	NON-BINARY
1 More affordable rental housing 2 More opportunities for homeownership for LMI residents 3 Better distribution of affordable housing 4 Energy efficiency improvements to housing units 5 More down payment assistance for LMI households	1 More affordable rental housing 2 More opportunities for homeownership for LMI residents 3 Better distribution of affordable housing 4 More resources for residents to avoid displacement 5 Energy efficiency improvements to housing units
WOMEN	
1 More affordable rental housing 2 More opportunities for homeownership for LMI residents 3 Better distribution of affordable housing 4 More down payment assistance for LMI households 5 Increased shelter capacity	

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

By income status, resident respondents generally had similar articulated housing outcomes (Figure II-44). Residents with income greater than \$100,000 to \$150,000 identified more homeownership opportunities for low-to-moderate income families as an outcome they want the City to prioritize, while residents of all other income brackets identified more affordable housing.

Figure II-44.
Top Five Housing Outcomes by Income

LESS THAN \$25,000 1 More affordable rental housing 2 Better distribution of affordable housing 3 Rental housing in better condition 4 Energy efficiency improvements to housing units 5 More opportunities for homeownership for LMI residents	\$25,000 TO \$49,999 1 More affordable rental housing 2 Better distribution of affordable housing 3 More opportunities for homeownership for LMI residents 4 Fewer conversions of affordable units to market rate housing 5 More down payment assistance for LMI households
\$50,000 TO \$99,999 1 More affordable rental housing 2 More opportunities for homeownership for LMI residents 3 Better distribution of affordable housing 4 More down payment assistance for LMI households 5 Fewer conversions of affordable units to market rate housing	\$100,000 TO \$149,999 1 More opportunities for homeownership for LMI residents 2 More affordable rental housing 3 Better distribution of affordable housing 4 Land acquisition funding to help build affordable housing 5 More down payment assistance for LMI households
\$150,000 OR MORE 1 More affordable rental housing 2 More opportunities for homeownership for LMI residents 3 Better distribution of affordable housing 4 More down payment assistance for LMI households 5 Increased shelter capacity	

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Figure II-45 presents the top five housing outcomes by employment status for resident respondents. Residents who were unemployed or looking for work identified more opportunities for homeownership for low-to-moderate income households and were more likely to select more Section 8 or rental subsidies. Students were more likely to select rental housing in better condition.

Figure II-45.
Top Five Housing Outcomes by Employment Status

EMPLOYED FULL-TIME	EMPLOYED PART-TIME
1 More affordable rental housing 2 More opportunities for homeownership for LMI residents 3 Better distribution of affordable housing 4 More down payment assistance for LMI households 5 Increased shelter capacity	1 More affordable rental housing 2 Better distribution of affordable housing 3 More opportunities for homeownership for LMI residents 4 More down payment assistance for LMI households 5 Increased shelter capacity
UNEMPLOYED/ LOOKING FOR WORK	RETIRED
1 More opportunities for homeownership for LMI residents 2 Better distribution of affordable housing 3 More Section 8 or rental subsidies 4 More affordable rental housing 5 Increased shelter capacity	1 More affordable rental housing 2 More opportunities for homeownership for LMI residents 3 Better distribution of affordable housing 4 More housing options for seniors to downsize 5 Land acquisition funding to help build affordable housing
STUDENTS	
1 More affordable rental housing 2 Better distribution of affordable housing 3 More opportunities for homeownership for LMI residents 4 Rental housing in better condition 5 Fewer affordable units converted to market rate housing	

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Aside from households with children under 18 and large households, the primary housing outcome identified by all other housing types was more affordable rental housing (Figure II-46). Households with children under 18 and large households identified more homeownership opportunities for low- to moderate-income households as a priority.

Figure II-46.
Top Five Housing Outcomes by Other Household Types



Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Additional community perspectives. Stakeholders and residents shared their perspectives about the process of securing affordable housing and building affordable housing. One resident shared that they’ve experienced being “bumped up and down the waiting list [for subsidized housing]. We slipped through the cracks when a new staff member took over. I was never mailed a package for my voucher and my status still says pending.” They shared that it was stressful not knowing if they were going to get a voucher, because they were simultaneously running out of emergency rental assistance. They added, “why am I not being seen?”

When it comes to the development of affordable housing, a stakeholder involved in development shared that it was difficult to build “truly affordable housing” because land is so expensive. They added that “unless you have a willing partner who can donate the land,” it’s not going to make financial sense to develop.

They felt that the biggest outside pressure currently facing Bozeman are “the costs to build.” They added that, “it takes two years to get your permits, there are higher impact fees, you have to find your workforce, who then needs to find housing, childcare, and transportation...if you can overcome these things, you’ll be successful.”

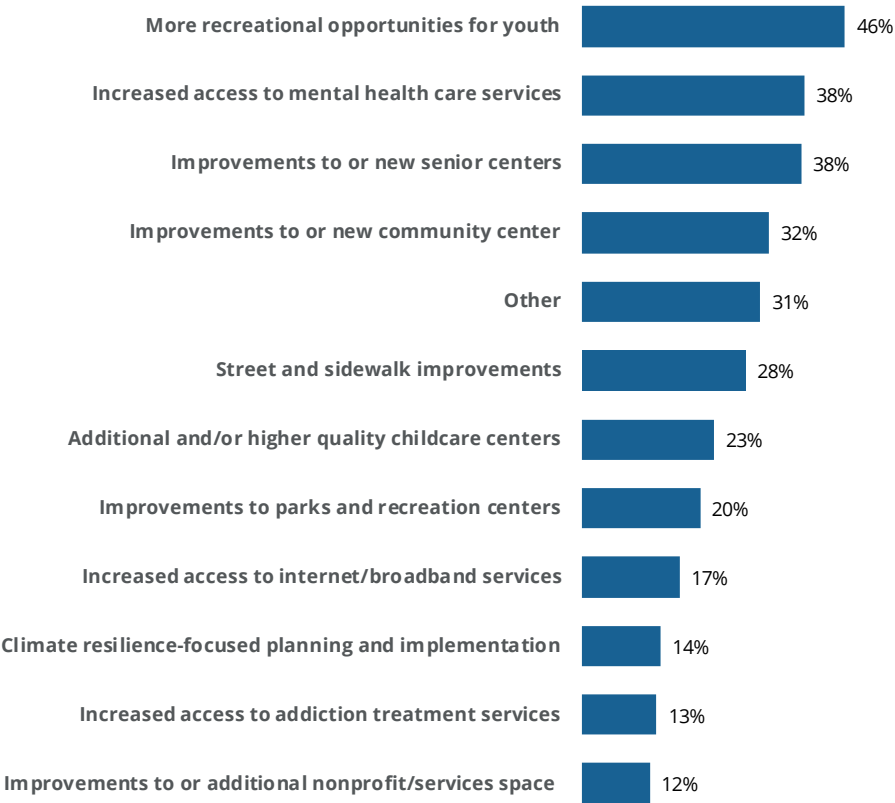
Community Development Outcomes. Both residents and stakeholders were asked to select the five community development outcomes they would like to see prioritized as a result of the HUD housing and community development funding that the City of Bozeman will receive over the next five years. Residents and stakeholders were asked to consider the following housing outcomes:

■ A community center and/or improvements to existing community centers (specify neighborhood below)	■ Increased access to addiction treatment services
■ A senior center and/or improvements to existing senior centers (specify neighborhood below)	■ Increased access to internet/broadband services
■ Additional and/or higher quality childcare centers	■ Increased access to mental health care services
■ Climate resilience-focused planning and implementation	■ More nonprofit/services space and/or improvements to nonprofit/services space
■ Improvements to parks and recreation centers	■ More recreation opportunities for youth and other special populations
	■ Street and sidewalk improvements
	■ Other

Resident respondents. More recreational opportunities for youth (46%), increased access to mental health care services (38%), and improvements to or new senior centers (38%) were identified by residents as top three community development outcomes that should be the greatest priority for the City of Bozeman (Figure II-47).

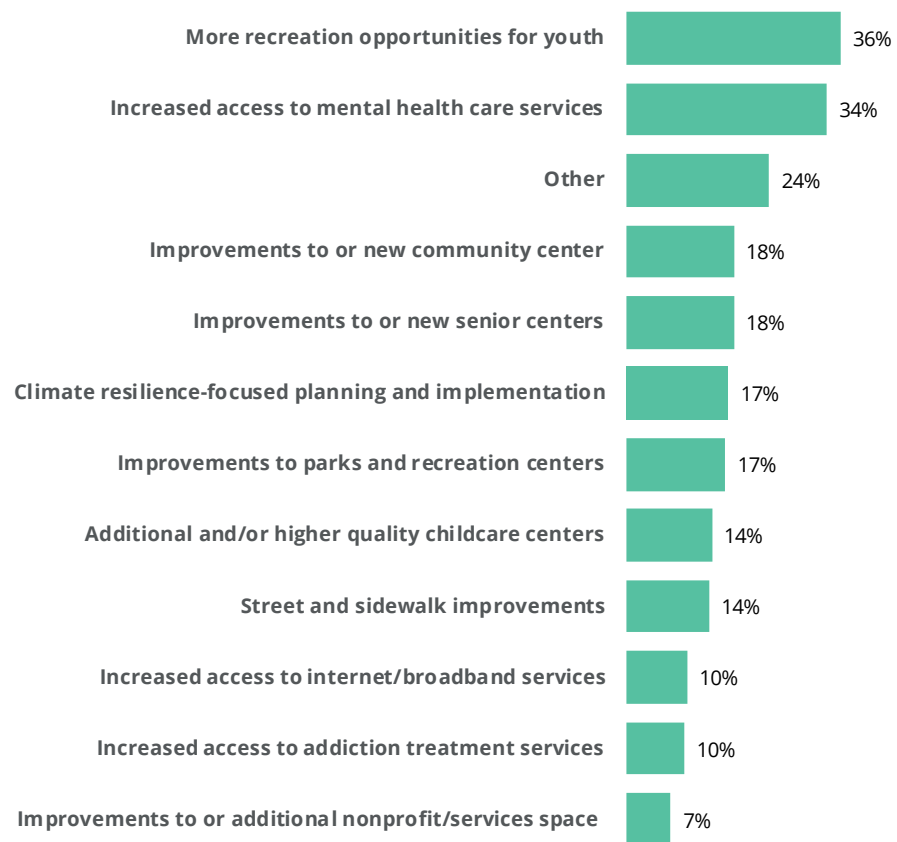
Figure II-47.
What
community
development
outcomes
would you
most like to
see as a
result of HUD
funding?
Residents

Note:
 N=736.
 Source:
 Root Policy Research
 from the 2024 Bozeman
 Housing and
 Community Needs
 Survey.



Stakeholder respondents. Stakeholder respondents also identified more recreational opportunities for youth (36%) and increased access to mental health care services (34%) as top community development outcomes they want prioritized by the City of Bozeman (Figure II-48).

Figure II-48.
What
community
development
outcomes
would you
most like to
see as a
result of HUD
funding?
Stakeholders



Note:

N=217.

Source:

Root Policy Research
 from the 2024 Bozeman
 Housing and
 Community Needs
 Survey.

The open-ended responses for those who selected “other” are below:

- *“An adult care center that offers quality life enrichment to enhance the quality of life for persons with dementia and disabilities.”*
- *“ADA improvements prioritized above all else.”*
- *“More benches for the elderly and disabled to sit on in public areas.”*
- *“Better public transit, pedestrian infrastructure, and biking infrastructure.”*
- *“New field house/ indoor swim center.”*
- *“Community services in Spanish.”*

Resident respondents by demographic and economic characteristics. Figures II-49 through A-51 present the top five community development outcomes for each respondent group by race and ethnicity, gender identity, household income, employment status, and other selected household types.

By tenure, renters and unhoused residents identified more recreational opportunities for youth and other special populations while owners and those who live in mobile homes or other housing types identified increased access to mental health care services.

Figure II-49.
Top Five Community Development Outcomes by Tenure

OWNER	RENTER
- Increased access to mental health care services - More recreational opportunities for youth and other special populations - New senior center or improvements to existing senior center - Street and sidewalk improvements - New community centers or improvements to existing community centers	- More recreational opportunities for youth and other special populations - New senior center or improvements to existing senior center - New community centers or improvements to existing community centers - Other - Increased access to mental health care services
MOBILE HOME/ OTHER	UNHOUSED
- Increased access to mental health care services - More recreational opportunities for youth and other special populations - New community centers or improvements to existing community centers - Other - New senior center or improvements to existing senior center	- More recreational opportunities for youth and other special populations - New community centers or improvements to existing community centers - Other - New senior center or improvements to existing senior center - Increased access to mental health care services

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey..

White and Hispanic respondents identified more recreational activities for youth and other special populations as their number one priority, while American Indian respondents selected additional and/ or higher quality childcare most frequently. Black respondents selected increased access to mental health care most frequently.

Figure II-50.
Top Five Community Development Outcomes by Race and Ethnicity

AMERICAN INDIAN 1 Additional and/or higher quality childcare 2 New community centers or improvements to existing community centers 3 Other 4 Climate resilience-focused planning and implementation 5 Improvements to parks and recreation centers	BLACK 1 Increased access to mental health care services 2 Additional and/or higher quality childcare 3 New community centers or improvements to existing community centers 4 Climate resilience-focused planning and implementation 5 Improvements to parks and recreation centers
NON-HISPANIC WHITE 1 More recreational opportunities for youth and other special populations 2 Increased access to mental health care services 3 New senior center or improvements to existing senior center 4 New community centers or improvements to existing community centers 5 Other	HISPANIC 1 More recreational opportunities for youth and other special populations 2 New senior center or improvements to existing senior center 3 Increased access to mental health care services 4 Other 5 Improvements to parks and recreation centers

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

By gender identity, men and women both selected more recreational activities for youth and other special populations and had a similar top five. Non-binary respondents prioritized a new senior center or improvements to existing senior centers followed by street and sidewalk improvements.

Figure II-51.
Top Five Community Development Outcomes by Gender Identity

MEN	NON-BINARY
1 More recreational opportunities for youth and other special populations 2 Increased access to mental health care services 3 New community centers or improvements to existing community centers 4 New senior center or improvements to existing senior center 5 Street and sidewalk improvements	1 New senior center or improvements to existing senior center 2 Street and sidewalk improvements 3 More recreational opportunities for youth and other special populations 4 Climate resilience-focused planning and implementation 5 New community centers or improvements to existing community centers
WOMEN	
1 More recreational opportunities for youth and other special populations 2 Increased access to mental health care services 3 New senior center or improvements to existing senior center 4 Other 5 New community centers or improvements to existing community centers	

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Those with incomes less than \$50,000 prioritized new senior centers or improvements to senior centers, more recreational opportunities for youth and special populations, and increased mental health services. Those with incomes between \$50,000 and \$100,000 identified increased access to mental health services, additional childcare, and climate resilience-focused planning. Those with incomes above \$100,000 identified more recreational opportunities for youth and special populations, increased access to mental health care services, and a new senior center or improvements to existing senior centers.

Figure II-52.
Top Five Community Development Outcomes by Income

LESS THAN \$25,000 1 New senior center or improvements to existing senior center 2 More recreational opportunities for youth and other special populations 3 New community centers or improvements to existing community centers 4 Street and sidewalk improvements 5 Increased access to mental health care services	\$25,000 TO \$49,999 1 More recreational opportunities for youth and other special populations 2 Increased access to mental health care services 3 Other 4 New community centers or improvements to existing community centers 5 New senior center or improvements to existing senior center
\$50,000 TO \$99,999 1 Increased access to mental health care services 2 Additional and/or higher quality childcare 3 Climate resilience-focused planning and implementation 4 Increased access to addiction treatment services 5 Street and sidewalk improvements	\$100,000 TO \$149,999 1 Increased access to mental health care services 2 More recreational opportunities for youth and other special populations 3 New senior center or improvements to existing senior center 4 Additional and/or higher quality childcare 5 Improvements to parks and recreation centers
\$150,000 OR MORE 1 More recreational opportunities for youth and other special populations 2 Increased access to mental health care services 3 New senior center or improvements to existing senior center 4 Street and sidewalk improvements 5 New community centers or improvements to existing community centers	

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Resident respondents who are employed full-time and part-time, as well as retired respondents and students, all identified the same top five community development outcomes (Figure II-53). Resident respondents who are unemployed/looking for work identified more nonprofit/services space and/or improvements to nonprofit/services space as a primary community development outcome. Students identified new community centers or improvements to existing community centers as their top priority.

Figure II-53.
Top Five Community Development Outcomes by Employment Status

EMPLOYED FULL-TIME 1 More recreational opportunities for youth and other special populations 2 Increased access to mental health care services 3 New senior center or improvements to existing senior center 4 Other 5 New community centers or improvements to existing community centers	EMPLOYED PART-TIME 1 More recreational opportunities for youth and other special populations 2 Increased access to mental health care services 3 New senior center or improvements to existing senior center 4 Additional and/or higher quality childcare 5 New community centers or improvements to existing community centers
UNEMPLOYED/ LOOKING FOR WORK 1 More nonprofit/ service space 2 Increased access to mental health care services 3 Additional and/or higher quality childcare 4 Increased access to addiction treatment services 5 New community centers or improvements to existing community centers	RETIRED 1 More recreational opportunities for youth and other special populations 2 Increased access to mental health care services 3 New senior center or improvements to existing senior center 4 Other 5 New community centers or improvements to existing community centers
STUDENTS 1 New community centers or improvements to existing community centers 2 More recreational opportunities for youth and other special populations 3 New senior center or improvements to existing senior center 4 Street and sidewalk improvements 5 Other	

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Households with children under 18 and seniors prioritized mental health services, while those with disabilities prioritized more recreational opportunities for youth and other special populations. Large households and single parents both selected improvements to parks and recreation centers as their top community development priority.

Figure II-54.
Top Five Community Development Outcomes by Other Household Type

CHILDREN UNDER 18 - Increased access to mental health care services - More recreational opportunities for youth and other special populations - New senior center or improvements to existing senior center - New community centers or improvements to existing community centers - Street and sidewalk improvements	DISABILITY - More recreational opportunities for youth and other special populations - New senior center or improvements to existing senior center - Increased access to mental health care services - Other - New community centers or improvements to existing community centers
LARGE HOUSEHOLDS - Improvements to parks and recreation centers - More recreational opportunities for youth and other special populations - Increased access to mental health care services - New community centers or improvements to existing community centers - Street and sidewalk improvements	SINGLE PARENTS - Improvements to parks and recreation centers - More recreational opportunities for youth and other special populations - Other - Street and sidewalk improvements - Increased access to mental health care services
SENIORS - Increased access to mental health care services - Additional and/or higher quality childcare - Climate resilience-focused planning and implementation - Increased access to addiction treatment services - Street and sidewalk improvements	

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Additional community perspectives. Stakeholders shared in interviews that there needed to be increased staff capacity to provide prevention and diversion services for people experiencing mental health issues. They would like to see more options for group therapy to bring together community members.

Economic Development Outcomes. Both residents and stakeholders were asked to select the two economic development outcomes they would like to see prioritized as a result of the HUD housing and community development funding that the City of

Bozeman will receive over the next five years. Residents and stakeholders were asked to consider the following economic development outcomes:

- Job training programs or job training centers
- More opportunities for start-up businesses, businesses looking to expand, or businesses looking to relocate
- Revitalization of neighborhood businesses/commercial areas (specify neighborhood below)
- Other

Resident respondents. Of the 736 resident responses, 35% of respondents identified a need for more job training programs or job training centers, revitalization of neighborhood businesses/commercial areas and more opportunities for start-up and existing businesses. Nineteen percent of residents chose “Other”; a sample of those responses are below.

Stakeholder respondents. Of the 217 stakeholder responses, 26% identified a need for more job training programs or job training centers, followed by revitalization of neighborhood businesses/commercial areas (24%) and more opportunities for start-up and existing businesses (22%).

Nineteen percent of residents and fourteen percent of stakeholders chose “Other”; a sample of those responses are below.

- *“7th is getting better but still has a long way to go, same with 19th and Huffine. The large commercial arteries just aren't great places to go, and create barriers for active transportation.”*
- *“Affordable housing for bottom 25% household income to support the future growth!”*
- *“Economic development has surpassed the infrastructure of the city. Focus more on city planning.”*
- *“Job opportunities for highly educated (e.g. tech, biomedical, etc) ”*
- *“Keeping the small businesses that we have. Many have been priced out of downtown and moved elsewhere or closed. Bringing businesses that people congregate at to all neighborhoods like bakeries, coffeeshops, bookstores, library branches (NW&SW are missing this the most).”*
- *“Simplify the project development approval process.”*

Resident respondents by demographic and economic characteristics. Figures II-55 through II-61 present the top three community development outcomes for each resident respondent group by tenure, race and ethnicity, gender identity, household income, employment status, and other selected household types.

By tenure, owners and mobile home residents prioritized job training programs while renters prioritized revitalization of neighborhood businesses or commercial areas.

Respondents who were unhoused prioritized more opportunities for start-up businesses or for businesses looking to expand or relocate.

Figure II-55.
Top Three Economic Development Outcomes by Tenure

OWNER	RENTER
1 Job training programs or job training centers 2 Revitalization of neighborhood businesses/ commercial areas 3 More opportunities for start-up businesses, businesses looking to expand or relocate	1 Revitalization of neighborhood businesses/ commercial areas 2 Job training programs or job training centers 3 More opportunities for start-up businesses, businesses looking to expand or relocate
MOBILE HOME/ OTHER	UNHOUSED
1 Job training programs or job training centers 2 More opportunities for start-up businesses, businesses looking to expand or relocate 3 Revitalization of neighborhood businesses/ commercial areas	1 More opportunities for start-up businesses, businesses looking to expand or relocate 2 Revitalization of neighborhood businesses/ commercial areas 3 Job training programs or job training centers

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Black and Hispanic respondents identified job training programs or job training centers as their top economic development outcome, while American Indian respondents identified more opportunities for start-up businesses or businesses looking to expand or relocate. White respondents identified revitalization of neighborhood businesses or commercial areas as their top economic outcome.

Figure II-56.
Top Three Economic Development Outcomes by Race and Ethnicity

AMERICAN INDIAN	BLACK
1 More opportunities for start-up businesses, businesses looking to expand or relocate 2 Job training programs or job training centers 3 Revitalization of neighborhood businesses/ commercial areas	1 Job training programs or job training centers 2 More opportunities for start-up businesses, businesses looking to expand or relocate 3 Revitalization of neighborhood businesses/ commercial areas
NON-HISPANIC WHITE	HISPANIC
1 Revitalization of neighborhood businesses/ commercial areas 2 Job training programs or job training centers 3 More opportunities for start-up businesses, businesses looking to expand or relocate	1 Job training programs or job training centers 2 Revitalization of neighborhood businesses/ commercial areas 3 More opportunities for start-up businesses, businesses looking to expand or relocate

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Women and non-binary respondents had the same top three economic development outcomes, with job training programs or job training centers as the top identified outcome (Figure II-57). Men identified more opportunities for start-up businesses or businesses looking to expand/ relocate.

Figure II-58.
Top Three Economic Development Outcomes by Gender Identity

MEN	NON-BINARY
① More opportunities for start-up businesses, businesses looking to expand or relocate ② Revitalization of neighborhood businesses/ commercial areas ③ Job training programs or job training centers	① Job training programs or job training centers ② Revitalization of neighborhood businesses/ commercial areas ③ More recreational opportunities for youth and other special populations
WOMEN	
① Job training programs or job training centers ② Revitalization of neighborhood businesses/ commercial areas ③ More recreational opportunities for youth and other special populations	

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Those with income less than \$25,000 and those with income above \$100,000 prioritized revitalization of neighborhood businesses/ commercial areas while those with income \$25,000 to \$100,000 prioritized job training programs or job training centers.

Figure II-59.
Top Three Economic Development Outcomes by Income

LESS THAN \$25,000 1 Revitalization of neighborhood businesses/ commercial areas 2 More opportunities for start-up businesses, businesses looking to expand or relocate 3 Job training programs or job training centers	\$25,000 TO \$49,999 1 Job training programs or job training centers 2 More opportunities for start-up businesses, businesses looking to expand or relocate 3 Revitalization of neighborhood businesses/ commercial areas
\$50,000 TO \$99,999 1 Job training programs or job training centers 2 Revitalization of neighborhood businesses/ commercial areas 3 More opportunities for start-up businesses, businesses looking to expand or relocate	\$100,000 TO \$149,999 1 Revitalization of neighborhood businesses/ commercial areas 2 Job training programs or job training centers 3 More opportunities for start-up businesses, businesses looking to expand or relocate
\$150,000 OR MORE 1 Revitalization of neighborhood businesses/ commercial areas 2 More opportunities for start-up businesses, businesses looking to expand or relocate 3 Other	

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Respondents who work part time, retired, or students identified job training programs as their top economic outcome while those who work full time or were unemployed identified revitalization of neighborhood businesses/ commercial areas as their top economic outcome.

Figure II-60.
Top Three Economic Development Outcomes by Employment Status

EMPLOYED FULL-TIME 1 Revitalization of neighborhood businesses/ commercial areas 2 More opportunities for start-up businesses, businesses looking to expand or relocate 3 Job training programs or job training centers	EMPLOYED PART-TIME 1 Job training programs or job training centers 2 Revitalization of neighborhood businesses/ commercial areas 3 More opportunities for start-up businesses, businesses looking to expand or relocate
UNEMPLOYED/ LOOKING FOR WORK 1 Revitalization of neighborhood businesses/ commercial areas 2 Job training programs or job training centers 3 More opportunities for start-up businesses, businesses looking to expand or relocate	RETIRED 1 Job training programs or job training centers 2 More opportunities for start-up businesses, businesses looking to expand or relocate 3 Revitalization of neighborhood businesses/ commercial areas
STUDENTS 1 Job training programs or job training centers 2 Revitalization of neighborhood businesses/ commercial areas 3 More opportunities for start-up businesses, businesses looking to expand or relocate	

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

Households with children and households with disabilities prioritized the revitalization of neighborhood businesses/ commercial areas while all other groups identified job training programs or job training centers as their top economic development outcome (Figure II-61).

Figure II-61.
Top Three Economic Development Outcomes by Household Type

CHILDREN UNDER 18 1 Job training programs or job training centers 2 Revitalization of neighborhood businesses/ commercial areas 3 More opportunities for start-up businesses, business expansion, and business relocation	DISABILITY 1 Job training programs or job training centers 2 Revitalization of neighborhood businesses/ commercial areas 3 More opportunities for start-up businesses, business expansion, and business relocation
LARGE HOUSEHOLDS 1 Job training programs or job training centers 2 Revitalization of neighborhood businesses/ commercial areas 3 More opportunities for start-up businesses, business expansion, and business relocation	SINGLE PARENTS 1 Job training programs or job training centers 2 Revitalization of neighborhood businesses/ commercial areas 3 More opportunities for start-up businesses, business expansion, and business relocation
SENIORS 1 Job training programs or job training centers 2 Revitalization of neighborhood businesses/ commercial areas 3 More opportunities for start-up businesses, business expansion, and business relocation	

Source: Root Policy Research from the 2024 Bozeman Housing and Community Needs Survey.

III. DEMOGRAPHIC PATTERNS

SECTION III.

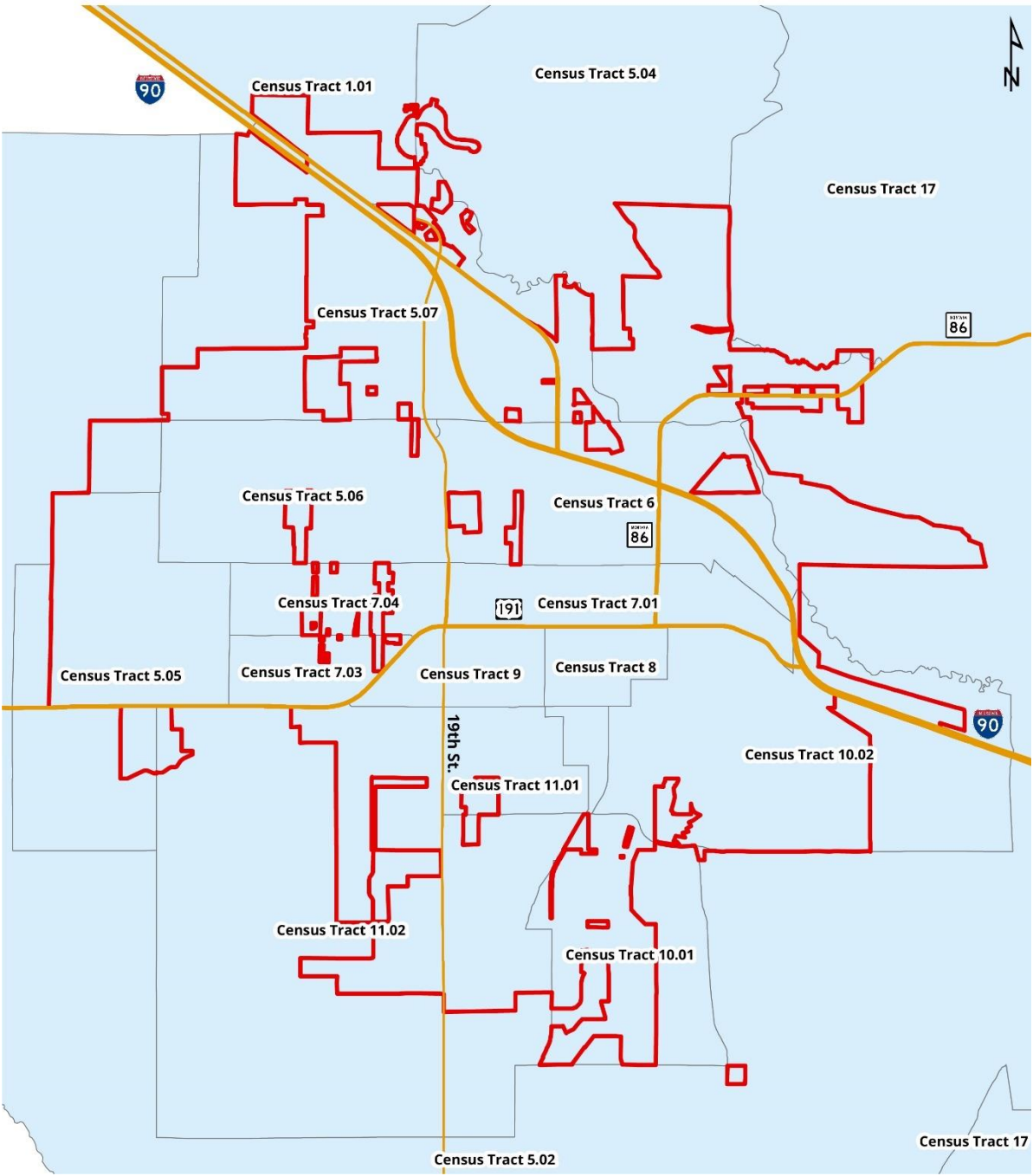
Demographic Patterns

This section examines demographic patterns that are associated with residential settlement, housing availability and affordability, and access to opportunity.

Primary Findings

- Bozeman’s population largely consists of non-Hispanic White residents (87%); however, over the last twelve years, the city has gradually become more diverse.
- The majority of households (54%) in the city are “non-family” households—largely householders who live alone or share the home with people they are not related to. This is primarily due to the presence of Montana State University.
- The percentage of people living in poverty in Bozeman (14.7%) has declined by over a quarter since 2010. Poverty varies by race and ethnicity but is significantly high for African American/Black residents (30%). Hispanic residents, residents who identify as some other race, and single mothers are more likely to live in poverty relative to the general population.
- American Indian and/or Alaska Native (AIAN) and Asian residents have lower household median incomes compared to the general population.
- One in four residents in Census Tract 6, which is located in the northeast quadrant of the city, are living in poverty. This tract also has concentrations of residents living with disabilities, Hispanic residents, and AIAN residents.
- While Bozeman’s Dissimilarity Index score—a measure of the severity of segregation—show low levels of segregation between residents of color and non-Hispanic White residents, this is primarily due to the city’s relatively low proportion of households of color.

Figure III-0.
2020 Census Tracts and Bozeman City Boundaries Reference Map



Source: 2020 Decennial Census and Root Policy Research.

Historical Context

The original inhabitants of the area now known as present-day Bozeman include the Séliš (Bitterroot Salish), Qlispé (Pend d'Oreille), Ktunaxa (Kootenai), Pikuni (Blackfeet), Tsistsis'tas (Northern Cheyenne), Apsáalooke (Crow), Anishinaabe (Chippewa), Nehiyawak (Cree), Metis, Nakoda (Assiniboine), A'aninin (Gros Ventre), Dakota, Lakota, and other indigenous people and nations.¹ The first permanent non-Indigenous settlements in the area were established in the 1860s through the dispossession of Indigenous lands, as settlers "ascribed their own understandings onto the land...[which] served to sever the relationships that Indigenous people had with their Relatives, profoundly altering the landscape and its inhabitants."²

Due to the fertile soil and geographic proximity to mining camps, Bozeman "...became one of the earliest and most successful agricultural communities in the Rocky Mountain West."³ The arrival of the railroad to Bozeman in the late 19th century helped mitigate "the economic disadvantages of [Bozeman's] geographic isolation from eastern population centers"⁴ and helped stabilize the city's population and economic outlook. In 1893, the College of Agriculture and Mechanic Arts (presently known as Montana State University) was established and continued to build upon the city's "advantageous position as a regional supply center,"⁵ and its economic advantages through the agricultural industry.

Following World War II, Montana State College "remained the largest local employer and continued to ensure the economic vitality of the community."⁶ The construction of the interstate highway north and east of the city, in addition to burgeoning air travel, helped spur Bozeman's recreational tourism industry. These factors, along with development pressure brought about by significant population growth in both the city and county over the last few decades, have shifted the area's primary economic drivers away from agriculture and local agribusiness and towards recreational tourism and real estate development. Presently, high-tech business has been a key factor in Bozeman's growing economy, along with "the construction industry and businesses that support that industry, such as building supplies, banking and financial services, and landscaping materials suppliers and installers."⁷

¹ [Belonging in Bozeman—Equity & Inclusion Plan, Historical Narrative, page 1](#)

² Ibid

³ [City of Bozeman Community Plan 2020, Appendices, page C-2](#)

⁴ Ibid

⁵ Ibid

⁶ Ibid

⁷ Ibid

Factors contributing to settlement patterns of residents of color. In the early and mid-20th century, several policies and practices promoted racial and ethnic segregation of BIPOC⁸ residents within neighborhoods, justified by many as a way to ensure neighborhood stability. While substantial evidence of discriminatory real estate practices exists throughout the country, limited documentation is available related to the implementation of these practices in Bozeman. However, the lack of documentation does not imply that factors did not impact the settlement patterns of BIPOC households in Bozeman.

As detailed in the *Belonging in Bozeman Plan Historical Narrative*, several other factors were influential in the settlement of residents of color in the city. At the beginning of the 20th century, Montana was one of the most ethnically diverse states in the country; however, today, it is now among the least diverse in the country.

The narrative details that “while [the Bozeman] region did not experience the large-scale, overt racial violence characteristics of the post-Civil War South, violence, in its broadest sense, was used in a myriad of other ways. Legislative measures, extralegal exclusion, racism, and deliberate erasure have inflicted enduring historical trauma on marginalized communities.”⁹ For example, the Montana State Legislature passed an anti-miscegenation at the beginning of the 20th century, making interracial marriage illegal. This law remained in effect until 1953, however, it reflected a “...shift from a society in Montana that offered a future for a Black community into one that did not.”¹⁰ Actions like those described above have had significant impacts on residents of color in Bozeman. As such, “decades of formal and informal exclusionary practices have created a sense of invisibility among Bozeman’s minority residents.”¹¹

Additionally, “Bozeman operated as a small and economically integrated town, a reflection of its modest size. However, as the 20th century approached, a noticeable economic disparity emerged between the neighborhoods situated to the north and south of Main Street. The southern and southwestern areas of the city experienced increasing investment and enhancement, attracting residents of affluence who crossed the dividing line. Consequently, northern Bozeman evolved into a working-class neighborhood.”¹² Presently, these patterns still exist. Excluding the census tracts that include and are directly adjacent to Montana State University, tracts directly north of Main Street generally have a greater

⁸ BIPOC is an acronym for Black, Indigenous, and People of Color.

⁹ [Belonging in Bozeman—Equity & Inclusion Plan, Historical Narrative, page 5](#)

¹⁰ Ibid

¹¹ [Belonging in Bozeman—Equity & Inclusion Plan, Historical Narrative, page 6](#)

¹² Ibid

proportion of residents of color, higher rates of poverty, and lower household median income.

Growth and Diversity

Since 2010, the city of Bozeman has seen significant growth—adding over 16,000 residents in the past twelve years while increasing its population by nearly half (44%). Driven by the city’s growth, Gallatin County has also experienced a substantial increase in population, adding just over 30,000 residents and growing by a third over the same time period. Additionally, the state of Montana has experienced considerable population growth since 2010, albeit at a significantly lower rate than both the city and county. Stakeholders attributed the significant growth in both Bozeman and Gallatin County to access to recreation, relative affordability of the area compared to other high-priced areas, and an expanding economic base, driven by Montana State University and the technology and health care sectors.

Figure III-1.
Population
Change, 2010-2022

Source:
2010 Census and 2022 ACS 5-year
estimates, Root Policy Research.

Jurisdiction	2010	2022	Change	
			Number	2010-2022
Bozeman	37,280	53,500	16,220	44%
Gallatin County	89,513	119,685	30,172	34%
State of Montana	989,415	1,091,840	102,425	10%

Familial status. The majority of households in Bozeman are non-family households¹³ (54%), primarily due to the presence of Montana State University. Approximately one in seven households (14%) in the city are married with children while nearly a quarter of households (23%) are married without children. Three percent of Bozeman households are single mothers. Conversely, families account for the majority of households in Gallatin County and the state of Montana (56% and 61%, respectively). Married households without children make up approximately three in ten households (29%) in Gallatin County and nearly a third of households (32%) in the state.

¹³ A non-family household is a household where the householder lives alone or with people who are not related to them, such as roommates, unrelated people living together, and single people living alone.

Figure III-2.
Household Type by Jurisdiction, 2022

Jurisdiction	Family Households					Non-family households
	All family households	Married with children	Married, no children	Single mother	Other family households	
Bozeman	46%	14%	23%	3%	7%	54%
Gallatin County	56%	19%	29%	3%	6%	44%
State of Montana	61%	17%	32%	4%	8%	39%

Source: 2022 ACS 5-year estimates, Root Policy Research.

Geographic concentrations. For the purposes of this section, a geographic concentration of a demographic group is defined as a Census tract with 150 percent (or 1.5 times) of the city proportion of that group. For example, if 10% of residents in the city overall are Hispanic but the Hispanic population of a specific Census tract is 15%, that tract would be considered “concentrated.”

Disability. More than 5,000 individuals in Bozeman live with at least one disability—equivalent to 10% of the total population. Disabilities are most prevalent among older populations. As shown in Figure III-3, one in four residents between 65 and 74 years old have a disability and more than half of individuals 75 years and older have a disability.

Figure III-3.
Disability by Age Group, Bozeman, 2022

Source:
2022 ACS 5-year estimates, Root Policy Research

	Total Population	With a Disability	% with a Disability
Under 5 years	1,782	8	0.4%
5 to 17 years	5,275	255	5%
18 to 34 years	26,551	1,334	5%
35 to 64 years	14,006	1,541	11%
65 to 74 years	3,296	826	25%
75 years and over	2,262	1,151	51%
Total	53,172	5,115	10%

Cognitive, ambulatory, and independent living disabilities are the most prevalent in Bozeman (Figure III-4). In Bozeman, residents under the age of 18 are most likely to experience cognitive difficulties while older adults are more likely to suffer from ambulatory and hearing difficulties.

**Figure III-4.
Disability by Type,
Bozeman, 2022**

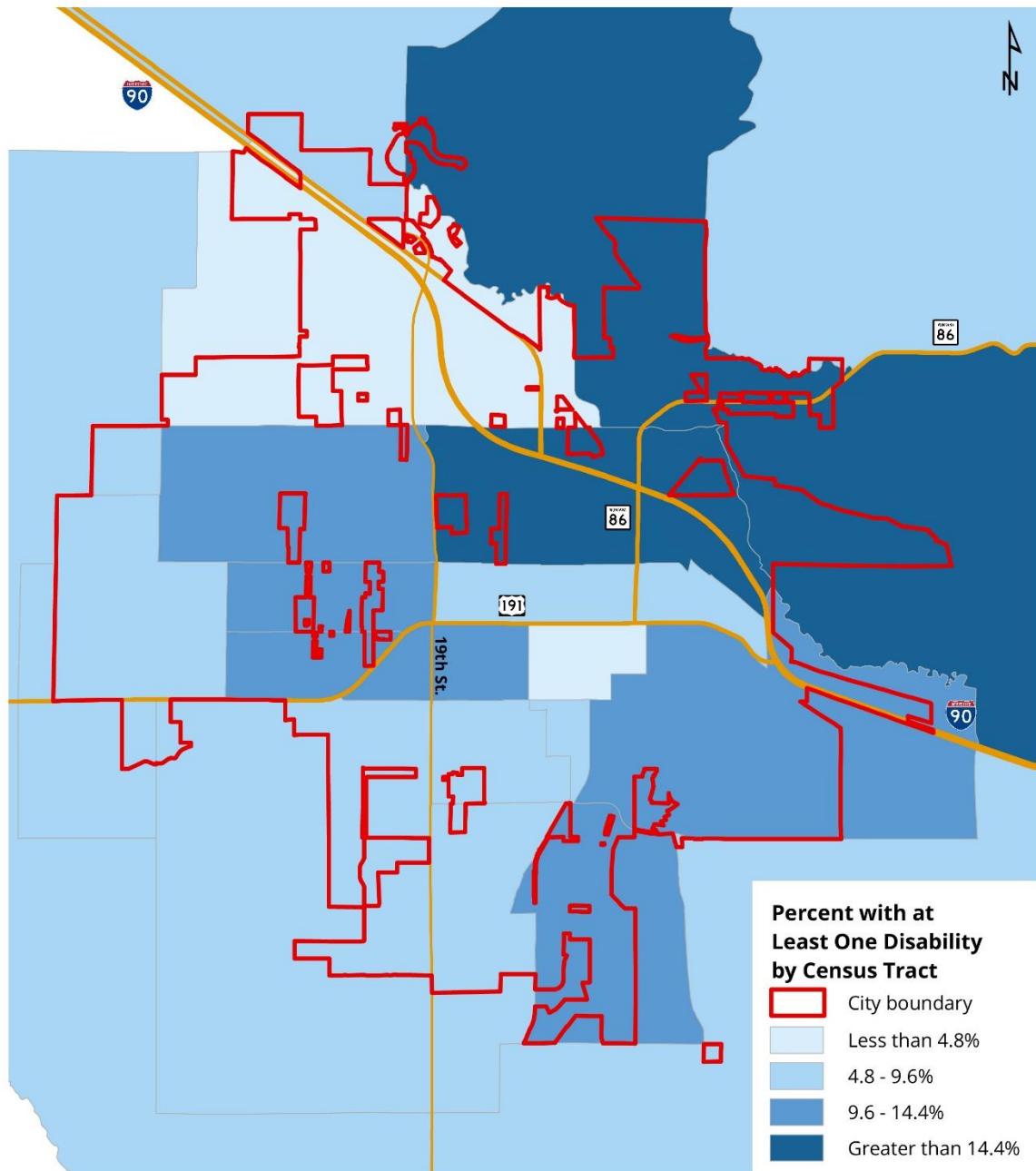
Source:
2022 ACS 5-year estimates, Root Policy
Research

	With a Disability	% with a Disability
Population with a disability	5,115	10%
With a vision difficulty	1,669	3%
With a vision difficulty	839	2%
With a cognitive difficulty	2,324	5%
With an ambulatory difficulty	2,017	4%
With a self-care difficulty	923	2%
With an independent living difficulty	1,848	4%

Figure III-5 shows the percentage of residents with a disability by Census tract in Bozeman. Census tracts with more than 15% of residents living with a disability are considered to be concentrated, using the definition of 1.5 times the overall proportion.

The map suggests that, overall, residents with living with disabilities are more likely to live in the northeast quadrant of the city (east of 19th Street and north of Main Street). While Census Tract 5.04, which is represented by the Bridger CreekLands Association of Neighbors and includes Glen Lake Rotary Park and Bridger Creek Golf Course, has approximately 15% of its residents living with a disability, nearly a quarter of residents (23.5%) in Census Tract 6 live with a disability.

Figure III-5.
Percent of Residents with at Least one Disability by Census Tract,
Bozeman, 2022



Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of residents with a disability (9.6%)

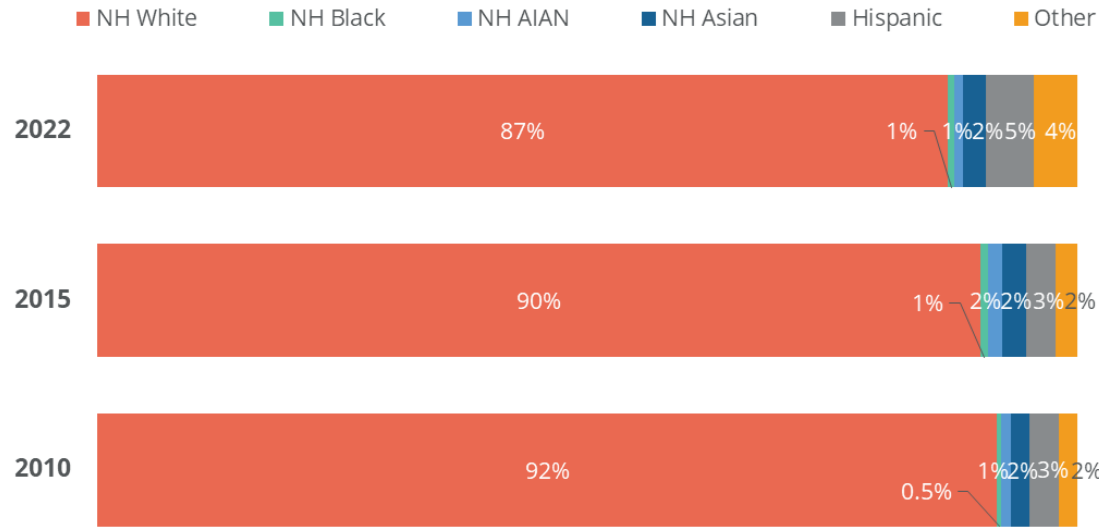
Source: 2022 ACS 5-year estimates and Root Policy Research.

Race and ethnicity. Figure III-6 shows the race and ethnicity of residents in Bozeman. The city has experienced a slow increase in its racial and ethnic diversity as it has grown: As of 2022, non-Hispanic White residents accounted for 87% of Bozeman's population, compared with 92% in 2010. The largest single racial or ethnic group in the city

are Hispanic residents, which comprise approximately 5% of the population. From 2010 to 2022, the Hispanic population increased by approximately 1,500 individuals, more than doubling the size of this population in the city over that time period. Residents who identify as “Other” account for 4% of Bozeman’s population. Over the last twelve years, this group has increased by approximately 1,700 residents—a nearly three-and-a-half-fold increase since 2010. Collectively, Hispanic residents and residents who identify as “Some Other Race” or “Two or More Races” accounted for approximately 20% of the population growth in Bozeman (nearly 80% of the population growth of residents of color) between 2010 and 2022.

Additionally, while both Asian (2%) and African American/Black (<1%) residents make up small proportions of Bozeman’s population, they have experienced relatively significant growth since 2010 (77% and 103% increases in population, respectively). American Indian/Alaska Native residents, who account for approximately 1% of Bozeman’s population, have seen a population increase of approximately 25% since 2010. However, the AIAN population in Bozeman has decreased since 2015 by about 20%.

Figure III-6.
Distribution of Race and Ethnicity, Bozeman

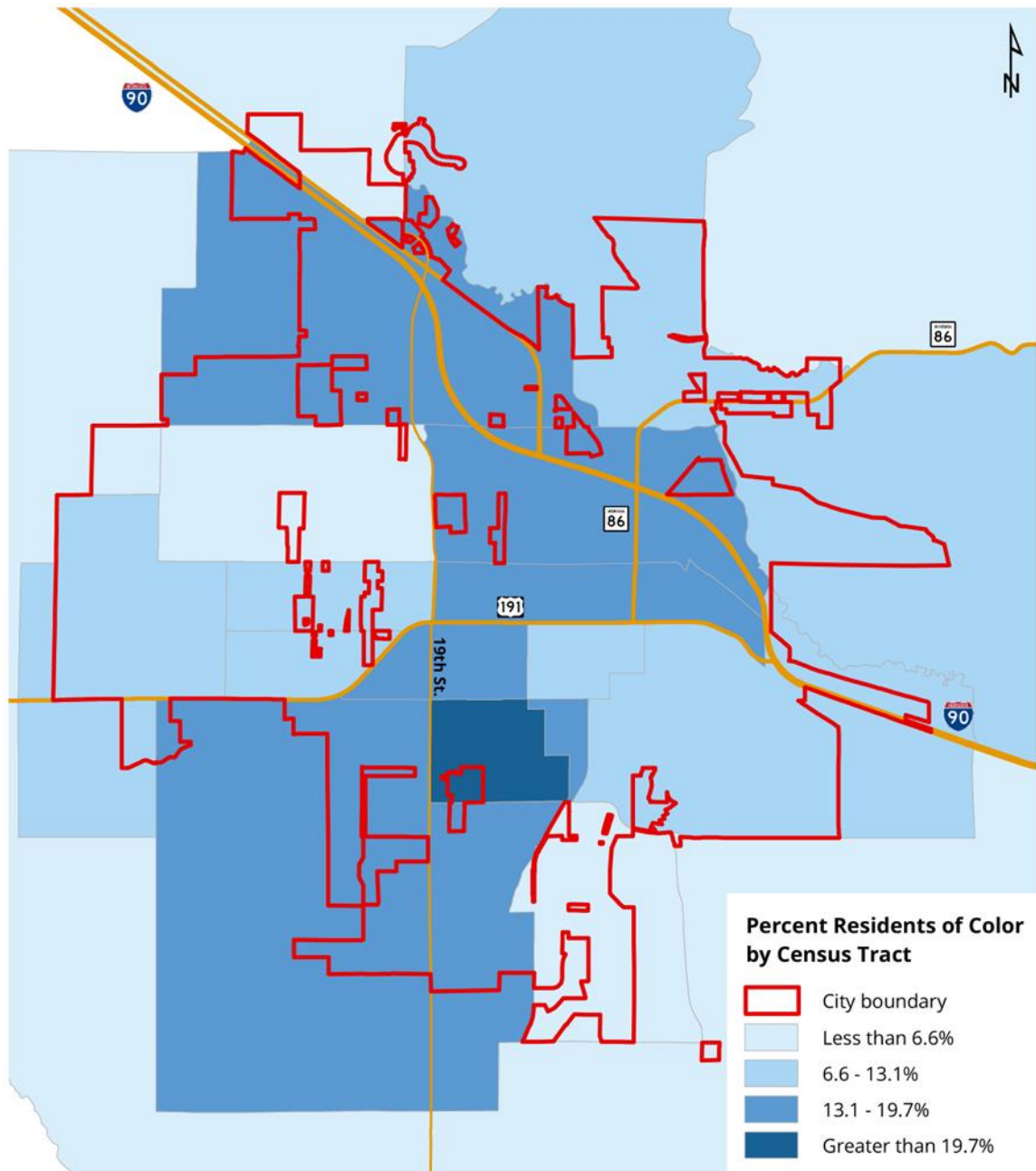


Note: “NH” refers to non-Hispanic; “Other” includes residents who identify as “Some Other Race” or “Two or More Races”
Source: 2010 Census, 2015 and 2022 ACS 5-year Estimates, Root Policy Research.

Geographic concentration of residents of color. Figure III-7 shows the percent of non-White and Hispanic—collectively “residents of color”—residents by Census tract. Census tracts with more than 20% of residents of color are considered a concentration. The one Census tract in Bozeman that meets the definition of geographic

concentration overlaps with the Montana State University campus, which explains the greater proportion of residents of color relative to the total tract population.

Figure III-7.
Percent Residents of Color by Census Tract, Bozeman, 2022

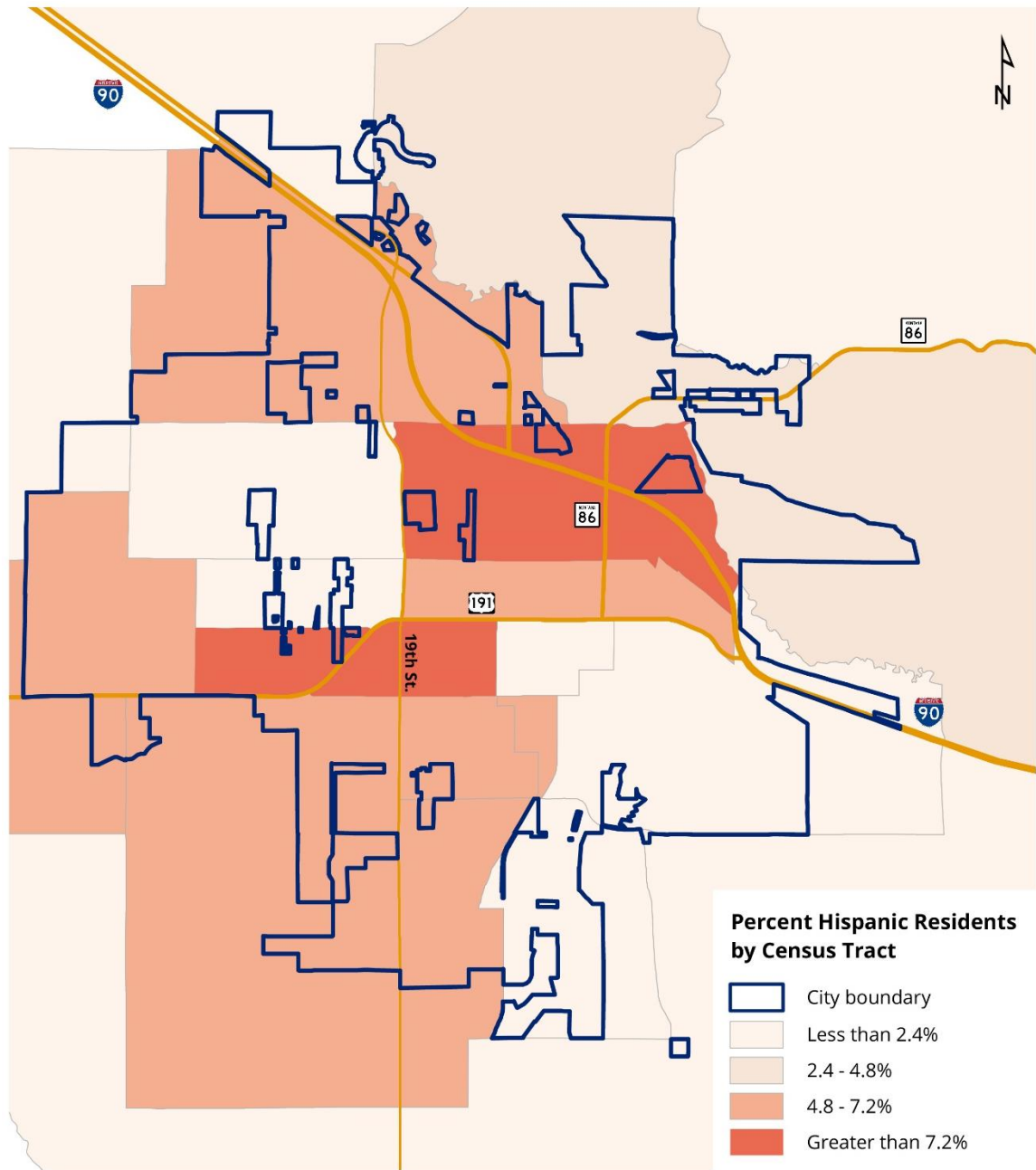


Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of non-White and Hispanic residents (13.1%)
Source: 2022 ACS 5-year estimates and Root Policy Research.

Figure III-8 shows the percent of Hispanic residents by Census tract in Bozeman. Concentrations occur when Census tracts are more than 7.2% Hispanic. Three Census in

the city of Bozeman have concentrations of Hispanic residents—one in the northeast quadrant of the city (Census Tract 6) and two directly north of the Montana State University campus (Census Tracts 7.03 and 9).

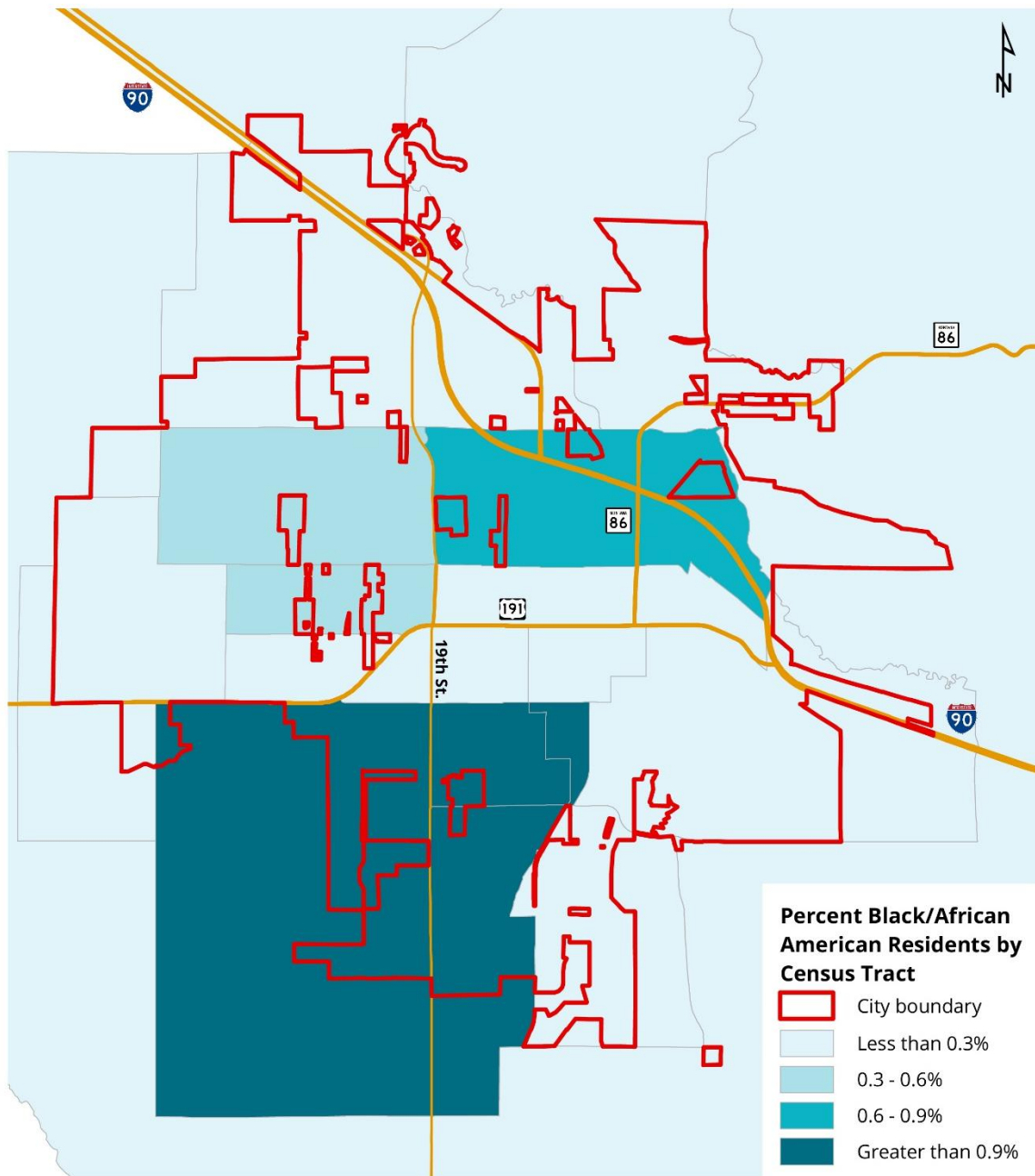
Figure III-8.
Percent Hispanic Residents by Census Tract, Bozeman, 2022



Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of Hispanic residents (4.8%)
Source: 2022 ACS 5-year estimates and Root Policy Research.

Figure III-9 shows the percent of African American/Black residents by Census tract in Bozeman. As mentioned earlier, African American/Black residents make up a very small proportion of residents in the city. In this case, concentrations occur when just 0.9% of residents report their race as African American/Black. There are two Census tracts in Bozeman that have a concentration of African American/Black residents, both of which cover the Montana State University campus. African American/Black residents represent 2.2% and 2.5% of residents in Census Tracts 11.01 and 11.02, respectively. According to 2022 5-year ACS data, 265 African American/Black residents live in these two Census tracts, accounting for over three quarters of all African American/Black residents in Bozeman.

Figure III-9.
Percent Black Residents by Census Tract, Bozeman, 2022



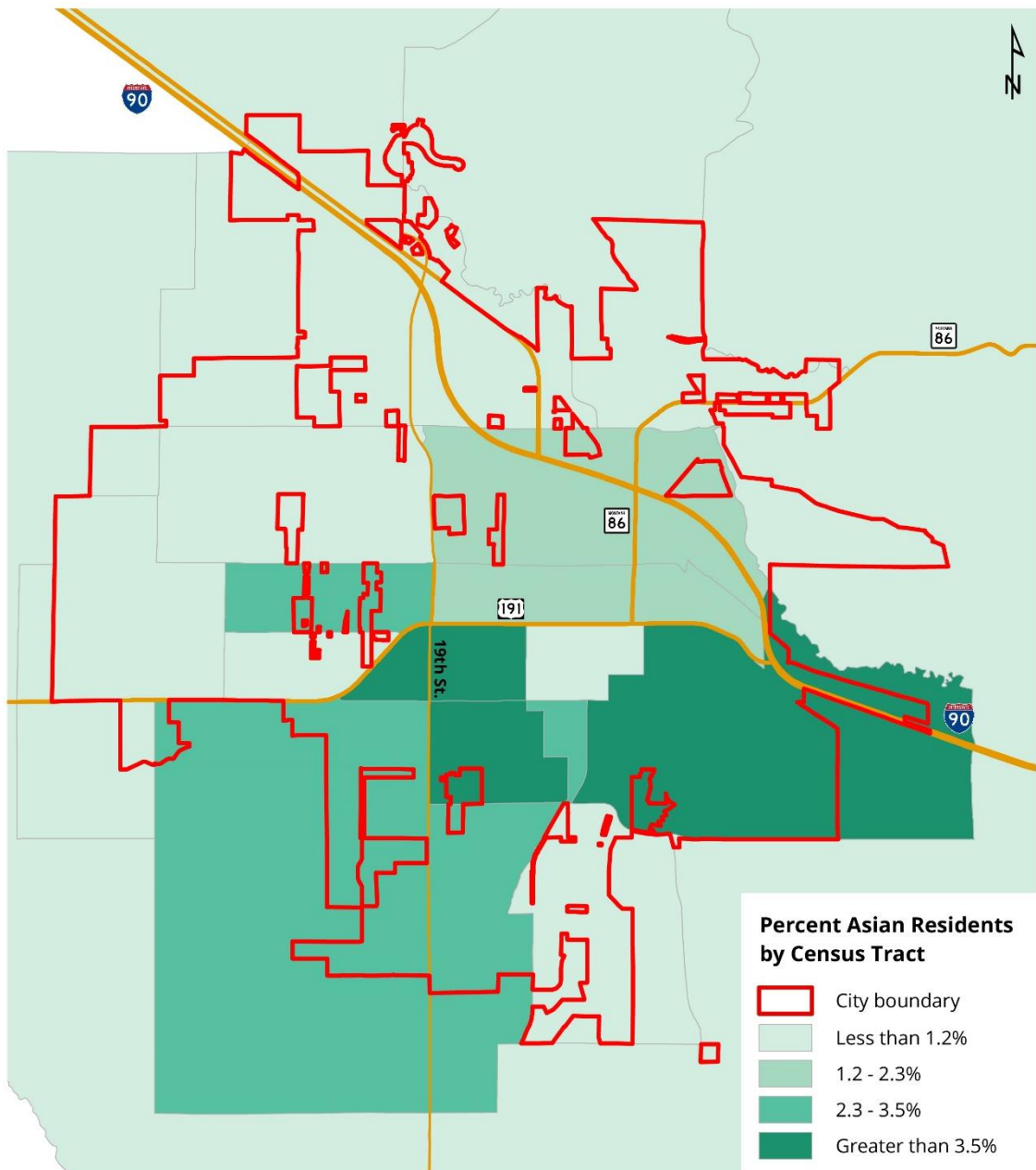
Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of Black residents (0.6%)

Source: 2022 ACS 5-year estimates and Root Policy Research.

Figure III-10 shows the percent of Asian residents in Bozeman. Similar to other non-White Hispanic populations, Asian residents make up a relatively small proportion of residents overall (2.3%). Census tracts with 3.5% and more Asian residents are considered concentrated. There are three Census tracts in the city with a concentration of Asian residents—all located south of Main Street. Census Tract 11.01, located on the Montana

State University campus, has the greatest proportion of Asian residents in the city (6.9%), followed by Census Tract 10.02 (4.5%) and Census Tract 9 (4.3%), which are directly east and north of campus, respectively.

Figure III-10.
Percent Asian Residents by Census Tract, Bozeman, 2022

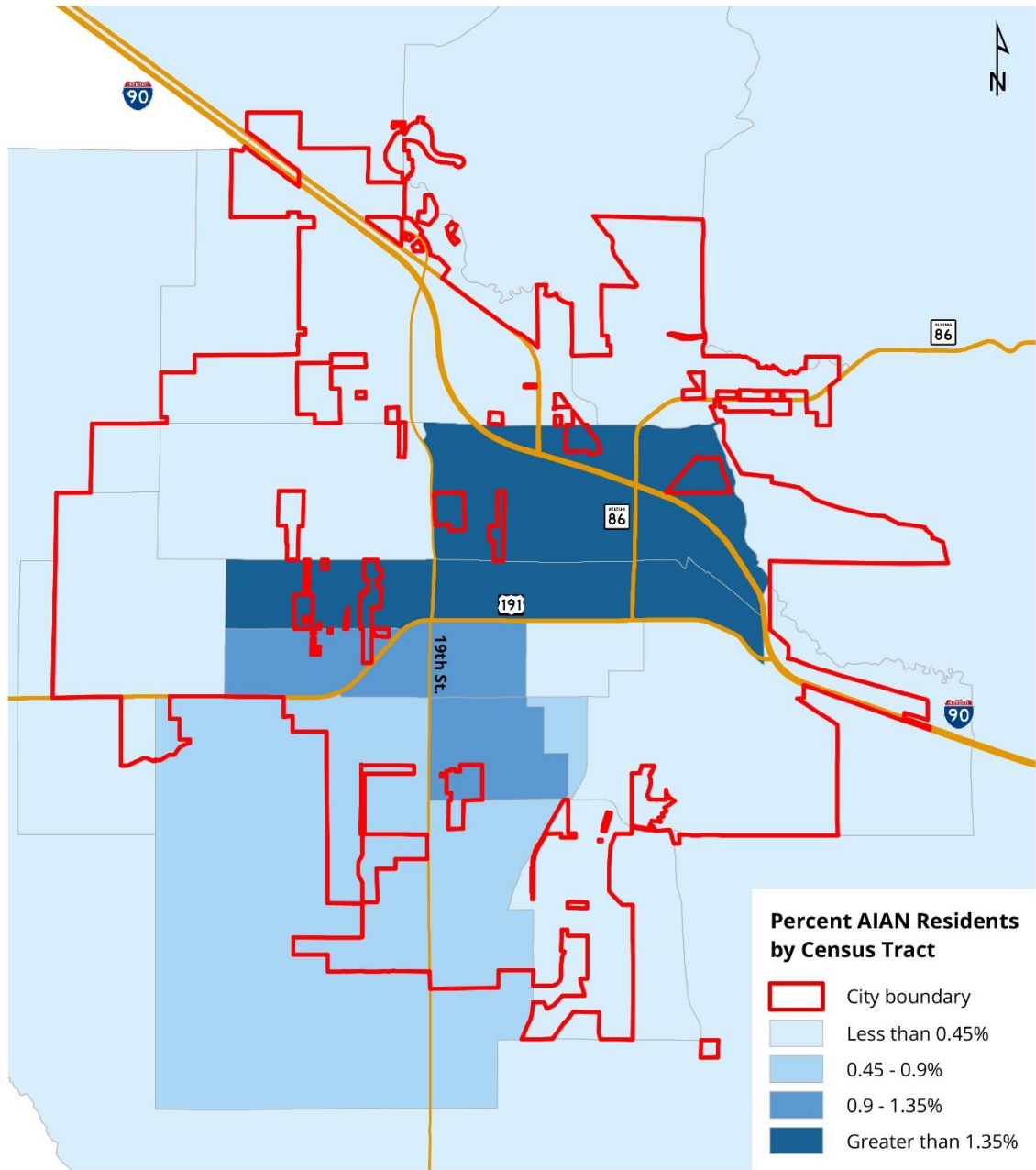


Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of Asian residents (2.3%)
Source: 2022 ACS 5-year estimates and Root Policy Research.

Figure III-11 shows the percent of American Indian/Alaska Native residents by Census tract in Bozeman. Census tracts with more than 1.4% of Native American residents are

considered a concentration. There are 3 such tracts in Bozeman. Census Tract 7.04, bounded by N Ferguson Avenue to the west, W Babcock Street to the south, Farmer's Canal to the east, and Durston Road to the north, has the greatest concentration of AIAN residents in the city (3.9% of the total tract population). Other census tracts with concentrations of AIAN residents include Census Tract 6 (3%) and Census Tract 7.01 (1.6%).

Figure III-11.
Percent Native American Residents by Census Tract, Bozeman, 2022

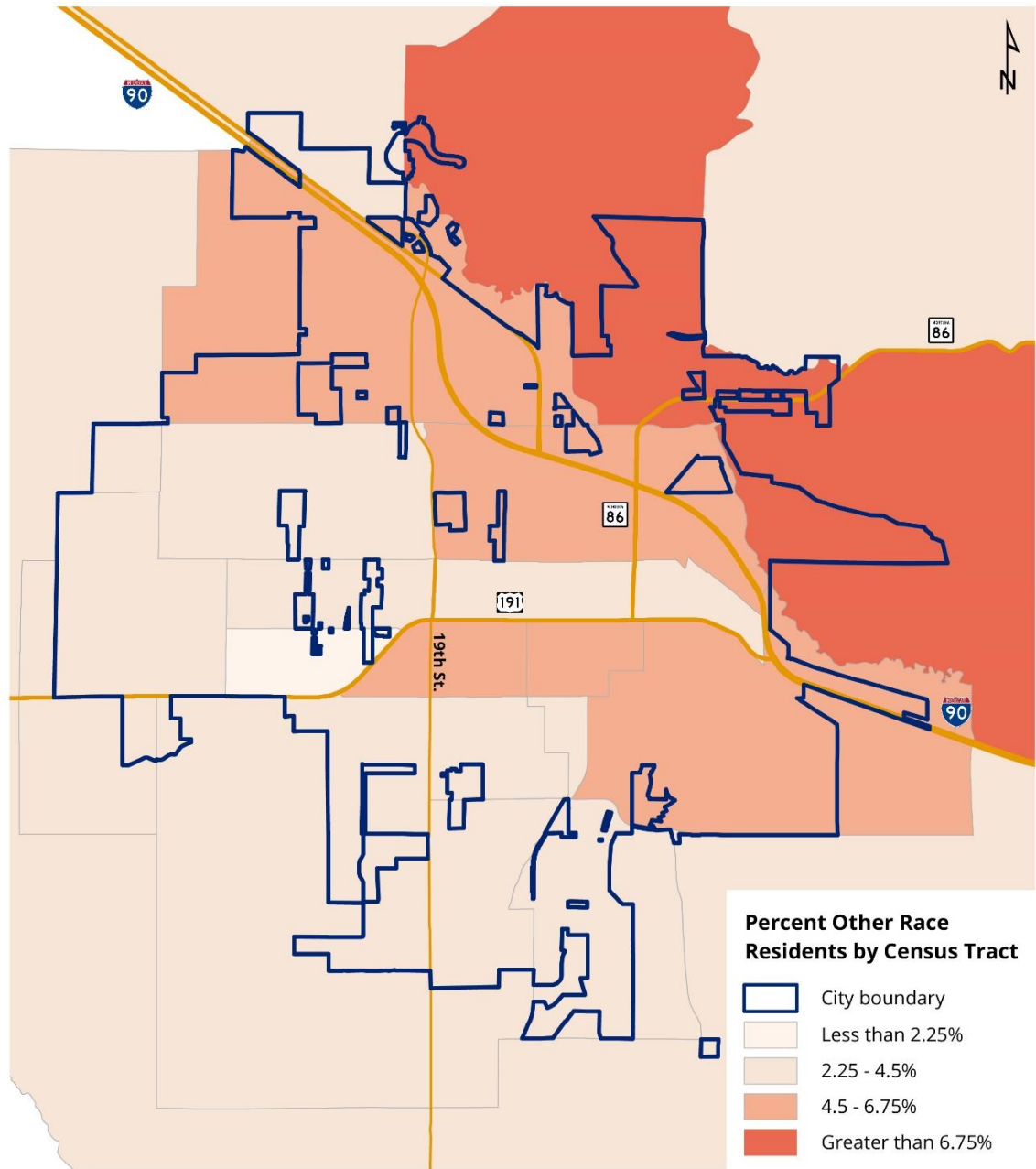


Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of Native American residents (0.9%)

Source: 2022 ACS 5-year estimates and Root Policy Research.

Figure III-12 shows the percentage of residents who identify as Some Other Race or Two or More Races combined (“Other Race”) by Census tract in Bozeman. Census tracts that have at least 6.8% of Other Race residents are considered concentrated. Just one tract—Census Tract 5.04 (7.3%)—meets this threshold.

Figure III-12.
Percent Other Race Residents by Census Tract, Bozeman, 2022



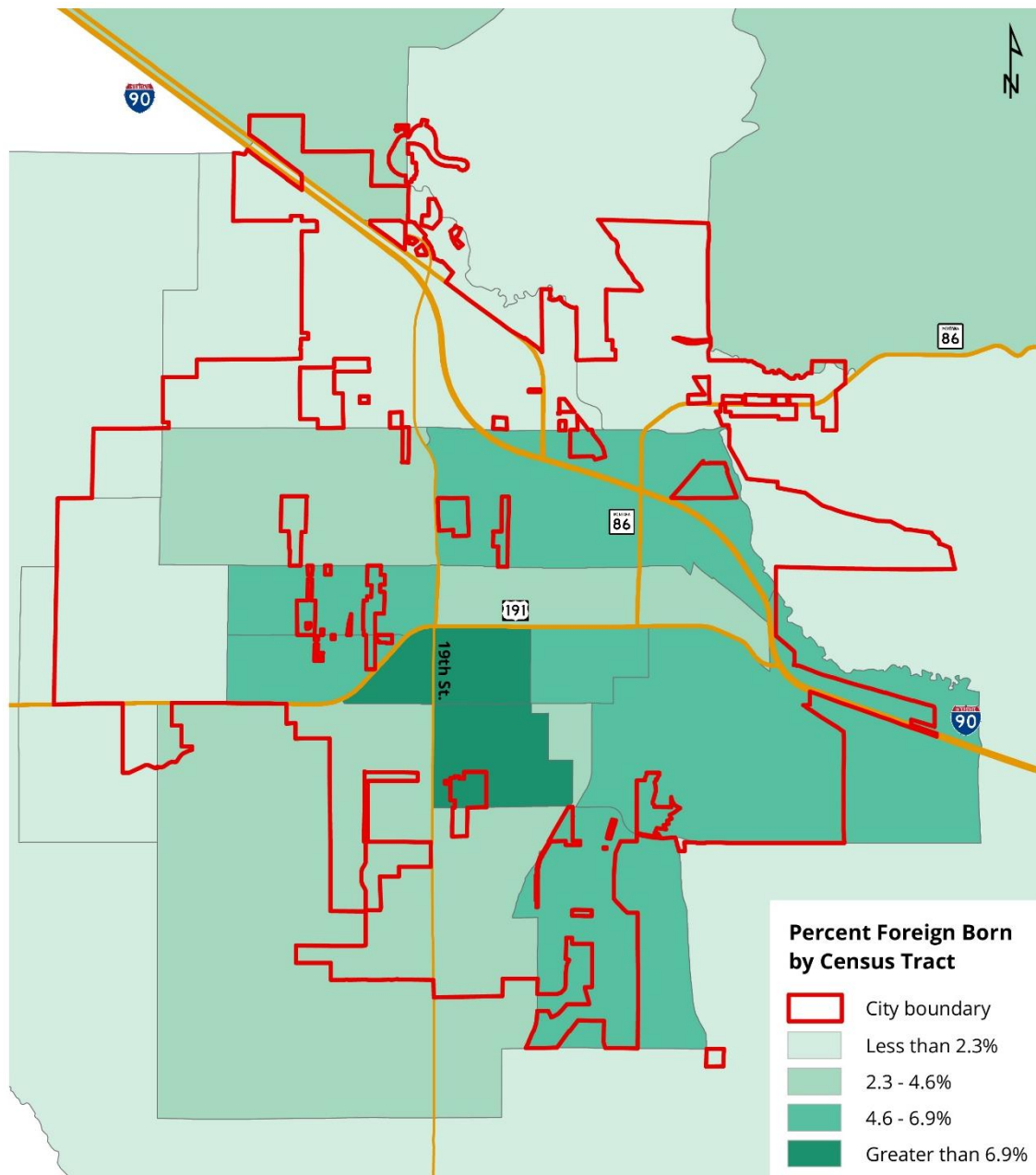
Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of residents who identify as Some Other Race or Two or More Races combined (0.9%)

Source: 2022 ACS 5-year estimates and Root Policy Research.

National origin and limited English proficiency (LEP). Nearly 5% of Bozeman residents—about 2,500—were born outside of the United States. Of these, 47% are naturalized citizens. Nearly half of foreign-born residents in the city were born in Asia (46%), followed by Europe (27%) and Latin America (15%). The country of origin accounting for the most foreign born residents is China, accounting for over 300 residents. This is followed by Canada (149) and Mexico (131).

Figure III-13 shows the percentage of foreign-born residents by Census tract. Concentrations occur in Census tracts with more than 6.9% foreign-born residents. Census Tract 11.01 (9.2%) and Census Tract 9 (7.6%), both of which are located on or directly adjacent to the Montana State University campus, are the only tracts with concentrations of foreign-born residents in the city.

Figure III-13.
Percent Foreign Born Residents by Census Tract, Bozeman, 2022



Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of foreign-born residents (4.6%)

Source: 2022 ACS 5-year estimates and Root Policy Research.

As shown in Figure II-14, 5% of Bozeman's population over the age of five speaks a language other than English at home. Overall, just 1% of the population is limited English proficiency, or LEP, persons—i.e., they speak English less than “very well” according to the Census LEP—with Asian and Pacific Island languages representing the most common

languages among LEP residents. Spanish is the second most common language among Bozeman’s LEP population.

Figure III-14.
Percent of Residents by Language and Proficiency, 2022

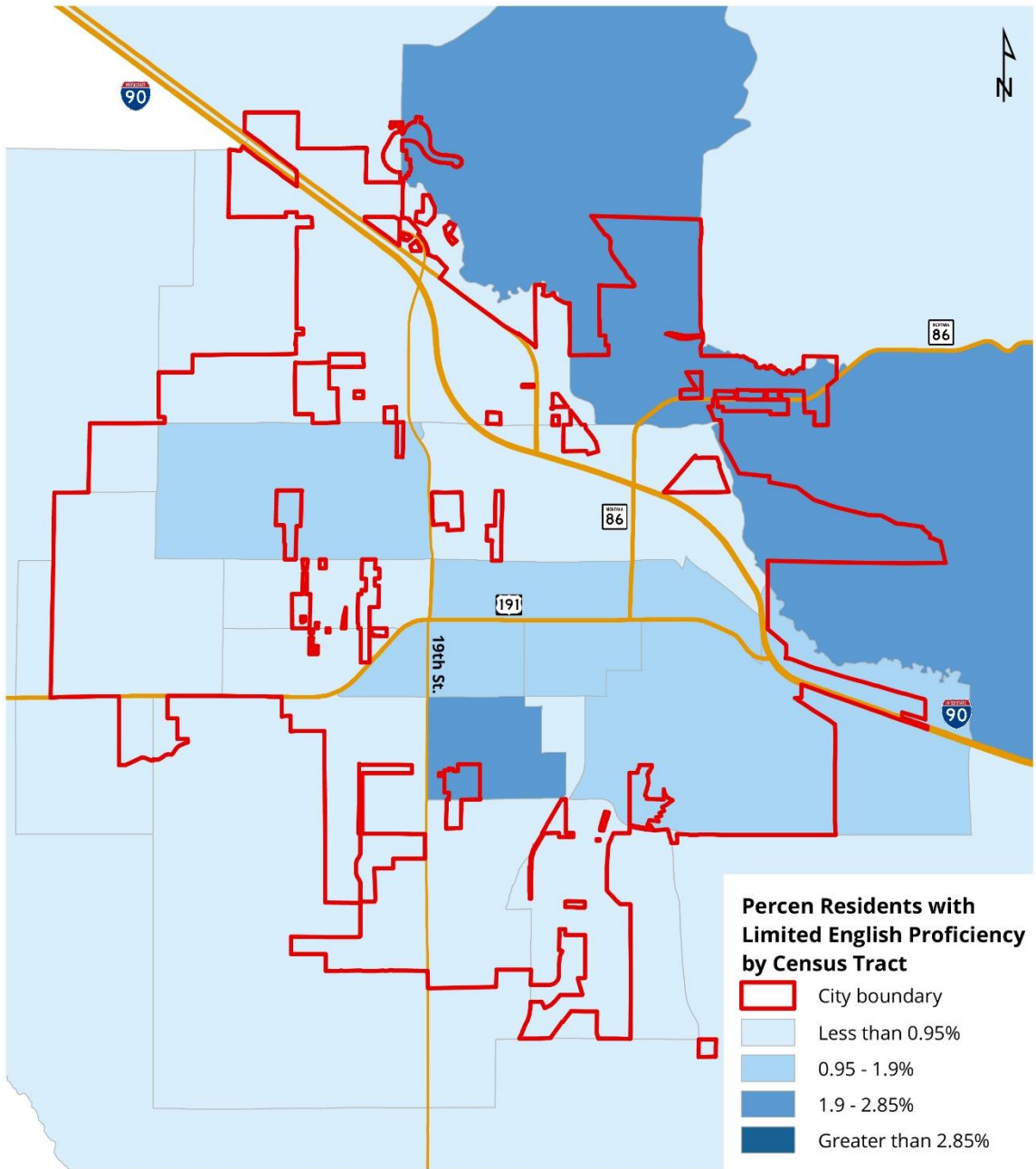
	Total in Language Group		Limited English Proficient	
	Number	Total Population	Number	Total Population
Population	51,718	100%		
Speak language other than English	2,647	5.1%	507	1.0%
Spanish	830	1.6%	119	0.2%
Other Indo-European languages	919	2.2%	96	0.2%
Asian and Pacific Island languages	676	1.1%	227	0.4%
Other languages	222	0.7%	65	0.1%

Note: Population numbers refer to the population 5 years and over.

Source: 2022 ACS 5-year estimates.

Figure III-15 shows the percentage of LEP residents by Census tract in the city. While there are no concentrations of LEP populations in Bozeman, LEP residents are more likely to live near Montana State University (Census Tract 11.01) or in the northeast quadrant of the city (Census Tract 5.04).

Figure III-15.
Percent Limited English Proficiency (LEP) Residents by Census Tract,
Bozeman, 2022



Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of LEP residents (1.9%)
Source: 2022 ACS 5-year estimates and Root Policy Research.

Income and Poverty

In Bozeman, the median household income has increased by 76% between 2010 and 2022 (Figure III-16). Gallatin County and the state also experienced significant increases in median household income over the same time period (66% and 51%, respectively). Although the city of Bozeman is the economic driver in Gallatin County, the median household income still lags behind the county by over \$9,000. This is likely due to the presence of the large college student population in Bozeman.

Figure III-16.
Median Household
Income, 2010 and 2022

Source:
2010 and 2022 ACS 5-year estimates.

	2010	2022	Percent Change
Bozeman	\$ 42,218	\$74,113	76%
Gallatin County	\$ 50,136	\$83,434	66%
State of Montana	\$ 43,872	\$66,341	51%

In 2022, the proportion of Bozeman residents living below the poverty level was 14.7%, a decrease of approximately 5 percentage points from 2012 (Figure III-17). The city of Bozeman has had a higher poverty rate over the last ten years compared to both Gallatin County and the state of Montana; however, the city’s poverty rate has decreased at nearly double the rate of Gallatin County and more than double the rate of the state over the same time period.

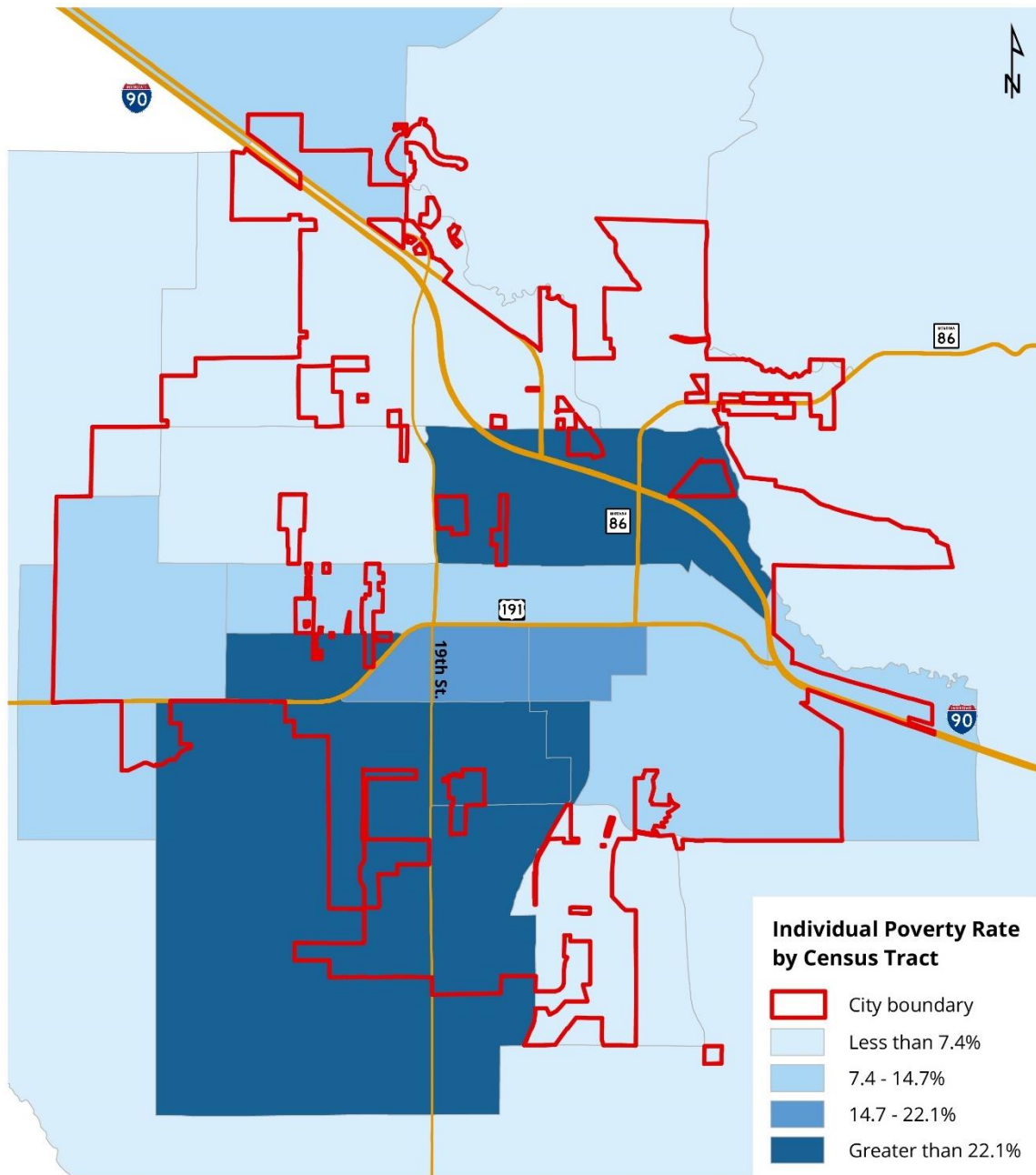
Figure III-17.
Poverty Rates and
Change, 2012 and 2022

Source:
2012 and 2022 ACS 5-year estimates.

	2012	2022	Percent Change
Bozeman	19.9%	14.7%	-5.2%
Gallatin County	13.3%	10.6%	-2.7%
State of Montana	14.8%	12.4%	-2.4%

Figure III-18 shows the percentage of residents living in poverty by Census tract in Bozeman. There are four Census tracts in Bozeman considered to have a concentration of poverty, which is more than 22.1% of tract residents living in poverty. While the Census tracts that overlap and are adjacent to Montana State University suggest concentrations of poverty, it is likely that students, even though most are not employed, are being financially supported through other means (e.g., parents). However, one in four residents in Census Tract 6, which is located in the northeast quadrant of the city, are living in poverty.

Figure III-18.
Individual Poverty Rate by Census Tract, Bozeman, 2022



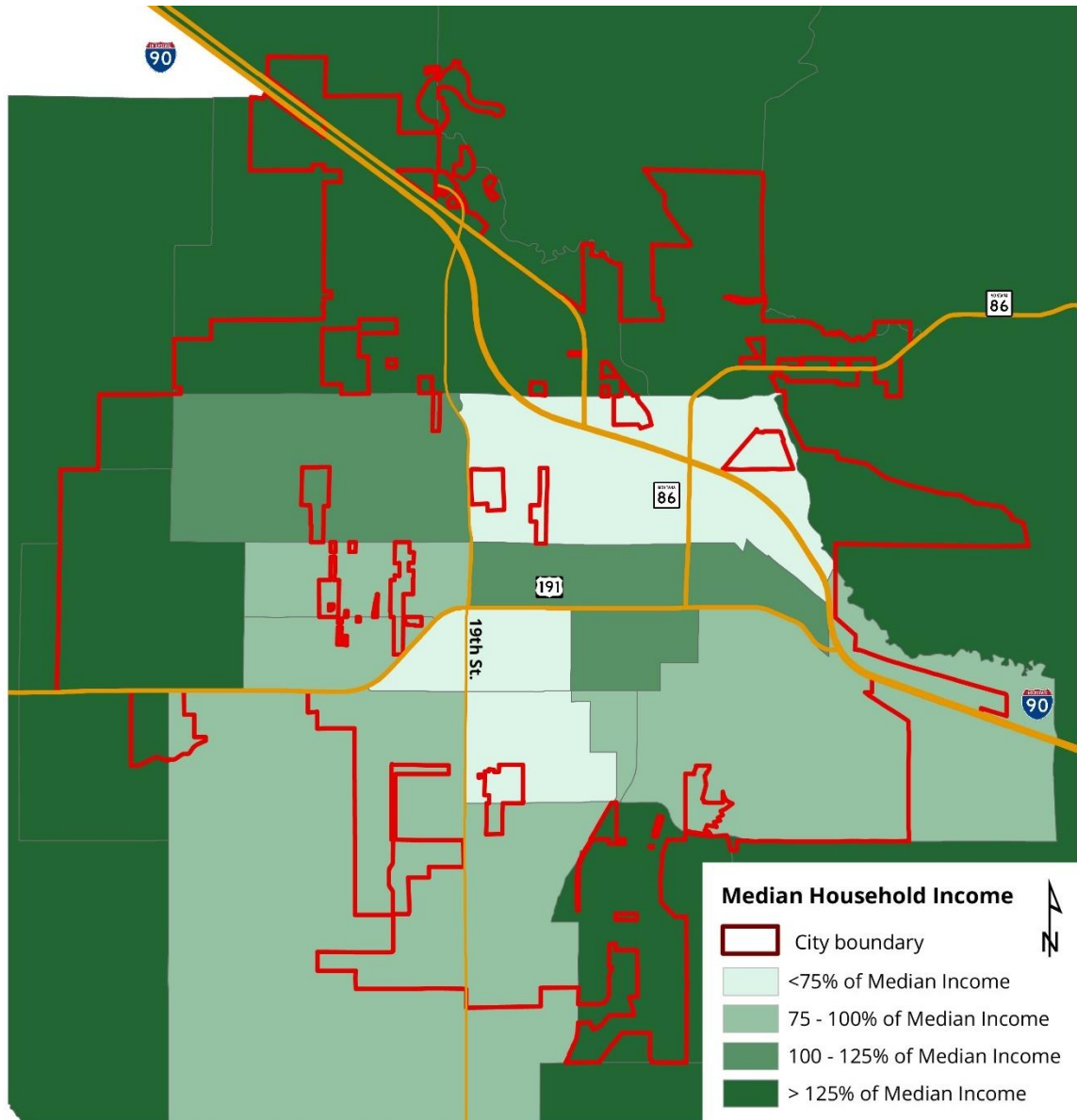
Note: Breaks represent 50%, 100%, and 150% of the citywide proportion of individual residents living in poverty (14.7%)

Source: 2022 ACS 5-year estimates and Root Policy Research.

Census tracts with median household incomes greater than the citywide median are primarily located along the western, northern, and southern boundaries of the city (Figure III-19). Census Tract 11.01 (\$42,435), Census Tract 6 (\$44,762), and Census Tract 9 (\$53,183) have the lowest median household income in Bozeman.

Aside from the Census tracts that overlap with Montana State University, which would be expected to have lower household incomes due to the large student population, Census Tract 6 is the only tract in Bozeman with a median household income that is 75% less of the city's median household income. Moreover, nearly 60% of the residents in this tract have income less than \$50,000 compared to just 33% citywide.

Figure III-19.
Median Household Income by Census Tract, Bozeman, 2022



Note: Median household income for the city of Bozeman is \$74,113.

Source: 2022 ACS 5-year estimates and Root Policy Research.

Figure III-20 presents the poverty rate and median household income by race and ethnicity. Asian and American Indian/Alaska Native residents have lower median income than the city

overall, while residents who identify as some other race and Hispanic have the highest household median income. Three in ten Black/African American residents experience poverty in Bozeman, which is double the rate of poverty experienced by non-Hispanic White residents.

Of note, even with one of the lower median household income amounts among racial and ethnic groups, the data show a low poverty rate for American Indian/Alaska Native residents, which is unexpected. While 2021 and 2022 five-year ACS estimates show a significantly low poverty rate (2% and 3%, respectively) for AIAN residents, poverty rates between 2018 and 2020 fall between 20-30%, which is more expected based on household income. This significant difference might be due to pandemic-related or other government assistance received by these households during COVID-19; however, more information is needed to explain the discrepancy.

Figure III-20.
Individual Poverty Rate and Household Median Income by Race and Ethnicity, Bozeman, 2022

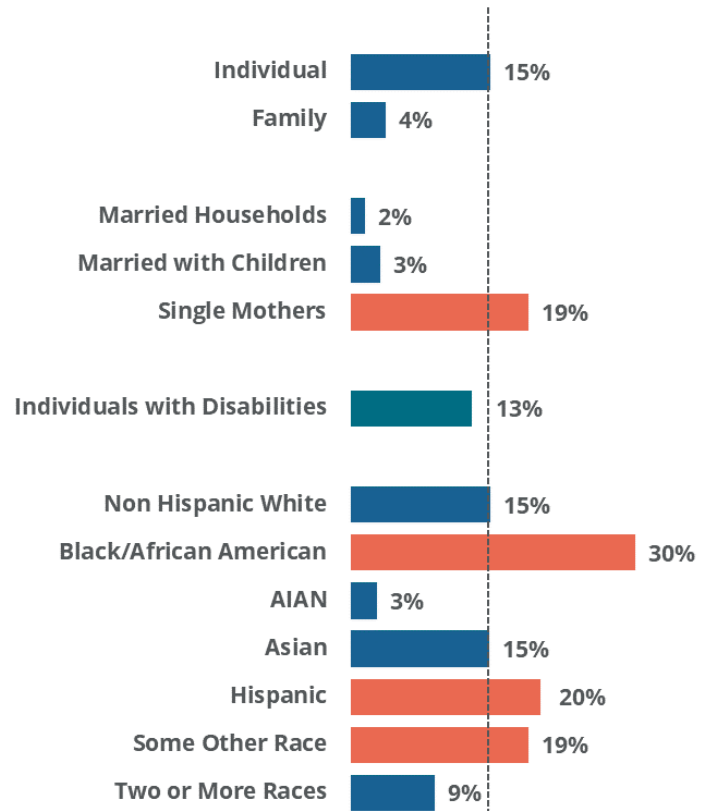
Source:
2022 ACS 5-year estimates.

Race/Ethnicity	Poverty Rate	Median Income
Non-Hispanic White	15%	\$74,327
Black or African American	30%	n/a
AIAN	3%	\$59,697
Asian	15%	\$56,977
Hispanic	17%	\$81,154
Some other race	19%	\$130,265
Two or more races	9%	\$76,715

Figure III-21 below shows the poverty rate for additional demographic groups. Demographic groups with a poverty rate that is higher than the individual poverty rate (15%) are highlighted with red. Black/African American residents, Hispanic residents, residents who identify as some other race, and single mothers have the highest rates of poverty in Bozeman. Married households, married households with children, AIAN residents, and families have the lowest rates of poverty.

**Figure III-21.
Poverty Rate by Familial
Status, Disability Status,
and Race/Ethnicity,
Bozeman, 2022**

Source:
2022 ACS 5-year estimates, Root Policy
Research



In every community, there are residents who, for a variety of reasons (debilitating diseases, and elderly residents living with people who are elderly with ailments) cannot generate household income through employment, are not capable of being gainfully employed. These residents generally require long-term public assistance. Income assistance—in the form of Old Age Pension (OAP), Aid to Needy Disabled (AND), Supplemental Security Income (SSI), Social Security Disability Income (SSDI), Veterans Affairs (VA) benefits, Medicare or Medicaid, food stamps, and a “preference” for existing public housing and Section 8 vouchers—are the most realistic strategies for maintaining household income and limiting the effects of extreme poverty in these situations.

Additionally, different circumstances leading to poverty demand different approaches. Situational poverty, usually due to job loss, significant illness, or other life-changing events, can usually be addressed through temporary safety nets (e.g., rent or mortgage assistance, shelter, childcare subsidies) and access to programs to help a household regain self-sufficiency.

Generational poverty, usually defined as poverty lasting two generations or longer, is more difficult to address. Families experiencing generational poverty require broader and long-term, sustainable supportive services.

Racial and ethnic segregation. This section briefly touches on racial and ethnic segregation in Bozeman. A common measure of segregation used is the dissimilarity index (DI).

The DI measures the degree to which two distinct groups are evenly distributed across a geographic area, usually a county. DI values range from 0 to 100—where 0 is perfect integration and 100 is complete segregation.

A “score” between 0 and 39 indicates low segregation, values between 40 and 54 indicate moderate segregation, and values between 55 and 100 indicate high levels of segregation. The DI represents the percentage of a group’s population that would have to move for each area in the county/city to have the same percentage of that group as the county/city overall.

Using 2022 5-year ACS data, the city of Bozeman’s DI score for residents of color is 23—indicating a low level of segregation. However, the DI can give too low or too high segregation scores to communities with very low numbers of residents of color due to high measurement error, which is the case for the city.

Racially or Ethnically Concentrated Areas of Poverty (R/ECAPs). HUD has developed a framework to examine economic opportunity at the neighborhood level, with a focus on racial and ethnic minorities. That focus is related to the history of racial and ethnic segregation, which, as discussed in the beginning of this section, often limited economic opportunity.

“Racially or ethnically concentrated areas of poverty,” also known as R/ECAPs, are neighborhoods in which there are both racial concentrations and high poverty rates.

HUD’s definition of an R/ECAP is:

- A Census tract that has a non-white population of 50 percent or more (majority-minority), or for non-urban areas (those outside of “core based statistical areas”), 20 percent, and
- A Census tract where the poverty rate is at least either 40 percent or three times the average tract poverty rate for the metropolitan area, whichever is lower.

As noted above, due to the city’s large non-Hispanic White population, there are no “majority-minority” Census tracts in Bozeman and as a result, there are no Census Tracts designated as R/ECAPs in the city. However, Census Tract 6, located in the northeast quadrant of the city, has a concentration of residents living with disabilities, as well as Hispanic and Indigenous residents. This tract also has one of the lowest median household incomes (\$44,762) and the highest rates of poverty in the city (23.5%).

IV. ACCESS TO OPPORTUNITY

SECTION IV.

Access to Opportunity

This section examines Access to Opportunity in education, employment, and transportation—the opportunity areas identified by stakeholders and residents as being the most challenging in the city of Bozeman. The analysis focuses on disparities in access to opportunity for persons living in poverty and protected classes. This section draws from independent research conducted to support the Fair Housing Plan and findings from the community engagement process.

Primary Findings

Analysis in this section points to gaps in access to opportunity in:

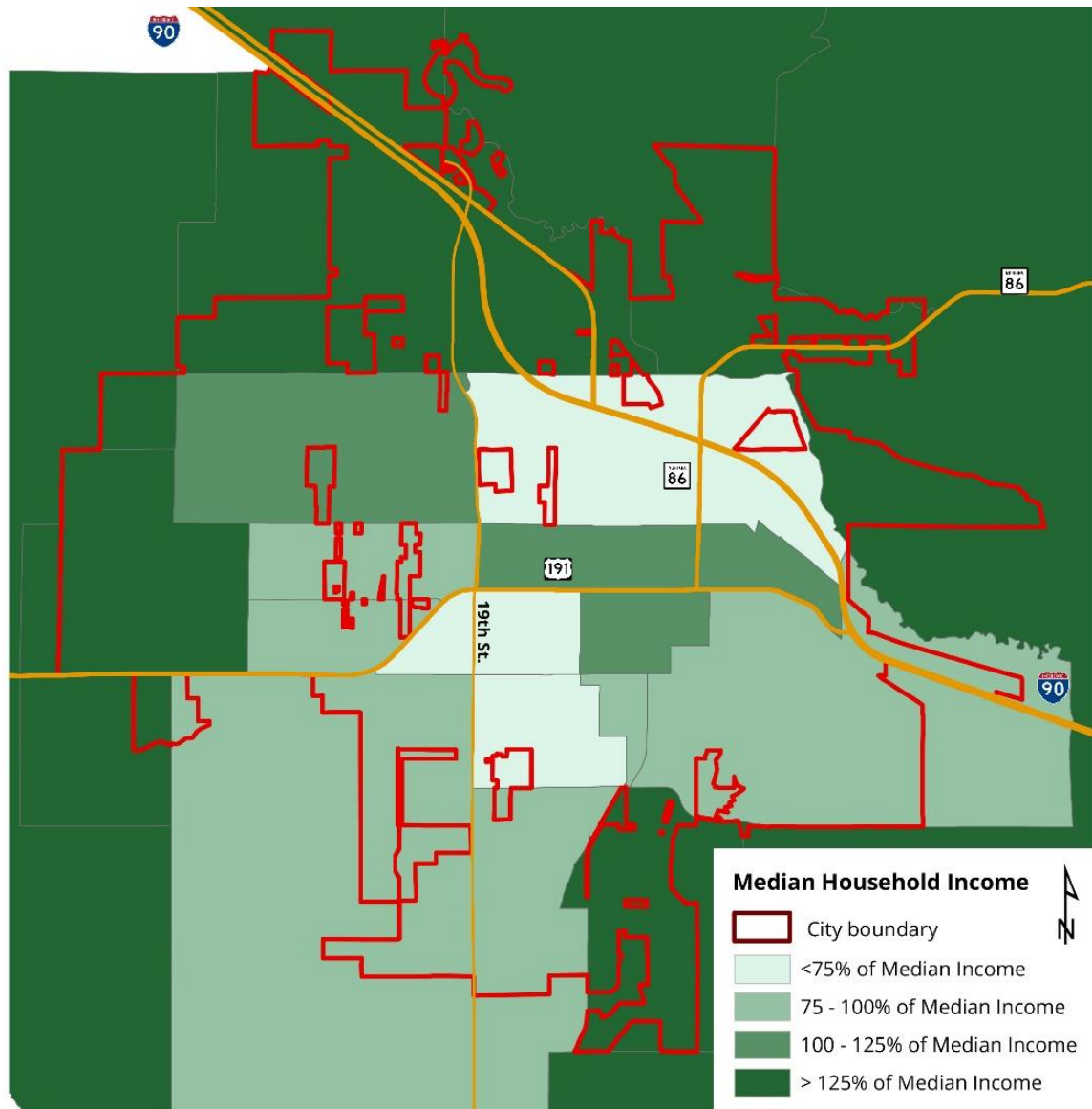
- **Education.** Non-Hispanic White students have substantially higher proficiency rates than all other student groups by race and income within Bozeman schools. Indigenous students have lower proficiency rates and high school graduation rates in Bozeman compared to other students by race and ethnicity. Hispanic students in Bozeman also have low graduation rates. Respondents living in households of color were much more likely to report dissatisfaction with their child(ren)'s education than non-Hispanic White respondents in the housing and community needs survey.
- **Employment outcomes.** Between 2010 and 2022, the unemployment rate decreased for non-Hispanic White and Hispanic residents, as well as residents who identify as two or more races. Conversely, Indigenous workers saw a nine-percentage point increase in unemployment over the same time period. While approximately four in ten Bozeman residents have a college degree, nearly half of Indigenous residents are college educated. Black residents have the lowest proportion of residents with a college degree in Bozeman. Over a third of survey respondents (35%) identified an increase in wages as needed to improve their job satisfaction.
- **Broadband access.** While 97% of households with income above \$75,000 have an internet subscription, only 71% of households earning below \$20,000 have an internet subscription. For low-income households, lack of internet access may limit their ability to access employment opportunities and community resources. Seven percent of survey respondents indicated that increased access to broadband/internet was a significant community need in Bozeman.
- **Access to transportation.** According to the housing and community needs survey, 25% of respondents are unsatisfied with their current transportation options. Of these respondents, most wanted to see increased frequency, reliability, and

coverage of the city's bus system, as well as expanded connective networks for alternative transportation options (e.g., biking and walking). Additionally, through stakeholder conversations and focus groups conducted to support this study, as well as findings from previous city efforts, several barriers exist for residents living with disabilities to easily access the transportation system. Inaccessible buses, infrequent fixed-route service, limited paratransit services, and other current city infrastructure (e.g., sidewalks, parking spaces) make it challenging for residents to utilize these services and spaces to their full advantage.

- **Healthy communities.** Survey respondents identified a variety of outcomes they wanted to see to improve their neighborhoods and health, including street and sidewalk improvements, parks and recreation facility improvements, new/improvements to existing community centers, more recreation opportunities, making it easier to exercise, and better access to healthier foods. Census Tract 11.02, which covers Montana State University and the southwest area of the city, was identified as having limited food access.

Figure IV-1 shows the median household income by Census Tract in the city of Bozeman. Census tracts with median household incomes greater than the citywide median are primarily located along the western, northern, and southern boundaries of the city (Figure III-19). Census Tract 11.01 (\$42,435), Census Tract 6 (\$44,762), and Census Tract 9 (\$53,183) have the lowest median household income in Bozeman. Aside from the Census tracts that overlap with Montana State University, which would be expected to have lower household incomes due to the large student population, Census Tract 6 is the only tract in Bozeman with a median household income that is 75% less of the city's median household income. Moreover, nearly 60% of the residents in this tract have income less than \$50,000 compared to just 33% citywide.

Figure IV-1.
Median Household Income by Census Tract, City of Bozeman, 2022.



Note: Median household income for the city of Bozeman is \$74,113.

Source: 2022 ACS 5-year estimates and Root Policy Research.

Access to Quality Education

Publicly supported education and training are key building blocks for a well-functioning economy. Research published by the Education Law Center shows that education not only results in billions of dollars of social and economic benefits but an educated population leads to gainful employment, stable families, and productive residents who are less likely to commit crimes, place a high demand on the public health care system, and enroll in

welfare assistance programs.¹ Public schools have also played an important part in closing the gap between wealthy and poor students on academic outcomes typically defined by standardized tests, which helps reduce income inequality.² Additionally, well-resourced and highly performing neighborhood schools are integral to community development and can provide a catalyst for improved neighborhood environments.³

Disparities in access to K-12 schools. School District 7 provides K-12 public education within Bozeman and surrounding areas. Within the city of Bozeman, there are eight elementary schools, two middle schools and two high schools. Figure IV-2 shows total enrollment and distribution by race and ethnicity, income, and housing status for the 12 schools in Bozeman. The schools with the largest share of Indigenous students are Irving Elementary and Sacajawea Middle School, while the greatest proportion of Hispanic/Latino students attend Hyalite Elementary, Irving Elementary, and Whittier Elementary. Schools with the highest number of economically disadvantaged students (defined by free and reduced lunch eligibility) are Irving and Whittier elementary schools—both accounting for nearly half of their respective student populations. Sacajawea Middle School (25%) and Gallatin High School (19%) have the highest percentage of economically disadvantaged students of the upper schools.

All of the schools identified in the previous paragraph are located in Census tracts with median household incomes that are below the city median, with the exception of Whittier Elementary School. However, Whittier is directly adjacent to the southern boundary of Census Tract 6, which has one of the lowest median household incomes in the city.

Children eligible for free and reduced lunch (FRL) are an economic indicator of risk that is used by educational departments to identify at-risk youth and target educational reform programs as academic achievement gaps are often greatest between students from different income brackets. Similar to the federal poverty threshold, the FRL threshold is fixed and does not vary by state or jurisdiction. Currently, children are eligible to receive free lunches if their families earn less than 130% of the federal poverty threshold, and reduced lunch prices if earning between 130 and 185% of the poverty threshold.⁴ This

¹ Dana Mitra, 'Pennsylvania's Best Investment: The Social and Economic Benefits of Public Education,' *Education Law Center* (June 2008), https://www.elc-pa.org/wp-content/uploads/2011/06/BestInvestment_Full_Report_6.27.11.pdf.

² Alexander, K., Public Education and the Public Good. 1997, *Social Forces*. 76(1): p. 1-30.

³ Moore, Sandra M. and Susan K. Glassman. 'The Neighborhood and Its School in Community Revitalization: Tools for Developers of Mixed-Income Housing Communities'. *Housing and Urban Development*. 2007.

⁴ [govinfo.gov/content/pkg/FR-2019-03-20/pdf/2019-05183.pdf](https://www.govinfo.gov/content/pkg/FR-2019-03-20/pdf/2019-05183.pdf)

translates into income levels of roughly \$39,000 or less for free lunch eligibility, and \$39,000 to \$54,000 for reduced lunch eligibility, both for a family of four.⁵

One significant barrier to closing the academic gaps between students by race and income is school composition (high versus low poverty, racially segregated), which is a reflection of neighborhood composition and school financing. Schools with high concentrations of economically disadvantaged students and/or with high concentrations of one racial group impact students negatively across student groups.⁶ High poverty schools typically have fewer resources to spread across greater student needs and therefore struggle to progress students to proficiency. Symptoms of resource-challenged schools include significant achievement gaps between groups by race and income, high student-to-teacher ratios, and high student-to-counselor ratios, which have been shown to impact chronic absenteeism—often a result of housing and home instability.⁷

⁵ Paul Tough, in his book “How Children Succeed,” argues that FRL is a weak measure of children in need because of the wide eligibility income range, an argument that could be applied to many definitions of low income and socioeconomic status. Children living in families earning \$10,000, for example, likely have much greater needs and potentially higher risks of academic failure than those living in households at the higher end of the threshold (\$44,000). These higher risk factors, according to Tough, include no adult in the household who is consistently employed, mental health, substance abuse in the household, and potential child abuse and neglect.

Tough further argues that children living in high poverty households also have psychological challenges, many related to poor parenting, that make the learning environment very challenging. The experience of stress and trauma as a child can lead to poor executive functioning, difficulty handling stressful situations, poor concentration, difficulty following directions, and social impairment. These children, therefore, require different interventions and reforms than those at the “middle class” end of the FRL spectrum.

⁶ Wells, A. S., Fox, L., & Cordova-Cobo, D. How racially diverse schools and classrooms can benefit all students. *The Education Digest*, 82(1), 17. 2016

⁷ Parzych, Jennifer L., Ph.D., Peg Donohue, Ph.D., Amy Gaesser, Ph.D., and Ming Ming Chiu, Ph.D. “Measuring the Impact of School Counselor Ratios on Student Outcomes”. *American Association of School Counselors*. February 2019

Figure IV-2.

Total Enrollment by School District and Race/Ethnicity, Economic Status, 2023-2024.

School	Total Enrollment	Distribution					
		Indigenous	Hispanic / Latino	Black	Asian	White	Free and Reduced Lunch Eligible
Bozeman High School	1,262	1.4%	7.4%	0.7%	1.5%	85%	10.6%
Gallatin High School	1,474	1.5%	7.5%	0.6%	1.5%	86%	19.2%
Chief Joseph Middle School	757	1.3%	6.4%	0.8%	1.8%	87%	17.8%
Sacajewea Middle School	809	2.9%	8.7%	1.0%	0.8%	88%	24.6%
Emily Dickinson Elementary	527	1.9%	10.0%	*	1.5%	82%	24.9%
Hawthorne Elementary	334	1.0%	5.6%	*	1.0%	90%	8.5%
Hyalite Elementary	552	1.5%	17.7%	0.6%	1.5%	76%	38.6%
Irving Elementary	184	4.6%	13.0%	*	1.5%	80%	48.4%
Longfellow Elementary	273	1.2%	5.5%	*	*	91%	17.3%
Meadowlark Elementary	511	1.2%	10.3%	*	0.9%	85%	19.3%
Morning Star Elementary	422	0.9%	5.2%	*	0.7%	89%	10.0%
Whittier Elementary	277	1.7%	11.9%	*	*	84%	47.5%

Note: K-12 Enrollment.

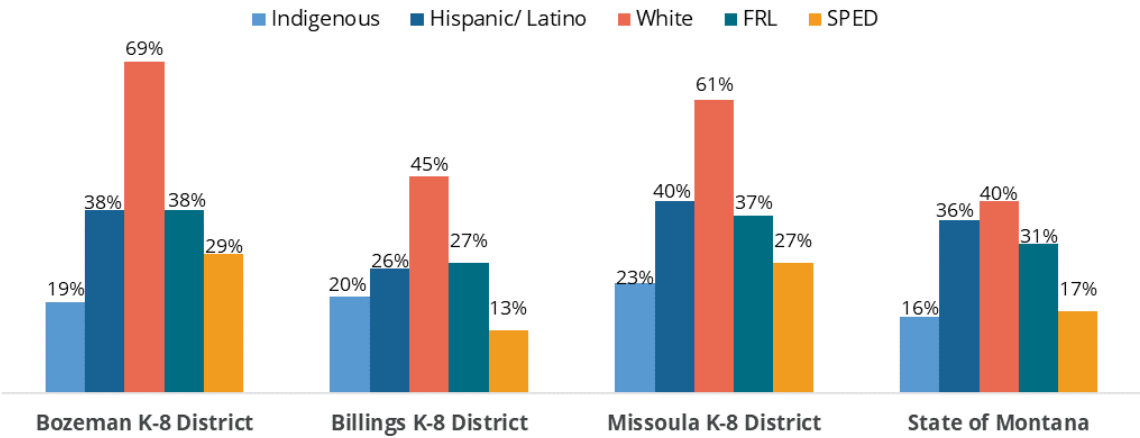
Source: ESSA School Report Card, Montana Office of Public Instruction

Educational gaps. Providing access to high quality schools—as well as programming within schools to prepare students for moderate- and high-paying jobs—are key aspects of improving education outcomes of low-income children.

Figures IV-3 and IV-4 show the percentage of students in School District 7’s K-8 District by race and income who met or exceeded Montana’s Smarter Balanced Assessment score expectations for English and math compared to students in Billings, Missoula, and statewide. Specifically:

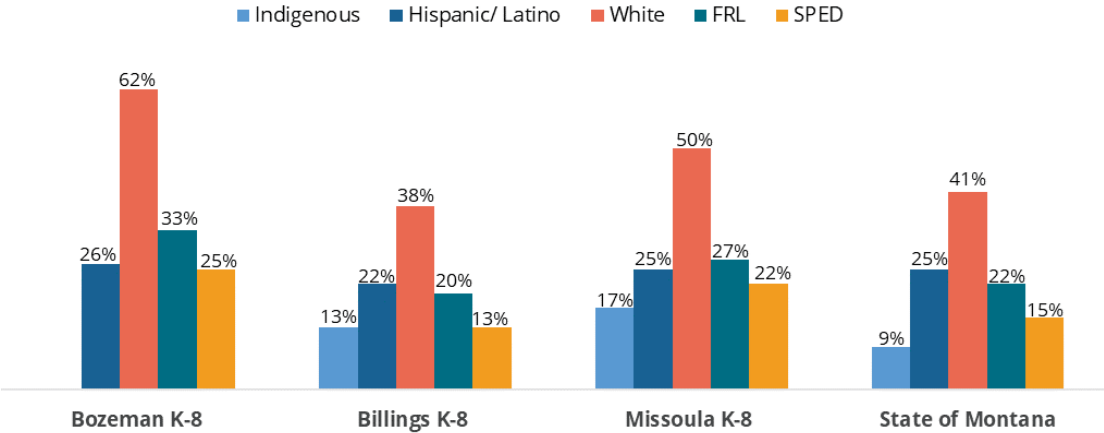
- Non-Hispanic White students in Bozeman have the highest level of English and Math proficiency among other students in Bozeman, as well as other peer districts and the state of Montana.
- Indigenous students across all geographies have low proficiency rates.
- Hispanic students in Bozeman have similar English proficiency rates as Hispanic students in Missoula and a slightly higher rate compared with Hispanic students statewide. Math proficiency rates are similar across all geographies.
- Similarly, economically disadvantaged and SPED students have similar English proficiency rates as economically disadvantaged and SPED students in Missoula and higher rates than other peer communities; math proficiency rates in Bozeman for these student groups are higher than peer communities, too.

Figure IV-3.
Proficiency Rates for English by Race and Ethnicity, Elementary Districts in Montana, 2022-2023



Note: “FRL” means students who are eligible for free and reduced lunch and “SPED” means special education.
Source: Montana Office of Public Education and Root Policy Research.

Figure IV-4.
Proficiency Rates for Math by Race and Ethnicity, Elementary Districts in Montana, 2022-2023



Note: Insufficient population of Indigenous students in Bozeman to provide Math proficiency rate. “FRL” means students who are eligible for free and reduced lunch.

Source: Montana Office of Public Education and Root Policy Research.

A measure of school proficiency that captures student base knowledge and progress over time are growth rates. The Montana Office of Public Education provides data on elementary and middle school students progressing towards proficiency for both reading and math (Figure IV-5). Capturing progress towards proficiency is particularly important in schools with a higher proportion of students who are economically disadvantaged or who have additional learning needs, such as English Language Learners and Special Education. In particular, Morning Star K-5 and Longfellow K-5 stand out with very high progress towards proficiency rates in English and math. Additionally, Emily Dickinson K-5 has a high progress toward proficiency rate for English while Hawthorne K-5 has a high progress toward proficiency rate for Math. Hyalite K-5 and Whittier K-5 have the lowest progress toward proficiency rates for both reading and math.

**Figure IV-5.
K-8 Students
Showing
Progress
Towards
Proficiency in
Reading and
Math, 2022-2023.**

Source:
Montana Office of Public
Instruction.

School	Proficient & Advanced	
	Reading	Math
Emily Dickinson K-5	74%	65%
Hawthorne K-5	72%	68%
Hyalite K-5	47%	47%
Irving K-5	64%	65%
Longfellow K-5	74%	68%
Meadowlark K-5	56%	51%
Morning Star K-5	77%	72%
Whittier K-5	49%	43%
Chief Joseph Middle School	62%	53%
Sacajewa Middle School	66%	56%

Figure IV-6 shows the collective four-year high school graduation rate for both Bozeman High and Gallatin High, as well as the Missoula High School District, Billings High School District, Great Falls High School District and the state of Montana, disaggregated by race, ethnicity, housing, economic, English language learner, and special education status. Among peer districts, high school students in Bozeman had the greatest proportion of high school graduates during the 2022-23 academic school year (90%).

However, disparities in graduation rates are apparent across race and ethnicity in Bozeman high schools. Indigenous students (60%) and Hispanic/Latino students (64%) have the lowest graduation rates while Asian students (100%) and non-Hispanic White students (92%) have the highest graduation rates. This also holds true when compared to other high schools across the state – non-Hispanic White students in Bozeman have the highest graduate rates among their non-Hispanic White counterparts in other high schools while Indigenous and Hispanic/Latino students in Bozeman have the lowest graduation rates among their respective counterparts throughout the state.

Among other student populations, 76% of SPED students in Bozeman graduated during the 2022-23 academic school year – the highest among peer comparison high schools in the state. Conversely, second-language learners (57%), economically disadvantaged (67%), and precariously housed (60%) students in Bozeman had the lowest graduation rates among their respective counterparts in other high schools across the state.

Additional staff and resources are greatly needed to improve school proficiency and graduation rates for second-language learners and economically disadvantaged students

in Bozeman. A recent article⁸ from The Nation articulated that “the [Bozeman] public-school system...is scrambling to support the influx of multilingual children. The number of students who receive additional English-language instruction in Bozeman’s public schools has doubled in just a few years to around 350, and there are at least as many recently arrived Latino students who are not enrolled in those programs.”

⁸ <https://www.thenation.com/article/society/bozeman-montana-undocumented-labor/>

Figure IV-6.

High School Graduation Rates by School, School District, Race/Ethnicity and Student Subgroups, 2022-2023

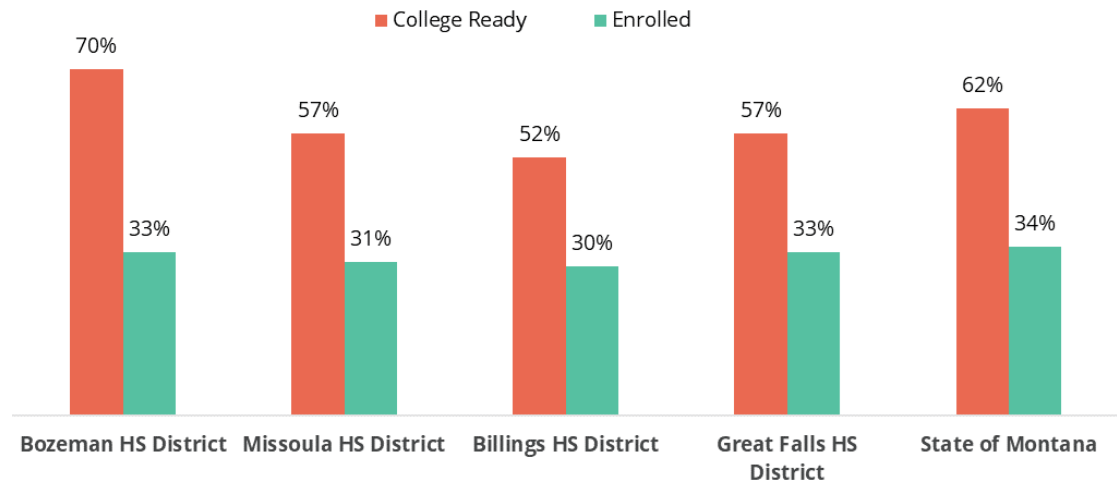
School District	All	Race/Ethnicity						Student Subgroup			
		Indigenous	Black	Hispanic/ Latino	Asian	Non-Hispanic White	Two or More Races	SPED	ELL	FRL	Unhoused
Bozeman HS District	90%	60%	*	64%	100%	92%	69%	76%	57%	67%	60%
Missoula HS District	86%	63%	90%	74%	92%	87%	*	73%	73%	77%	67%
Billings HS District	85%	65%	77%	78%	100%	88%	71%	71%	76%	73%	57%
Great Falls HS District	83%	61%	86%	74%	*	86%	86%	73%	59%	70%	64%
State of Montana	86%	68%	67%	80%	93%	89%	81%	76%	67%	76%	64%

Note: Four-year graduation rates, An asterisk (*) indicates this number has been suppressed for student privacy and security reasons.

Source: Montana Office of Public Education.

The Montana Office of Public Education also provides data on college preparedness for recent graduates and the percentage of graduates enrolled in any Montana public college within 3 months of graduating. Figure IV-7 compares the collective rate across the two Bozeman high schools, along with rates for the Missoula High School District, Billings High School District, Great Falls High School District, and the state of Montana for peer comparison purposes. While the high schools in Bozeman have the highest rate of students prepared for college, only about a third of graduates are likely to actually attend college within 3 months of graduation, which is similar to other high school districts across the state.

Figure IV-7.
College Ready and Enrollment, 2022.



Note: The Bozeman High School District consists of both Bozeman High School and Gallatin High School.

Source: Montana Office of Public Instruction.

The housing and community needs survey asked respondents to share what they felt they needed to improve their child(ren)'s education. While over 40% of respondents indicated they did not have children, the next greatest proportion of respondents reported they were satisfied with their children's education (11%). The greatest proportion of respondents reported the following improvements they wanted to see:

- Other (9%);
- Stop bullying/crime/drug use at school (8%);
- Have better teachers at their school (6%);
- Make school more challenging (6%); and
- Have more activities after school (6%).

The most common response for “Other” provided by respondents was to increase teacher salaries. A sample of other responses is provided below.

- “We need accessible and affordable Pre-K childcare.”
- “After school programs that are affordable for parents that work late.”
- “More support for the PEAKS program.”
- “Way more support for school faculty – better pay, more faculty, lighter workloads , and more mental health support.”

Additionally, findings by demographic characteristics and other household types found:

- Homeowners (19%) are much more likely to be satisfied with their child(ren)’s education compared to precariously housed residents (7%) and renters (6%). Precariously housed respondents (11%) were also twice as likely to report wanting to make it easier to choose a different school than owners (5%) and renters (4%).
- By race/ethnicity, non-Hispanic White respondents (15%) were more likely to be satisfied with their children’s education than other respondents by race/ethnicity. While the sample size is small for Hispanic (n=18), American Indian/Alaska Native (n=13) and African American/Black respondents (n=10), these respondents reported they were not satisfied with their children’s education (11% of Hispanic residents, 0% for both AIAN and African American/Black respondents, respectively).
- Respondents making more than \$150,000 or more (28%) were nearly six times as likely to report being satisfied with their children’s education compared with respondents making less than \$25,000 (5%).
- Just under a quarter of respondents living in large households (23%) are satisfied with their children’s education, followed by single parents (17%) and households with children (15%). Households with a member living with a disability were the least likely to report satisfaction with their children’s education (6%).

Access to Employment

Figure IV-8 shows growth of jobs by industry in Gallatin Bozeman from 2012 to 2022. Industries with the most significant gains are construction, financial services, professional and business services, and manufacturing. The largest industries are education and health services, driven primarily by Montana State University. Construction gains are notable—according to ACS data, approximately 6,600 housing units have been built in Bozeman over this time period. This accounts for approximately 28% of Bozeman’s total housing stock. The construction sector is likely to keep on this current trajectory. As of May 2024, not including new market rate housing, the city has 387 community housing units under construction, approved plans for 607 community housing units, and 1,612 community housing units in the pipeline.

Bozeman and Gallatin County have one of the strongest economies in the state of Montana, driven by its tourism and high-tech industries. According to Policom,⁹ an independent economics research firm, Bozeman has had the strongest economy of micropolitan areas in the country for the last five years. As of April 2024, Gallatin County’s unemployment rate sits at 2%.

**Figure IV-8.
Number of
Employees by
Sector, Gallatin
County, 2012-2022**

Note:

The number of employees listed reflect private jobs, with the exception of Public Administration and Education and Health Services. For Education and Health Services, aggregation includes federal, local, and private employees. State employees are not included because data from 2012 does not meet BLS disclosure standards. However, there are 4,124 employees in state government in the Education and Health services sector, for a total of 14,033 employees in this sector in 2022.

Source:

Bureau of Labor Statistics.

Sector	2012	2022	Percent change
Manufacturing	2,337	3,965	70%
Trade	9,327	12,799	37%
Information	583	721	24%
Financial Services	2,063	3,623	76%
Professional and Business Services	4,757	8,184	72%
Education and Health Services	7,057	9,909	40%
Leisure and Hospitality	7,015	10,789	54%
Public Administration	1,741	1,876	8%
Construction	3,930	6,956	77%

⁹ <https://policom.com/rankings-micropolitan-areas/>

Figure IV-9 shows the average annual pay by sector and percent change since 2012. Information, financial services, and leisure and hospitality sectors experienced significant wage growth in Gallatin County. Wage growth in leisure and hospitality is critical given that the industry has very low wages and is often seasonal.

Figure IV-9.
Average Annual Pay
by Sector, Gallatin
County 2012-2022

Note:

Annual pay listed in the table reflects earnings from private jobs only, unless otherwise noted.

Source:

Bureau of Labor Statistics.

Sector	2012	2022	Percent change
Manufacturing	\$38,087	\$60,162	58%
Trade	\$51,236	\$82,870	62%
Information	\$45,701	\$96,261	111%
Financial Services	\$46,750	\$85,883	84%
Professional and Business Services	\$70,969	\$82,517	16%
Education and Health Services	\$38,177	\$58,460	53%
Leisure and Hospitality	\$16,771	\$30,888	84%
Public Administration (local)	\$44,482	\$68,097	53%
Construction	\$42,350	\$71,707	69%

Despite the growth in employment and wages, data on educational attainment suggest that White workers—who have the highest rates of college graduation—are more likely to benefit from economic growth while Indigenous, Hispanic/Latino, and Black workers will suffer more from economic declines (Figure IV-10). However, Indigenous workers in Bozeman are more than three times as likely to have a college degree compared to Indigenous residents at the state level while Hispanic/Latino workers are nearly twice as likely. Black workers with a college degree have similar rates at both the city and state level.

Figure IV-10.
Share of Population with a College Degree, by Race, Ethnicity and
Jurisdiction, 2022

	ALL	Race/Ethnicity				
		Indigenous	Black	Hispanic/Latino	Non-Hispanic White	Two or More Races
Bozeman	39%	48%	29%	39%	65%	52%
Missoula	50%	40%	40%	40%	51%	50%
Billings	38%	8%	37%	14%	40%	29%
State of Montana	34%	15%	30%	23%	35%	30%
United States	36%	17%	25%	20%	39%	28%

Note: Share of population 25 years and over.

Source: 2022 ACS 5-year estimates.

Academic gaps translate to employment and wage gaps. The Montana Office of Public Instruction oversees adult learner programs statewide that receive federal grant funding under the Adult Education and Family Literacy Act (AEFLA), Title II of the Workforce Innovation and Opportunity Act (WIOA for alternative high school diploma or GED and workforce development).¹⁰ These programs are free to qualifying individuals and include English language learning and citizenship examination preparation allowing residents to improve career outcomes through postsecondary diploma recovery and job training.

Figure IV-11 shows the unemployment rate by race and ethnicity in Bozeman between 2012 and 2022. Over this time period, the unemployment rate decreased for non-Hispanic White and Hispanic residents, as well as residents who identify as two or more races. However, the unemployment rate for Indigenous residents increased by nine percentage points.

Figure IV-11.
Unemployment rate
by Race and
Ethnicity, City of
Bozeman, 2012 and
2022.

Race/Ethnicity	2012	2022	Percentage point change
American Indian/Alaska Native	11.6%	20.6%	9%
Hispanic/Latino	10.1%	5.7%	-4%
Non-Hispanic White	7.9%	2.6%	-5%
Two or More Races	3.4%	1.6%	-2%

Note:

The unemployment rate for Black/African American residents is not included due to a high margin of error.

Source:

2012 and 2022 ACS 5-year estimates.

Commuting. Figure IV-12 below shows the distribution of Bozeman’s workforce by commuting status. The workforce is comprised of all workers who live and/or work in the city of Bozeman. Nearly half of Bozeman’s workforce is comprised of in-commuters (45%), while nearly a quarter of workers live in Bozeman but commute outside of the city (23%).

¹⁰ <https://opi.mt.gov/Families-Students/Student-Resources/Veterans-Adult-Education>

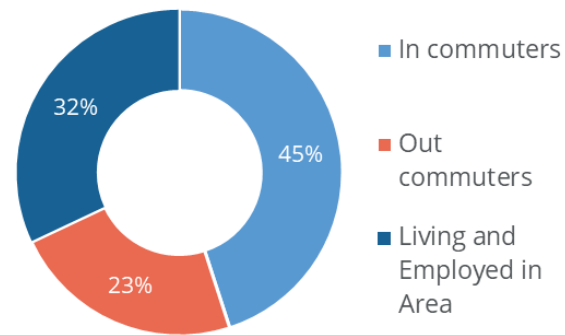
**Figure IV-12.
Workforce
Commuting
Patterns 2022,
Bozeman.**

Note:

Workforce is comprised of all workers who live and/or work in Bozeman.

Source:

Longitudinal Employer-Household Dynamics (LEHD).



Survey respondents were asked to identify what they needed to improve their current job situation. While 30% of respondents indicated they were satisfied with their current job:

- 35% of respondents reported a need for increased wages;
- 9% of respondents reported a need for improved public transportation to get to and from their job; and
- 8% of respondents reported a need for more access to consistent childcare.

Other needs and comments articulated by survey respondents included:

- "Cost of living that aligns with pay."
- "College graduate working FT for health department, barely enough to live (with 3 roommates)."
- "Employers cannot keep up with the high cost of living and are cutting good jobs."
- "I love my job. i just need it to pay me a livable wage."
- "This shouldn't be a two-income town in order to survive."

Additionally, findings by demographic characteristics and other household types found:

- Renters (57%) were more than twice as likely than homeowners (24%) to select "increase wages" as what was needed to improve their current job situation. Forty-one percent of precariously housed residents also selected "increase wages."
- By race and ethnicity, 69% of American Indian/Alaska Native respondents and 67% of Hispanic respondents identified "increase wages" as what was needed to improve their current job situation. Non-Hispanic White respondents were most likely to be satisfied their job situation.
- Approximately 4 in 10 American Indian/Alaska Native survey respondents identified "Case manager/coach to help me find the right the job" as what was needed to improve their current job situation.

- Respondents with income less than \$25,000 (63%) and respondents with income between \$25,000 and \$50,000 (55%) were more likely to identify “increased wages” as needed to improve their job situation. Conversely, respondents with income greater than \$150,000 (59%) were more likely than other respondents to be satisfied with their job situation.
- Unemployed respondents (29%) were more than twice as likely than respondents employed full-time (14%) to identify “access to consistent childcare” as what was needed to improve their job situation.
- Respondents living with a disability (38%), respondents living in a large household (33%), and single parents (29%) were more likely to identify “increased wages” as needed to improve their job situation.

Broadband access. Access to broadband has increasingly become a necessity versus a luxury. However, according to the Federal Communications Commission (FCC), in 2017, 34 million Americans still lacked broadband Internet access (defined as a minimum of a 25 Mbps connection). In particular, remote or rural areas have lower rates of stable and fast internet access, which is critical for individual connectivity to jobs and education but also for community economic development. Figure IV-13 shows that ownership of a device (desktop/laptop, smartphone, tablet) is higher in Bozeman and Gallatin County compared to the state.

Although subscription rates are high, and areas like Bozeman and Gallatin County have more reliable internet access, connectivity speed remains an issue for a large number of households in Montana. Montana ranked 49th in Ookla’s speedtest, only ahead of Wyoming and Alaska. In 2023, Montana received \$628 million from the federal Broadband Equity and Access Deployment (BEAD) program and invested \$309 million of COVID relief funds in 62 broadband infrastructure projects throughout the state. An estimated 18% of Montana residents are either unserved or underserved, mostly in rural communities.¹¹

In Bozeman, 8% of residents do not have access to the internet. Residents making less than \$20,000 are most likely to not have access to the internet, with only 71% of these households holding internet subscriptions. Conversely, 97% of residents making over \$75,000 have access to the internet. In the housing and community needs survey, 7% of respondents identified increased access to internet/broadband as a significant community need.

¹¹ https://connectmt.mt.gov/IIJA/2023.06.04_BEAD-Five-Year-Action-Plan_vSHARE.pdf

**Figure IV-13.
Device Accessibility
and Broadband
Subscription, 2022.**

Source:
American Community Survey 2022
5-year estimates.

Geography	Percent with 1 or more type of device	Percent with Internet Subscription
Bozeman	97%	92%
Gallatin County	97%	92%
State of Montana	93%	87%

Transportation Access

The housing and community needs survey asked Bozeman residents and stakeholders about which type of transportation they take most often, as well as if they are satisfied with their current transportation options.

Nearly 70% of survey respondents indicated that they primarily drive their personal vehicles, followed by walking (37%) and using a bicycle or scooter (27%). Only 7% of respondents reported that they take public transit or use the bus system. Additionally, three quarters of respondents were either “mostly satisfied” or “entirely satisfied” with their current transportation options. Twenty percent of respondents were “somewhat unsatisfied” and 5% were “not at all satisfied.”

For respondents who were somewhat unsatisfied or not at all satisfied with their current transportation options, the most common responses to address their concerns included better bicycle lanes and routes, better public transportation options, and better overall walkability in the city. A sample of responses are provided below:

- “A good bike trail system that accommodates all ages and skill levels. It also needs to be safe. We also need better bike education for both riders and non-riders.”
- “Add more regular bus stops and diversify bus routes.”
- “Better bike lanes on the NW end of town. Too many hot streets in the summer...more trees are needed. More trails to keep bikes in safer spaces and off roadways.”
- “Clear sidewalks better during the winter to make walking/biking more possible.”
- “More varied Streamline hours.”
- “Strengthen traffic management efforts.”

Additionally, transportation needs and challenges were also identified during stakeholder consultations and focus groups with residents for the development of this Plan. In general, residents wanted to see the transportation system in Bozeman expand outside of city boundaries. Some residents shared that they currently live just outside the city and cannot get to and from their homes via public transportation. Several residents shared that

rideshare options are really expensive. One resident shared that they have walked from Walmart to their current living situation, which is 8 miles roundtrip.

Residents living with disabilities indicated that it is difficult to use the paratransit services available in Bozeman, noting that demand far outweighs the capacity of the system. One resident noted that because they are unable to take the fixed route bus system that serves Bozeman, they rely on solely on paratransit to get around. They noted that for someone who relies on paratransit and is trying to look for employment, they're not going to be successful because the service is too unreliable (in terms of timing and availability).

Other residents expressed a desire to see more reliable public transportation service in Bozeman. One resident noted that they routinely borrow a car from a friend to pick up their children from childcare; if they had to rely on the bus and are late picking up their children, "they charge you and I don't have any extra money to spend in that way." Another resident said, "I wish the buses went more places...right now, it's not even worth waiting for the bus."

Another resident expressed a desire to see emergency transportation options available for low-income communities. They noted that as a new parent, "I'm terrified about something happening to my child and feeling like I can't call 911 because of how much it will cost."

One resident shared that they like that Streamline has provided more bus stops around town. He also noted that he likes the pink line, which goes between Belgrade and Bozeman. He added "if we had [a bus line] going between Bozeman and Livingston, that would be great."

Other transportation-related challenges were gathered during the community engagement process for the City of Bozeman's Belonging in Bozeman Equity & Inclusion Plan. Some of those challenges are detailed below.

- One Community Liaison articulated that they heard several stories from Hispanic and Latino immigrants who have experienced difficulties meeting their transportation and community safety needs in Bozeman.
- Several barriers to transportation access currently exist for residents living with disabilities. A sample of the feedback gathered is highlighted below.
 - "Bus stops are not set up for wheelchair accessibility."
 - Fixed-route drivers need more training on how to support people with disabilities, especially for wheelchair users.
 - There are seasonal barriers impacting access to transportation for residents with disabilities, with one resident sharing that "the number one issue with transit is snow removal."

- “Paratransit issues are a barrier to community access for a number of qualified riders.”
- Improve enforcement of accessible parking spaces and improve standards for accessible parking requirements.

Healthy Communities

Indicators of a healthy neighborhood include the relative quality of public infrastructure, community, parks and recreation facilities, convenient access to grocery stores and healthcare facilities, and access to healthy food. Below is a summary of feedback related to these indicators.

Neighborhood improvements. When asked to identify what is needed to improve their neighborhoods, a quarter of respondents were satisfied with the current state of their neighborhood. However:

- 16% of survey respondents wanted to see the construction of new sidewalks and/or improvement of current sidewalks in their neighborhood;
- 13% of survey respondents wanted better street lighting in their neighborhood;
- An additional 13% of survey respondents wanted more stores to meet their needs (e.g., grocer, pharmacy);
- 11% of survey respondents wanted to see reduced crime in their neighborhood;
- 9% of survey respondents wanted to see empty buildings and/or lots cleaned up in their neighborhoods; and
- 7% of survey respondents wanted to see parks and outdoor spaces in their neighborhood made more accessible for residents living with disabilities.

Other specific neighborhood improvements identified by survey respondents included:

- “Add crosswalk lights at busy crossings.”
- “Clean up street and construction debris.”
- “Designated bike lanes, bike paths that link to services.”
- “Have a greater diversity of businesses within walking distance of all neighborhoods.”

Additionally, findings by demographic characteristics and other household types found:

- Homeowners (33%) were more three times as likely than precariously housed respondents (11%) and one-and-a-half times more likely than renters (22%) to be satisfied with their current neighborhood.

- Renters (21%) were approximately twice as likely to identify better street lighting in their neighborhood compared with homeowners (11%). Renters (24%) were also more than one-and-a-half times likely to identify new or improved sidewalks as needed in their neighborhood compared to homeowners (14%)
- Approximately a third of both non-Hispanic White and Hispanic survey respondents were satisfied with their current neighborhood. American Indian/Alaska Native and Black respondents were more likely to be dissatisfied.
- Nearly half of respondents with income greater than \$150,000 reported that they were satisfied with their neighborhood, compared to 15% of respondents with income less than \$25,000. Respondents with income less than \$25,000 were more likely to identify better sidewalk infrastructure and lighting, clean up of empty lots/buildings, and making parks and outdoor spaces more accessible for residents living with disabilities than other respondents by income group.
- Retired respondents and respondents with full-time employment were much more likely to be satisfied with their neighborhood. Unemployed respondents were much more likely than other respondents to identify crime reduction (57%) and better street lighting (43%) as needed to improve their neighborhood.
- One in five respondents living with a disability wanted to see improved sidewalk infrastructure in their neighborhoods. Additionally, single parents were more than twice as likely to identify cleaning up empty buildings/lots as a needed neighborhood improvement than all other respondent types.

Public infrastructure and facilities. The housing and community needs survey found that 32% of survey respondents wanted the City to prioritize street and sidewalk improvements. Additionally,

- 28% of respondents wanted to see the City prioritize improvements to parks and recreation centers;
- 24% of respondents wanted to see the City prioritize a new community center or make improvements to existing community centers;
- 23% of respondents wanted to see the City prioritize more recreation opportunities for youth and other special populations; and
- 16% of respondents wanted to see the City prioritize a new senior center or make improvements to existing senior centers.

Other public infrastructure and facility needs articulated by survey respondents included:

- “ADA improvements should be prioritized above all else. The City should follow through with the goals and recommendations in the Equity and Inclusion plan, which would address all of the community development outcomes listed.”

- Several respondents advocated for improvements to be made to community centers or new community centers to be built in the northwest and northeast quadrants of the city.
- “A pool that we can access all year long – a real community center.”

Residents also expressed a need for public facilities, such as dog parks, to be more accessible. One resident shared that many of the newer parks in Bozeman are accessible but most of the older parks are not. Another residents shared that most playgrounds in Bozeman are not ADA compliant.

Health and well-being. When asked to identify what is needed to improve their health, approximately 4 in 10 survey respondents were satisfied with the current state of their health. However:

- 16% of survey respondents wanted it to be easier to exercise;
- 14% of survey respondents wanted better access to healthier foods;
- 7% of survey respondents wanted it to be easier to access health clinics; and
- An additional 7% of survey respondents wanted more playgrounds to be made available for children.

Other health and well-being needs articulated by survey respondents included:

- “Actual repercussions for landlords who fail to make their buildings livable.”
- “An outdoor/public access gym would do so well in Bozeman!”
- “Currently have mold growing in unit and have been unable to address it.”
- “Easier access to more affordable health insurance. I have no health insurance because I cannot afford it.”
- “I can still drive so access to health care is available. But it won’t last. Public transportation that runs regularly would help. Right now it takes all day to get to the west side and back.”
- “More mixed-use neighborhoods to increase walkability to resources.”

Additionally, findings by demographic characteristics and other household types found:

- More than half of homeowner respondents (54%) were satisfied with their health. Owners are more than one-and-a-half times more likely to be satisfied with their health than renters (33%) and almost three times as likely to be satisfied with their health compared to precariously housed respondents (20%).

- Both renters (24%) and precariously housed (27%) respondents were at least three times as likely to identify better access to healthier food as needed to improve their health compared to homeowner respondents (8%).
- Non-Hispanic White respondents (54%) were nearly seven times more likely to be satisfied with their health compared to American Indian/Alaska Native respondents (8%) and more than five times as likely compared with Black/African American respondents. Half of Hispanic respondents were satisfied with their health.
- Black/African American and American Indian/Alaska Native respondents were more likely to identify making it easier to access health clinics than other respondents.
- Approximately seven in ten respondents with income greater than \$150,000 were satisfied with their health—the highest among respondents by income. Conversely, respondents with income less than \$25,000 had the lowest proportion of respondents satisfied with their health (29%).
- Retired (72%) respondents and respondents working full time (50%) were most likely to be satisfied with their health among respondents by employment status. Just 14% of unemployed residents were satisfied with their health.
- Respondents over the age of 65 (59%) were most likely to be satisfied with their health among respondents by different household type. Respondents living with disabilities were the least likely—approximately one in five respondents (19%) living with a disability were satisfied.

While half of Hispanic respondents indicated they were satisfied with their health, which was among the highest proportion of Bozeman residents by race and ethnicity, the City could improve its outreach to these populations to ensure that they are aware of services available to them and can easily connect to them. One of the Community Liaisons for the Belonging in Bozeman Equity & Inclusion Plan articulated that:

“Community engagement is an important approach to have a collaborative effort between organizations, in designing the effective way to deliver services and information to the community. Due to the complexity of issues in communication, the traditional approaches have been ineffective and non-inclusive, especially to Spanish-speaking residents in Bozeman; but the best starting is to have an established and permanent plan which is going to keep everyone connected.”

As such, the Belonging in Bozeman Plan identified two recommendations to ensure that traditionally underserved populations have access to health and wellbeing services and programs:

- Partner with organizations to reach underserved communities through mobile/pop-up health clinics and health education and promotion programs; and
- Support additional resources to improve referral processes and help patients/clients connect with community resources.

Food provision and insecurity. The United States Department of Agriculture (USDA) provides several metrics to evaluate food access in their Food Access Research Atlas (2019). The USDA states, “low access to healthy food is defined as being far from a supermarket, supercenter, or large grocery store (“supermarket” for short). A census tract is considered to have low access if a significant number or share of individuals in the tract is far from a supermarket.”

According to the Atlas, there is one Census tract in Bozeman—Census Tract 11.02—where a significant share of residents are more than one mile away from the nearest supermarket. This Census tract includes Montana State University, and is bounded by Huffine Lane to the north, Cottonwood Road to the west, and Patterson Road to the south.

In Montana, 10% of households experience low or very low food security, which is lower than the national average.¹² Counties with greater Indigenous populations have much higher rates of food insecurity at roughly 33%. Indigenous households living on reservations in particular with lower access to jobs and the dismantling of traditional indigenous food systems have the highest percentage of food insecure residents with 43% insecurity.¹³

The USDA estimates that in 2020, 79% of eligible residents in the state of Montana participated in the SNAP program.¹⁴ Children and seniors are particularly vulnerable to food insecurity. According to Feeding America data from 2022, Gallatin County had a food insecurity rate of 9%, or an estimated 10,750 residents who are considered food insecure. Of these households, 38% of food insecure households are not income eligible for SNAP benefits, creating a significant gap in food access for food-insecure households.

One of the goals coming out of the City’s Belonging in Bozeman Equity and Inclusion Plan is to prioritize food access for low-income communities. Specifically, the City will look to work with partners to improve access to healthy local food and nutrition programs through the sharing and celebration of cultural and indigenous foods.

¹² <https://www.ers.usda.gov/webdocs/publications/90023/err-256.pdf?v=0>

¹³ [Policy Basics: Supplemental Nutrition Assistance Program \(SNAP\) | Montana Budget & Policy Center](#)

¹⁴ [Reaching Those in Need: Estimates of State SNAP Participation Rates in 2020](#), United States Department of Agriculture, August 2023.

V. DISPROPORTIONATE HOUSING NEEDS

SECTION V.

Disproportionate Housing Needs

The primary purpose of a disproportionate housing needs analysis is to determine how access to the housing market and housing choice differ for members of protected classes. Disproportionate needs analyses can also identify where gaps in housing markets exist for all residents and facilitate goal-setting and strategic housing planning.

To that end, this section:

- 1) Analyzes rental housing needs and gaps in attaining homeownership, by jurisdiction and compared to the county and state overall;
- 2) Identifies where needs differ by protected class;
- 3) Assesses how these differences affect housing choice. This includes geographic choice as well as differences in public and private housing options.

Primary Findings

The data analysis in this section finds the most severe disproportionate needs in:

- **Cost burden and severe cost burden.** Half of Black/African American households experience cost burden, while a fifth of Asian households and a quarter of Hispanic households experience severe cost burden. These households are much more likely to experience eviction and homelessness due to inability to keep up with their rent or mortgage payments.
- **Homeownership rates.** Significant gaps in homeownership exist for Black/African American households in Bozeman; large gaps also exist for Hispanic households. According to recent ACS data, there are no Black/African Americans that own their homes in Bozeman, compared to 45% of non-Hispanic White households. Additionally, just 26% of Hispanic households own their homes. According to the housing and community needs survey, Black/African American and American Indian/Alaska Native survey respondents are much more likely to have trouble keeping up with their property taxes than city respondents overall.
- **Displacement.** Approximately one in five Bozeman households (21%) report moving in the last five years against their choice. While the sample sizes were small, 50% of American Indian/Alaska Native and 40% of Black/African American respondents report experiencing displacement. AIAN respondents were more likely to be displaced due to their landlord not renewing the lease or losing their job,

while Black/African American respondents were more likely to report being evicted because they were behind on rent or their home went into foreclosure. Renters, respondents living with a disability, and low-income renters also experienced displacement at a disproportionate rate. These households reported rent increases as the primary reason for displacement.

- **Access to mortgage loans.** Of applicants for mortgage loans in 2022, Hispanic residents had the highest denial rates (12%), 25% higher than non-Hispanic White applicants. In Bozeman, nearly half of all loan applications are denied due to debt-to-income ratio. While too few observations were available for most applicants by race and ethnicity, Hispanic applicants (5%) were more than twice as likely than non-Hispanic White applicants (2%) to receive a high-priced loan.

Indicators of Disproportionate Needs

There is no formal definition or mechanism to measure housing needs, much less disproportionate needs. In housing market studies, housing needs are typically measured by:

- Cost burden—when a household pays more than 30 percent of their income in housing costs including basic utilities and property taxes; and Severe cost burden—when a household pays more than 50 percent of their income in housing costs. This is also an indicator of eviction or foreclosure, and homelessness;
- Homeownership rates and access to mortgage loans; and
- The cost of housing (rents, purchase prices).

Our focus on disproportionate needs furthers that analysis by:

- Identifying the *differences* in the above housing needs indicators for residents of various protected classes;
- Examining additional factors that affect choice and further economic opportunity, which is largely informed by the housing and community needs survey;
- Analyzing whom the private market serves, if the market is addressing housing needs of protected classes differently needs, and if discrimination is at play—again, informed by the resident survey.

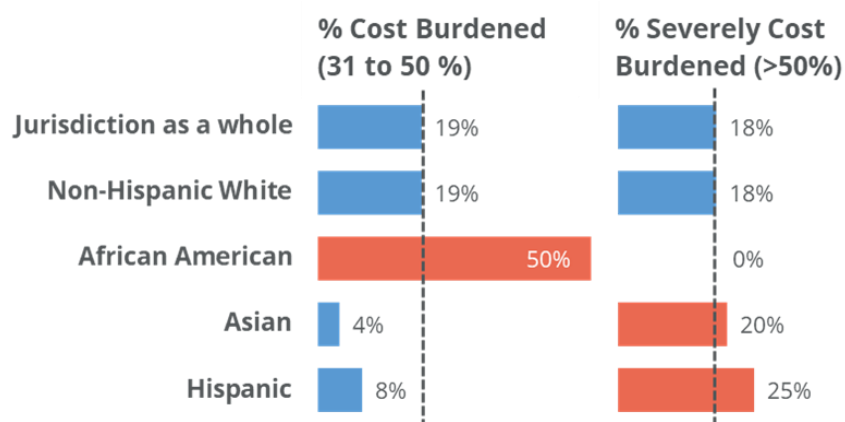
Housing Cost Burden

Figure V-1 shows the percent of Bozeman households that are cost burdened (paying between 31 and 50% of their income toward housing) and households that are severely cost burdened (paying more than 50% of their income toward housing) by race and ethnicity. Citywide, 19% of households are cost burdened and 18% of households are severely cost burdened.

African American households are disproportionately impacted by cost burden in Bozeman, with half of all African American households experiencing cost burden. While just 8% of Hispanic households experience cost burden, a quarter of all Hispanic households are severely cost burdened. Similarly, while only 4% of Asian households are cost burdened, one in five Asian households are severely cost burdened. Meanwhile, only 19% of non-Hispanic White households are cost burdened, and 18% are severely cost burdened.

**Figure V-1.
Cost Burden by
Race and Ethnicity,
Bozeman**

Source:
2016-2020 HUD CHAS dataset. Refer
to the Data Documentation for
details
(www.hudexchange.info/resource/4848/affh-data-documentation).



Rising housing costs and stagnant wages contribute to cost burden. Over four in ten survey respondents (44%) reported that they currently experience a housing challenge. Survey respondents identified cost burden as a significant housing challenge; a sample of responses related to cost burden are provided below.

- “After being a renter for nearly 10 years, I can no longer pay rent because it is too high. I work for a local business and provide essential community care.”
- After paying rent, I don’t have much left for anything else like food or medical, let alone clothes or a vehicle.”
- “[I’m] BARELY making enough to continue to live here....”
- “Cost of living here is through the roof...I have definitely had to make the hard choice of ‘do I pay rent on time or do I put gas in my car/buy groceries/pay the power bill?’”
- “I can pay for my low-income housing but can never afford rent anywhere else in Bozeman. I work full-time and am making more than I ever have. To me, 55K is a lot of money but it's only enough to stay where I am. I want to take care of a home, to grow my own food - why is this not there for me?”
- “My housing costs are more than 60% of my income.”
- “My rent will be more than I can afford on SS and SSDI combined.”
- “I work two jobs to afford housing.”

Overall, 8% of Bozeman survey respondents struggle to pay their utility costs, 5% struggle to pay their rent or mortgage, and 3% have bad credit or a history of eviction/foreclosure and cannot find a place to rent.

Unemployed (43%), Black/African American (30%), American Indian/Alaska Native respondents (23%), as well as respondents with income less than \$25,000 and students (16% each, respectively) are more likely than the average Bozeman respondent to struggle to pay housing costs (including utilities).

Residents and stakeholders also shared several experiences and challenges with cost burden in Bozeman. One resident shared that “prices are insane in Bozeman and housing costs are really high.” Another resident shared that it’s “hard to save for first and last month’s rent and security deposit, on top of having to make three times the amount of rent. Just to move in, you’re looking at having to fork over \$8,000.”

One resident shared that they were looking at an apartment that was \$2,220 per month and the landlord required the tenant make three times the amount of rent. They said that “even as a double income household, how can you make that?” Another resident shared that “some people who only receive disability income can’t even make their rent.” They wanted to see SSDI adjusted for cost of living.

Homeownership Differences

For the majority of households in the U.S., owning a home is the single most important factor in wealth-building. Homeownership is also thought to have broader public benefits, which has justified decades of public subsidization. For nearly 100 years, the federal government has subsidized ownership through the mortgage interest tax deduction and the secondary mortgage market.¹

Yet these incentives for ownership have been in place far longer than the existence of fair lending and fair housing protections, meaning that the benefits of federal subsidies for ownership have not been equally realized by all protected classes. This explains some of the reason for ownership disparities today, in addition to the now-illegal practices of redlining, steering, blockbusting, unfair lending, and discriminatory pricing.²

Figure V-2 below shows homeownership rates by race and ethnicity for the city of Bozeman, Gallatin County, and the state of Montana. Overall, Bozeman has lower homeownership rates than both Gallatin County and the state of Montana, likely driven by the presence of Montana State University and the relatively large student population. Non-Hispanic White households have the highest rate of homeownership in the city (45%) followed by Asian households and households that identify as two or more races (34% each, respectively).

- According to 2022 5-year ACS data, there are no Black/African American households that own their home in Bozeman. Out of approximately 160 households, nearly 70% of Black/African American households in Gallatin County own their home while just over one quarter of Black/African American households statewide own their homes.
- Just over a third of Asian households—who typically have similar or better measures of housing access as non-Hispanic White households—own their homes in Bozeman. Homeownership rates are higher in both the county (40%) and state (56%).

¹ Despite the many public and private interventions to expand ownership, the overall U.S. rate has been stubbornly stagnant. In 2015, 63.7 percent of households were owners, compared to 63.9 in 1990. Contrary to what many U.S. residents believe, the U.S. does not lead developed countries in homeownership. Instead, the U.S.' rate of ownership is similar to that of the United Kingdom (63.5%) and lower than Canada's (67.0%).

² "Steering" refers to the practice of showing home- and apartment-seekers homes only in neighborhoods with residents of similar races and ethnicities; it is now illegal for real estate agents to engage in steering. "Blockbusting," which is also illegal, refers to the practice of real estate agents and builders convincing homeowners to sell their homes below market because of the fear that minorities could be moving into the neighborhood, and then reselling those homes to minorities at inflated prices. "Discriminatory pricing" means intentionally charging certain protected classes more for housing than others and is often a product of steering, blockbusting, subprime lending, and other illegal practices.

- Approximately a quarter of Hispanic households own their homes in Bozeman. Homeownership rates are higher for Hispanic households in Gallatin County (38%) and the state of Montana (49%).

Additionally, 13% of survey respondents reported not being able to keep up with their property taxes. By household type, American Indian/Alaska Native (31%), Black/African American (30%) and unemployed (29%) respondents were most likely to have trouble keeping up with their property taxes, as well as respondents over the age of 65 (25%).

A sample of responses related to homeownership costs are provided below.

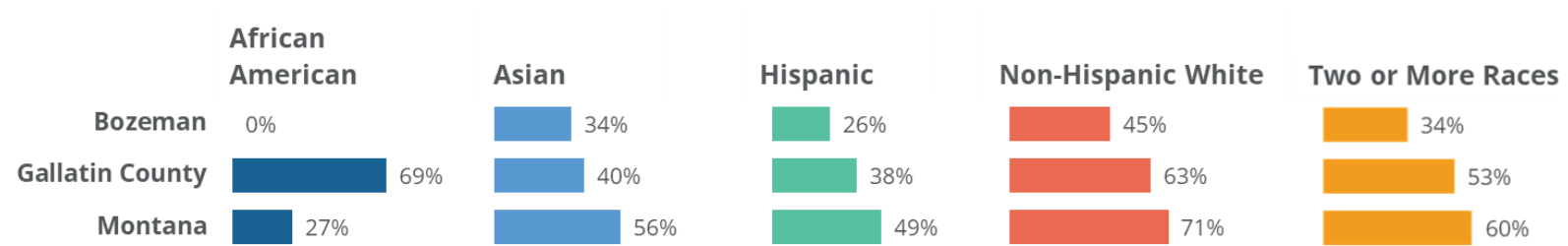
- "I can [currently] keep up with property taxes but worried that they just keep going up and I'll soon be retiring."
- "Can't keep up with homeowners' insurance increases."
- "I am severely cost burdened in my mortgage payments."
- "I wonder if my property taxes will become unaffordable in the future."
- "The issue for me is that I have been very financially responsible and am still feeling the risk of having to leave the area due to lack of affordability...."

Residents and stakeholders also shared several experiences and challenges with homeownership in Bozeman.

One stakeholder shared that they have lived in Bozeman for six years, noting that "when I first got here, it was pretty easy to find a place to live. I thought I would work on my credit a bit and then be able to buy a house." They described that since they've been here, prices have continued to skyrocket and then it got even worse with COVID. After COVID, they said "I'm never, ever, ever going to be able to buy in Bozeman."

Another resident shared that they have lived in Bozeman since the late 1990s and live in a single-family home. They shared that the only way they could have bought their house in 2009 was due to three things: the generosity of a close friend; Obama's tax credit; and the death of a grandparent..."I couldn't have purchased a home without these three things."

Figure V-2.
Homeownership Rate by Race and Ethnicity, 2022



Source: 2022 ACS 5-year estimates and Root Policy Research

Differences in Housing Challenges

According to the housing and community needs survey conducted for this plan, overall, 58% of Bozeman households face housing challenges. While sample sizes are small, proportions are much higher for Black/African American (90%) and American Indian/Alaska Native (85%) respondents. Additionally, households with a member living with a disability (81%), single parent households (75%), households with children (71%), and households earning lower than \$25,000 (68%) all face housing challenges disproportionately compared to the overall Bozeman survey respondent.

The following housing challenges emerged as particularly acute for certain subpopulations but were not prevalent among Bozeman households overall.

- ***I have bad credit/history of evictions/foreclosure and cannot find a place to rent.*** Precariously housed respondents were nearly four times as likely to identify this challenge compared to Bozeman survey respondents overall. Black/African American, Hispanic, and American Indian/Alaska Native respondents, respondents whose household includes a member with a disability, respondents with household income between \$25,000 and \$50,000, and single parents.
- ***I have Section 8 and am worried my landlord will stop accepting Section 8.*** Black/African American, American Indian/Alaska Native, and Hispanic respondents, respondents with household income below \$50,000, unemployed respondents, single parents, and respondents over the age of 65 reported this concern disproportionately.
- ***My home/apartment is in bad condition.*** Black/African American and Hispanic respondents, respondents making less than \$50,000, students, and respondents living in large households reported this issue disproportionately.

Differences in displacement experience. In the last five years, according to the housing and community needs survey, one in five (21%) Bozeman households experienced displacement—that is, they had to move out of a home in Bozeman when they did not want to move. Those households with the highest displacement rates include:

- ***American Indian and/or Alaska Native.*** While the sample size is small, 50% of AIAN respondents experienced displacement from a residence in Bozeman in the past five years. American Indian/Alaska Native respondents identified being displaced due to the landlord not renewing their lease (67%) and lost job/hours reduced (50%).
- ***Black/African American.*** While the sample size is also small for Black/African American residents, 40% of Black/African American respondents experienced

displacement from a residence in Bozeman in the past five years. These respondents identified “evicted because I was behind on rent” and “my home went into foreclosure” as the common reasons for their displacement (50% each).

- **Renters.** Nearly four in 10 renters (38%) report recent displacement. More than half of renters (55%) identified “rent increased more than I could pay” as the primary reason for being displaced.
- **Respondents living with a disability.** More than a third (35%) of respondents living with a disability have experienced displacement in the last five years. The “rent increased more than I could pay” (52%) and “the landlord wanted to rent to someone else” (30%) were the primary reasons for displacement.
- **Low-income households.** Low-income households were more likely to experience displacement than higher income households—31% of households with income less than \$25,000 and 34% of households with income between \$25,000 and \$50,000 were displaced in the last five years. For these respondents, “rent increased more than I could pay” was the primary reason for their displacement (32% for respondents with income less than \$25,000, 56% for respondents between \$25,000 and \$50,000). Additionally, 32% of respondents with income less than \$25,000 cited “housing was unsafe” as a reason for displacement.

Access to Credit

Several factors contribute to the differences in homeownership by race and ethnicity observed above, including disparities in access to lending. Home Mortgage Disclosure Act (HMDA) data can shed light on the role of access to credit in homeownership differences by race and ethnicity. HMDA data is collected by the Federal Financial Institutions Examination Council (FFIEC) which provides data used in the analysis of mortgage lending practices.

HMDA data include variables such as race, Census tract, loan type, and loan purpose. And, while these variables can be used to explain many of the reasons for any lending disparities (e.g., poor credit history), they do not contain all of the factors that are evaluated by lending institutions when they decide to make a loan to an applicant.

This section uses the analysis of HMDA data to examine disparities in lending and loan denials across different racial and ethnic groups and income categories, to determine if loans are being apportioned more favorably to some racial and ethnic groups as opposed to others.

Loan applications in Bozeman. During 2022, there were 1,759 loan applications made for residential properties in the city of Bozeman. Of these loans, 93% were for conventional loans, 5% were for Veterans Affairs (VA) guaranteed loans, and 2% were Federal Housing Administration (FHA) insured loans. Just one applicant applied for

a USDA Rural Development guaranteed loan. Figure V-3 reveals the distribution of loans by loan type.

**Figure V-3.
Loan Applications
by Loan Type,
Bozeman, 2022**

Note:

Includes only first lien loans. Does not include loans for multifamily properties or non-owner occupants.

n = 1,759

Source:

HMDA Raw Data 2022 and Root Policy Research.

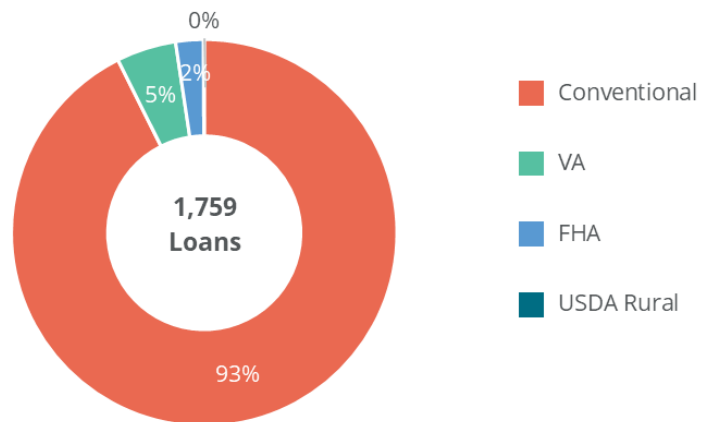


Figure V-4 shows loan types. Over half (54%) of all loan applications were for home purchases while a quarter (25%) were cash-out refinancing loans. Approximately 1 in 7 applicants applied for a refinancing loan (14%). A very small portion (2%) were home improvement loans (although cash-out refinancing may have also been intended for home improvements).

**Figure V-4.
Loan Applications
by Loan Purpose,
Bozeman, 2022**

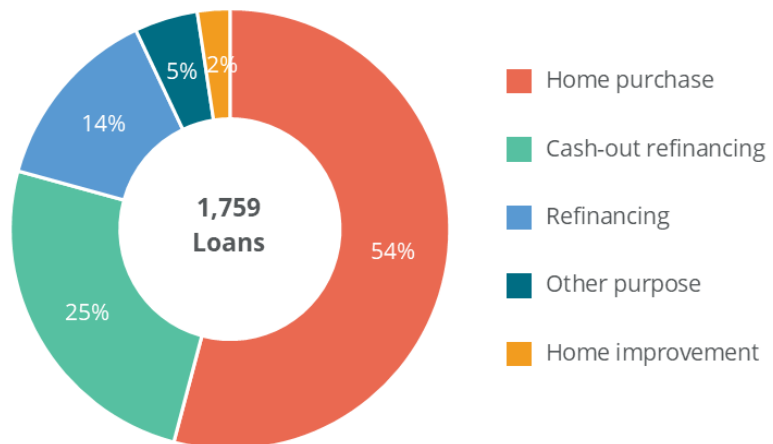
Note:

Includes only first lien loans. Does not include loans for multifamily properties or non-owner occupants.

n = 1,759

Source:

HMDA Raw Data 2022 and Root Policy Research



Of the loan applications in Bozeman in 2022, approximately two thirds (66%) resulted in the loan being originated; 19% were withdrawn by the applicant; and 10% were denied. Additionally, 4% of applications had files that were closed for incompleteness and 2% were approved but not accepted by the applicant.

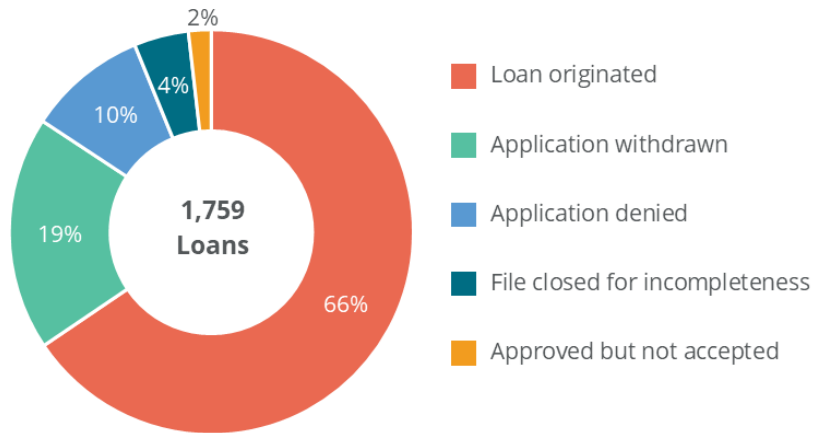
**Figure V-5.
Loan Action Taken,
Bozeman, 2022**

Note:

Includes only first lien loans. Does not include loans for multifamily properties or non-owner occupants. n = 1,759

Source:

HMDA Raw Data 2022 and Root Policy Research.



Loan outcomes by race/ethnicity. Figure V-6 presents detailed outcomes of the loan applications, focusing on the difference in outcomes among racial and ethnic groups.

Although non-Hispanic White applicants applied for loans at a rate 42 times greater than Hispanic applicants, loan originations were lowest among Hispanic applicants. With an origination rate of 61%, Hispanic applicants' loans were originated at six percentage points less than for non-Hispanic White applicants (67%) and 12 percentage points less than for Asian applicants (73%).

Moreover, applications submitted by Hispanic would-be-borrowers resulted in a denial 12% of the time—20% higher than for applicants overall and 25% higher than non-Hispanic White applicants. While Hispanic applicants were 33% less likely to withdraw their application compared to non-Hispanic White applicants, they were almost four times as likely to have their file closed for incompleteness. Nearly a quarter (23%) of Asian applicants withdrew their applications in 2022.

Figure V-6.
Outcome of Mortgage Loan Application by Race/Ethnicity, Bozeman, 2022

	Loan Originated	Application Denied	Not Accepted by Applicant	Application Withdrawn	File Closed	Total Applications
Bozeman	66%	10%	2%	19%	4%	1,759
Race and Ethnicity						
Non-Hispanic White	67%	9%	2%	18%	4%	1,399
Hispanic	61%	12%	0%	12%	15%	33
Asian	73%	4%	0%	23%	0%	26
American Indian/American Native	-	-	-	-	-	16
Black/African American	-	-	-	-	-	6
Proportion Differences						
Hispanic/White Difference	-6%	3%	-2%	-6%	11%	-1,366
Asian/White Difference	6%	-5%	-2%	5%	-4%	-1,373

Note: Applicants who identified as having one race and either identified their ethnicity as “not Hispanic or Latino” or had “ethnicity not available” were assigned racial groups based on the one race identified, while any applicant who identified their ethnicity as “Hispanic or Latino” and had identified as any other racial category were assigned “Hispanic.” Estimates are not presented for Black/African American or American Indian/Alaska Native groups due to insufficient data (n<20). Note that sample sizes are small for Asian and Hispanic groups. Includes only first lien loans. Does not include loans for multifamily properties or non-owner occupants. n=1,759.

Source: HMDA Raw Data 2022 and Root Policy Research

Most often, loan applications are denied due to credit worthiness, particularly low credit scores or high debt-to-income ratios. As revealed in Figure V-7, debt-to-income ratios and credit history were among the most common reasons provided for loan denial. Combined, they make up close to two thirds of all reasons provided for loan denials in Bozeman.

**Figure V-7.
Reason for Denial,
Bozeman, 2022**

Note:

Percent calculated from total reasons given including multiple reasons for one applicant. Includes only first lien loans. Does not include loans for multifamily properties or non-owner occupants. n=168.

Source:

HMDA Raw Data 2022 and Root Policy Research

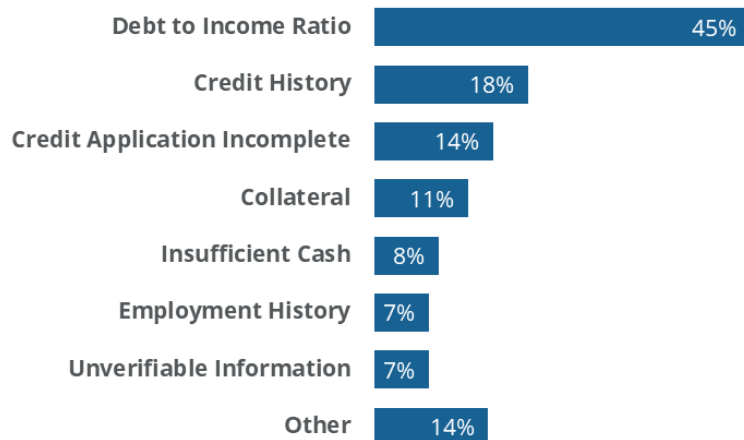


Figure V-8 presents denial rates based on loan purpose for all Bozeman applicants in 2022. Nearly a quarter of loan denials (23%) were for home improvement loans, while just over a fifth of denials were classified as “other purpose.” Additionally, refinance loans accounted for 16% of loan denials, while 14% of loan denials are for cash-out refinancing and 10% are for home purchases.

Non-Hispanic White applicants made up 90% of all loan denials in Bozeman in 2022. As such, the distribution of denials by loan purpose of non-Hispanic White applicants is essentially unchanged from the distribution of all loan denials. Denials by loan purpose are not shown for other applicants by race and/or ethnicity due to too few observations.

**Figure V-8.
Denials by Loan
Purpose, Bozeman,
2022**

Note:

Denial rates are calculated out of the total of originated loans, denied loans, and loans approved but not accepted. Includes only first lien loans. Does not include loans for multifamily properties or non-owner occupants. n=1,353.

Source:

HMDA Raw Data 2022 and Root Policy Research

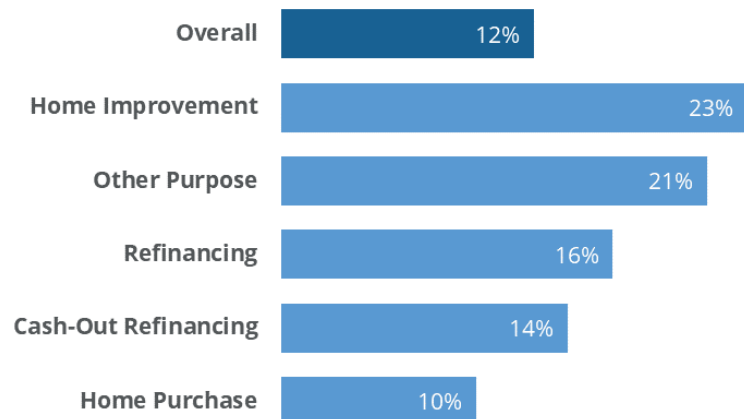
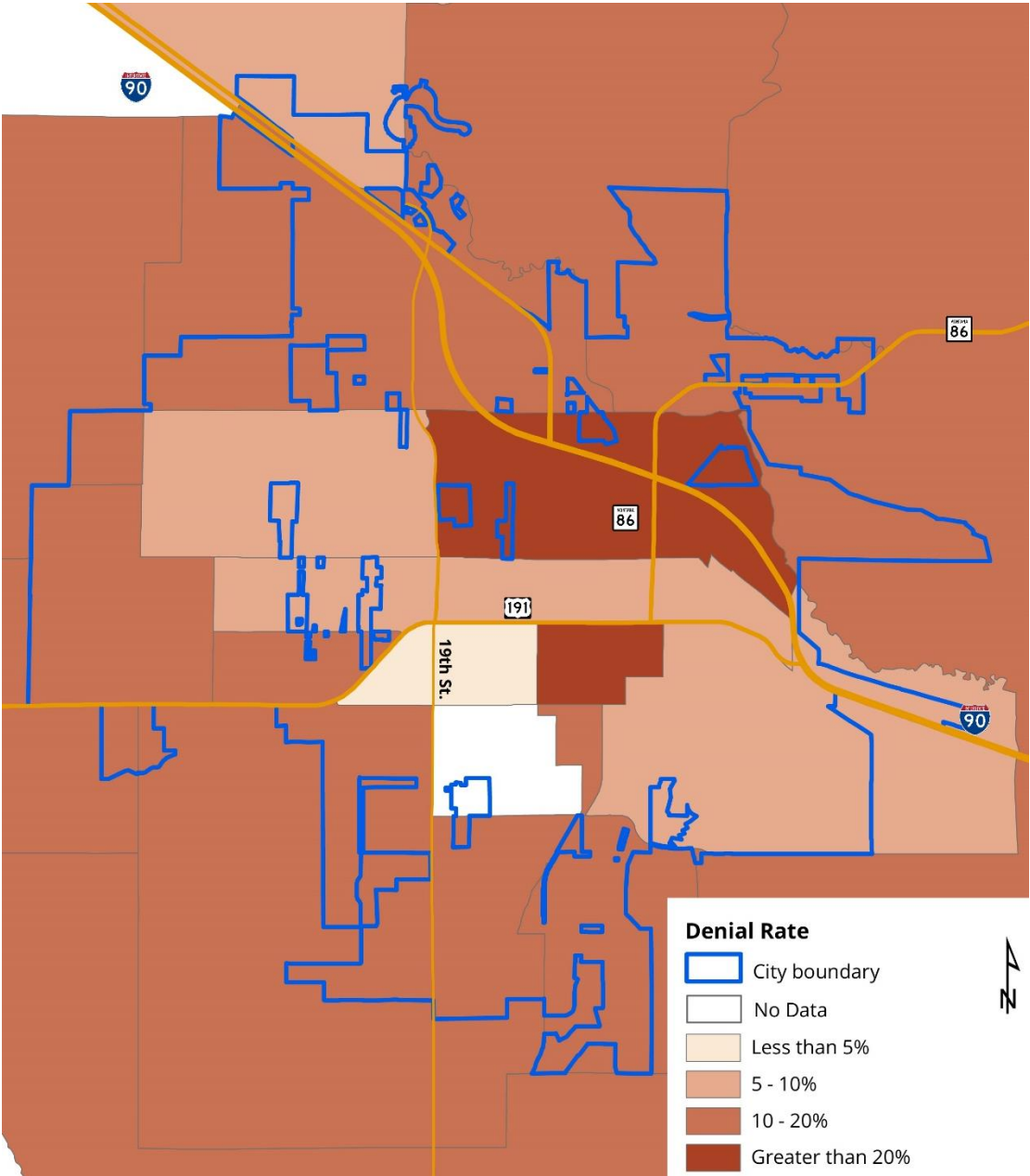


Figure V-9 shows the geographic distribution of mortgage loan denial rates in Bozeman by Census tract. Census tracts with the highest proportion of mortgage loan denial rates within city boundaries are Census Tract 8 (30%) and Census Tract 6 (27%); however, the number of loan originations for these two Census tracts (16 and 18, respectively) are relatively low compared to other Census tracts in Bozeman (average number of loan

origination by Census tract is 72). The next highest denial rate for other Census tracts in Bozeman is 16%.

Figure V-9.
Mortgage Loan Denial Rates by Census Tract, Bozeman, 2022



Note: Census tracts with fewer than 20 total applications were excluded. Includes only first lien loans. Does not include loans for multifamily properties or non-owner occupants. Denial rates are calculated out of the total of originated loans, denied loans, and loans approved but not accepted. n=1,353.

Source: HMDA Raw Data 2022 and Root Policy Research.

Beginning in 2004, HMDA data contained the interest rates on higher-priced mortgage loans. This allows examinations of disparities in high-cost, including subprime, loans

among different racial and ethnic groups. It is important to remember that subprime loans are not always predatory or suggest fair lending issues, and that the numerous factors that can make a loan “predatory” are not adequately represented in available data. Therefore, actual predatory practices cannot be identified through HMDA data analysis. However, the data analysis can be used to identify where additional scrutiny is warranted, and how public education and outreach efforts should be targeted. For the purpose of this section we define “high priced” as a loan with an ARP of more than one and half (1.5%) percentage points above comparable treasuries.

Overall, just 2% of Bozeman applicants received high-priced loans in 2022 (Figure V-10). When broken down by income, 3% of applicants making less than 80% AMI received high-priced loans, while just 2% of applicants making between 81-120% AMI and more than 120% AMI each received high-priced loans, respectively.

Two percent of White applicants received high-priced loans across all income levels. For all income categories, White applicants had the same proportion of applicants that received high-priced loans as city applicants overall. Aside from Hispanic/Latino applicants (5% received high-priced loans, there are too few observations to report for other applicants by race and ethnicity.

Figure V-10.
High Priced Loans by Race/Ethnicity and Income, Bozeman, 2022

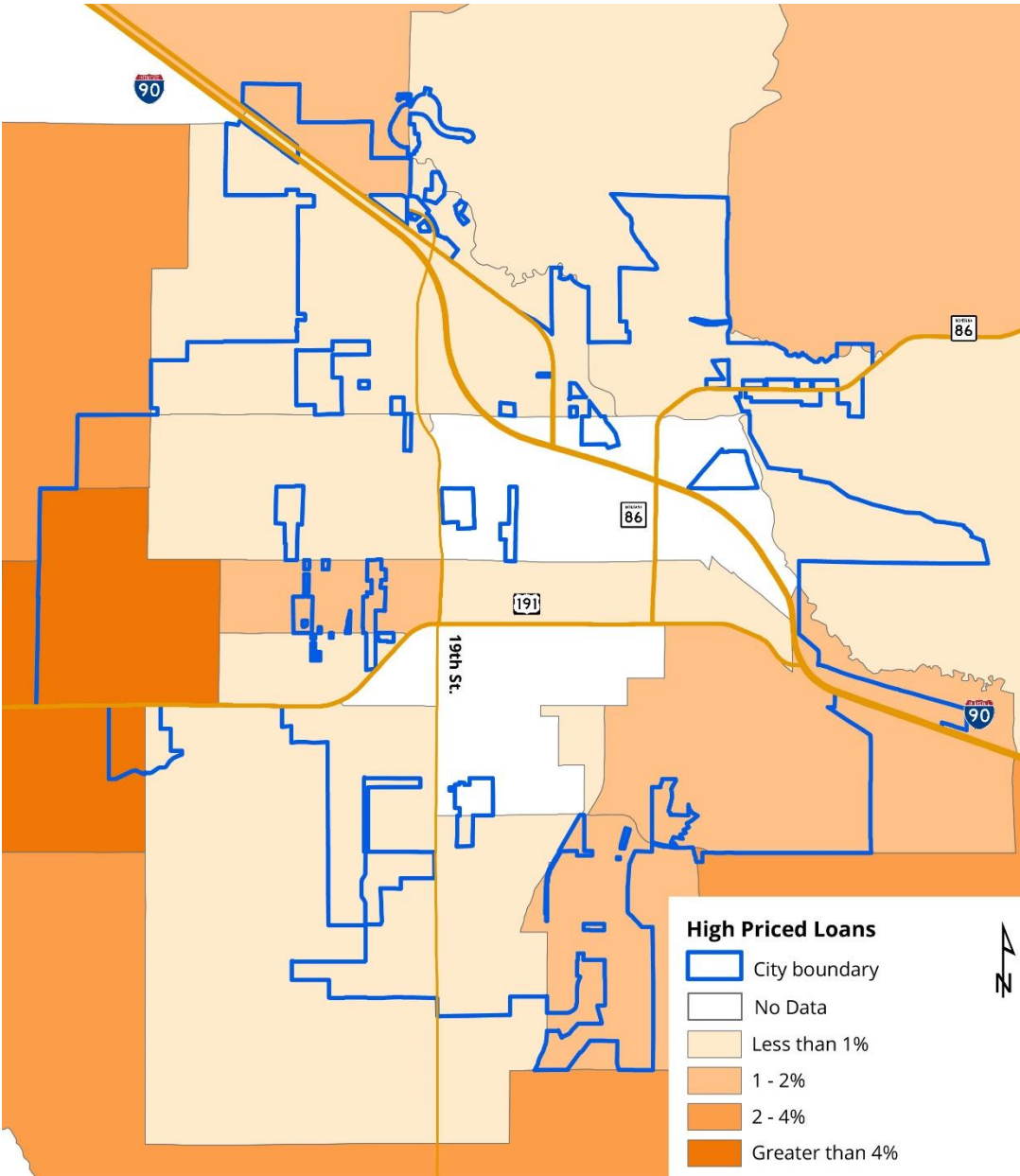
	Overall	AMI Range		
		0-80% AMI	81-120%	Over 120%
Bozeman	2%	3%	2%	2%
Race and Ethnicity				
White	2%	3%	2%	2%
Hispanic or Latino	5%	-	-	-
Asian	-	-	-	-
American Indian or American Native	-	-	-	-
Black or African American	-	-	-	-
Proportion Differences				
Hispanic/White Difference	3%	-	-	-

Note: "High priced" is defined as a loan with an APR of more than one and a half (1.5) percentage points above comparable treasuries. Percentage is calculated from total originated loans. Includes only first lien loans. Does not include loans for multifamily properties or non-owner occupants. Income limits corresponding to the income breaks in the table are 2022 2-person AMI limits for Bozeman as follows: 80% AMI = \$63,680; 100% AMI = \$79,600; 120% AMI = \$95,520. Race categories include non-Hispanic and ethnicity not provided while the Hispanic category includes Hispanic or Latino of any race. Estimates are not presented for Asian, Black/African American, American Indian/Alaska Native, and Other groups due to insufficient data. Estimates are not provided for income groups by race with fewer than 20 originated loans in 2022. Note that sample size is small for Hispanic residents.

Source: HMDA Raw Data 2022 and Root Policy Research.

Figure V-11 shows the geographic distribution of the proportion of high-priced loans by Census tract. Just one Census tract has a greater proportion of high-priced loans relative to the city overall—Census Tract 5.05 (5%). This tract is located on the western end of the city. Census Tract 5.02 (3%) also has a greater proportion of high-priced loans relative to the city; however, this tract is located almost entirely outside of city boundaries.

Figure V-11.
Percent High-Priced Loans by Census Tract, Bozeman, 2022



Note: Does not include loans for multifamily properties or non-owner occupants. "High priced" is defined as a loan with an ARP of more than one and half (1.5%) percentage points above comparable treasuries. Percentage calculated from total originated loans.

Source: HDMA Raw Data 2018 and Root Policy Research.

Alternative financial products. Households who are rejected from traditional or even higher-cost lending products—or who are unaware of or distrust traditional lenders—use alternative financial products, many of which carry very high interest rates and inhibit financial stability and wealth-building.

A cornerstone of the Federal Deposit Insurance Corporation’s (FDIC) economic inclusion (<https://www.economicinclusion.gov/whatis/>) project is a study of what the FDIC has identified as unbanked and underbanked households. “Unbanked” households are those in which no one in the household has a checking or savings account “Underbanked” households are those who have an account in an insured institution but also use services that are likely to charge high or very high rates. These services include checking cashing institutions, payday loans, “tax refund anticipation” loans, rent-to-own services, pawn shop loans, and/or auto title loans.

The FDIC studies the prevalence of unbanked and underbanked households every two years. The latest, 2021, survey found that:

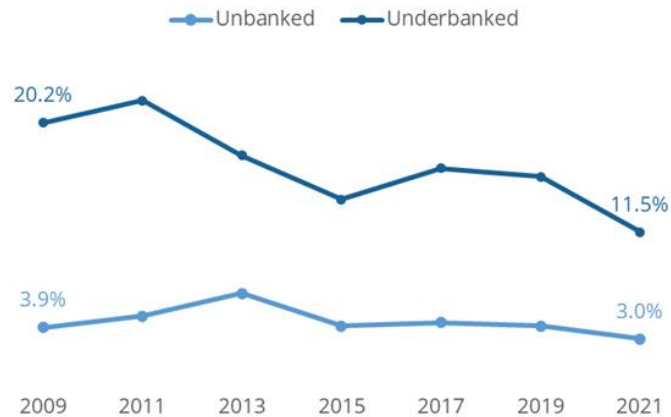
- 1) 4.5% of U.S. households are “unbanked,” which is the lowest rate since the study began in 2009. The unbanked rate fell by 0.9 percentage points between 2009 and 2021, which corresponds with an increase of approximately 1.2 million banked households.
- 2) Approximately 14% of U.S. households are “underbanked.” This rate has fallen by 4.7 percentage points since 2017.
- 3) The State of Montana has an unbanked rate of 3%, which has been gradually declining since 2013.

Figure V-12 shows the state’s trend in the percentage of unbanked and underbanked households since 2009.

Figure V-12.
Unbanked and
Underbanked Households,
State of Montana, 2009 -
2021

Source:

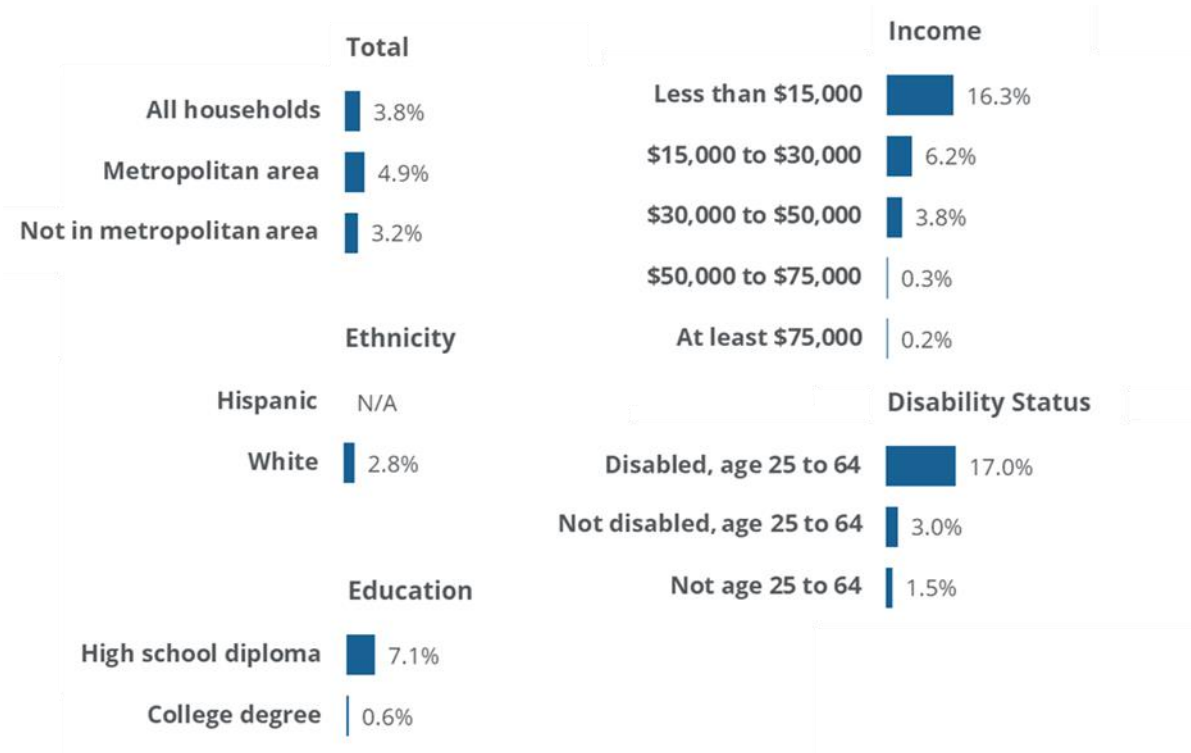
Multiyear FDIC National Survey of Unbanked and Underbanked Households.



Unfortunately, the FDIC survey data are not available by household characteristic at the city level. However, household characteristics are available at the state level and are found in Figure V-13, which shows that:

- Just shy of 3% of White households are unbanked in the state. Data were not available for Hispanic households or any other racial or ethnic group.
- Households with a high school diploma are nearly 12 times as likely to be unbanked compared to college-educated households.
- Households making between \$15,000 and \$30,000 are almost twice as likely as all households to be unbanked, while households making less than \$15,000 are over four times as likely to be unbanked.
- Households with a person living with a disability are almost six times as likely to be unbanked compared to other same age households without a disability (25 to 64 years old).

Figure V-13.
Unbanked Households, State of Montana by Household Characteristics, 2021



Source: 2021 FDIC National Survey of Unbanked and Underbanked Households.

Housing Access

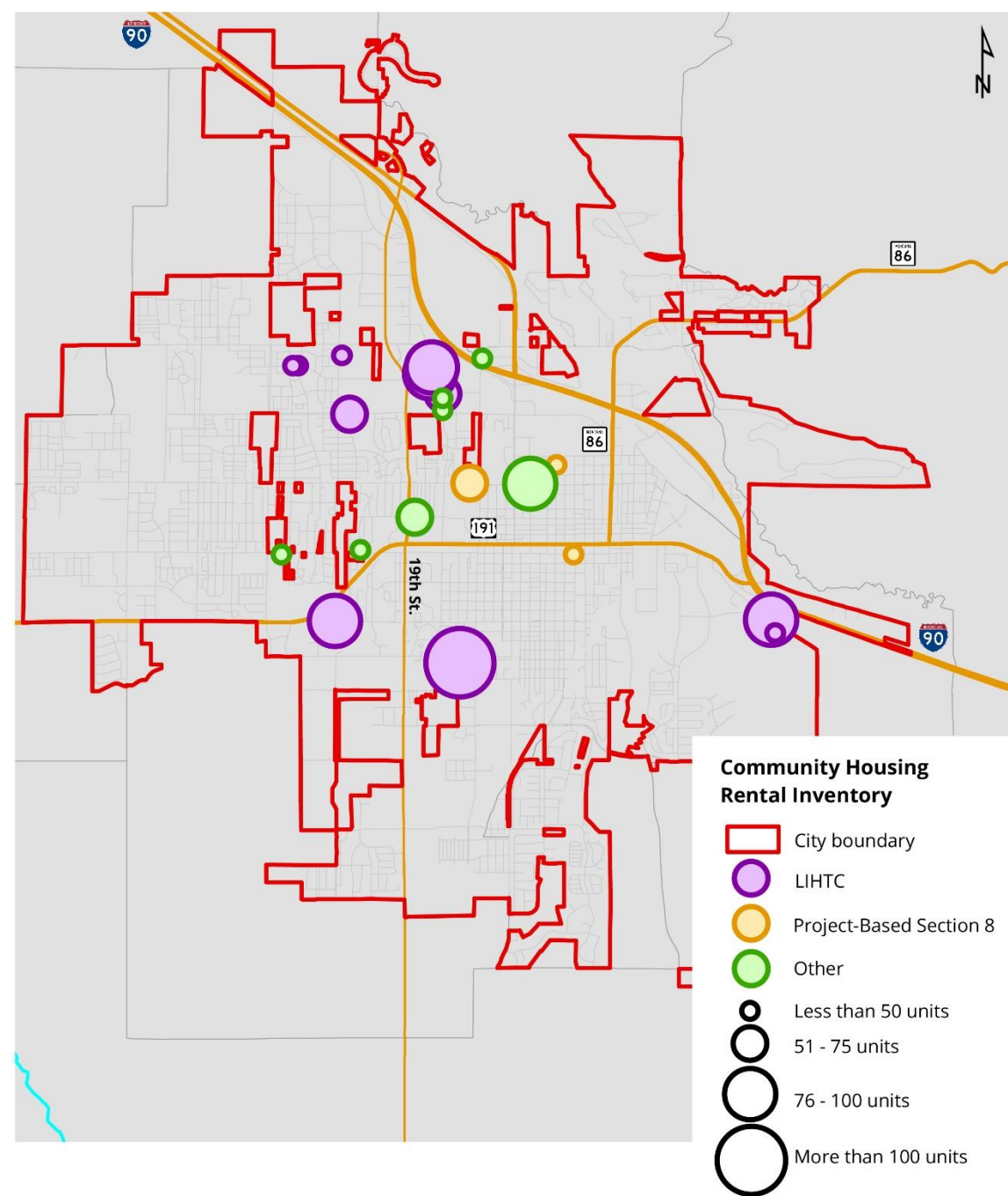
A growing body of recent research has bolstered the evidence that where affordable and mixed-income housing is developed has a long-term impact on the households that occupy that housing. For example:

- Dr. Raj Chetty's well known Equality of Opportunity research found positive economic returns for adults who had moved out of high poverty neighborhoods when they were children. The gains were larger the earlier children moved.
- A companion study by Dr. Chetty examining social mobility isolated the neighborhood factors that led to positive economic mobility for children. Children with the largest upward economic mobility were raised in neighborhoods with lower levels of segregation, lower levels of income inequality, higher quality schools, and greater community involvement ("social capital").
- A similar study by researchers at Johns Hopkins University found that when assisted housing is located in higher quality neighborhoods, children have better economic outcomes. The study also concluded that because low income African American children are more likely than low income white children to live in assisted housing, the location of assisted housing in poor quality neighborhoods has a disproportionate impact on African American children's long-term economic growth.

This research is counter to years of housing policies and programs that focused on building large multifamily complexes to house persons living in poverty, often placing these developments in the least desirable areas in a city. Fortunately, more recent housing policy activism has focused more intently on remedying the damage done by decades of intentional segregation. The remaining part of this section examines locational housing choice.

Location of affordable rental (LIHTC) developments. Figure V-14 shows a map of the city's community housing rental inventory. The majority of the inventory is located north of Main Street/U.S. Hwy 191, with most of the rental units located east of 19th Street, south of I-90, and west of N Rouse Avenue/State Highway 86. The units located south of Main Street are nearly all LIHTC units. Of the City's community housing rental inventory, 742, or 61% of the units are solely LIHTC developments. Of note, most of the units in the city's community housing rental inventory are located in Census Tract 6, which is home to a concentration of residents living with disabilities, as well as Hispanic and Indigenous residents. The tract also has one of the lowest median household incomes (\$44,762) and the highest rates of poverty in the city (23.5%).

Figure V-14.
Community Housing Rental Inventory, Bozeman



Note: Underbanked definition is based on the following AFS: check cashing, money order, remittance, payday loan, rent-to-own service, pawn shop loan, refund anticipation loan, and auto title loan.

Source: HUD Affirmatively Furthering Fair Housing Data and Mapping Tool

As the rental market has become more competitive, low-income renters find it increasingly challenging to find market rate units. Those renters with any type of perceived challenge— income from a variety of sources, a past eviction, a minor criminal infraction, a need for a

reasonable accommodation—are often passed over for renters who are perceived as easier tenants. In some cases, these criteria can disproportionately affect certain protected classes; some of these effects are evident in the housing and community needs survey.

Recent experience seeking housing. Overall, 69% of survey respondents seriously looked for housing to rent or buy in Bozeman in the past five years, where “serious” looking includes touring homes or apartments, putting in applications or applying for mortgage financing. These respondents identified issues they experienced when seeking housing to rent or buy.

Residents who reported differential treatment while seeking housing included:

- American Indian/Alaska Native and Hispanic respondents, respondents with large families, and respondents whose household includes a member with a disability were more likely to be told units were available over the phone, but after they arrived in person, were told the housing was no longer available.
- Respondents whose household includes a member with a disability, students, and respondents in large households were more likely than other respondents to have a landlord not return their calls or emails asking about a unit.
- Bozeman survey respondents who believe they have experienced discrimination when looking for housing are most likely to be American Indian/Alaska Native, a respondent whose household includes a member living with a disability, have household incomes less than \$25,000, and a single parent.

Housing voucher holders. HRDC manages approximately 700 housing vouchers throughout the region. With the acknowledgement that waiting lists do not reflect the total scale of community needs, there are approximately 1,200 households on the waitlist for Housing Choice Vouchers with the HRDC. In addition to the waitlist for tenant-based vouchers, there are approximately 300 applicants on HRDC’s homebuyer education program. The only HUD-certified course in the Bozeman area, residents who complete the course received a HUD certificate of Homebuyer Education completion, which many lenders ask for. Additionally, as of spring 2024, the waitlist for HRDC’s subsidized developments is approximately 18 months.

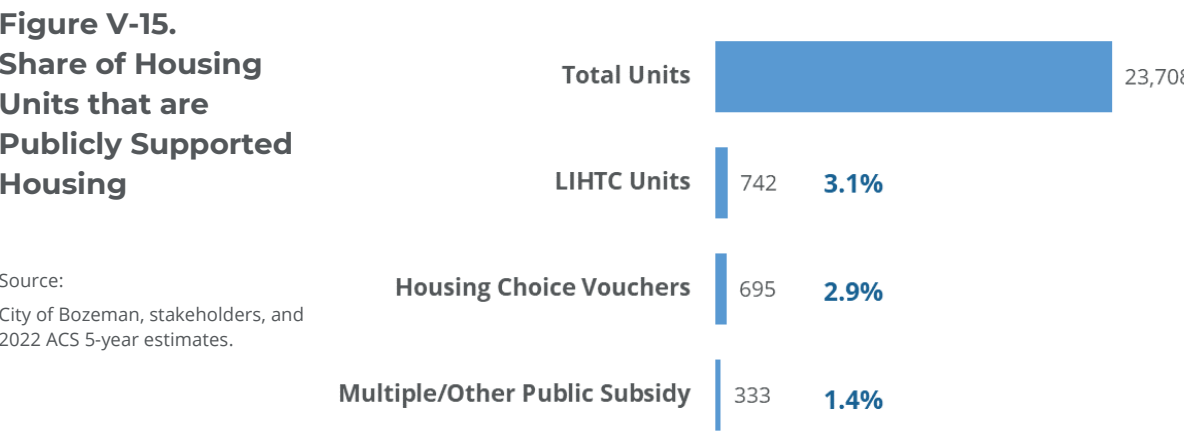
Difficulty using vouchers. A total of 45 survey respondents (6%) participate in the Housing Choice Voucher/Section 8 program. Of those with vouchers, nearly six in ten respondents (57%) indicated that it is “somewhat difficult” to find a landlord that accepts a housing voucher while more than a quarter of respondents (27%) indicated that it is “very difficult.” When asked what made it difficult to find a landlord, the most common responses include:

- Voucher is not enough to cover the rent for places I want to live (21 of 37);

- Have a hard time finding information about landlords that accept Section 8 (17 of 37);
- Landlords have policies of not renting to voucher holders (13 of 37); and
- Not enough time to find a unit before the voucher expires (13 of 37).

Residents and stakeholders shared many of the same concerns about landlords and added that residents face other obstacles getting housed including a criminal history, evictions on their record, bad credit, and application fees and deposits required to move into a unit.

Publicly subsidized housing. Publicly supported housing makes up approximately 7.4% of the overall housing inventory in Bozeman, as shown in Figure V-15 below.



Public Housing Authority Policy Review

The City of Bozeman and Gallatin County do not have a public housing authority within their jurisdictions. The Human Resource Development Council District IX, or the HRDC, serves as the de facto housing authority, administering the housing choice voucher program, developing affordable housing, and providing a wide range of services.

VI. FAIR HOUSING ENVIRONMENT

SECTION VI.

Fair Housing Environment

This section of the Bozeman Fair Housing Plan assesses private and public barriers to housing choice within the context of existing fair housing laws, regulations, and guidance. This analysis is informed by fair housing complaints; legal cases; a review of relevant land use/public policies and practices; and Bozeman’s current fair housing activities.

Primary Findings and Recommendations

- HUD reported seven fair housing complaints in Bozeman between 2019 and 2023. Most complaints submitted to HUD during this period affected individuals living with physical disabilities.
- Approximately one in five Bozeman survey respondents (19%) reported experiencing housing discrimination in the last five years. Populations experiencing housing discrimination at a disproportionate rate include low-income respondents, respondents with disabilities, single parents, and students. Nearly half of survey respondents (46%) reported doing nothing about the discrimination because they were not sure what to do.
- The City of Bozeman has tentatively paused its process for updating its Unified Development Code (UDC). As such, a list of best practices to ensure land use and zoning regulations don’t serve as barriers to fair housing choice are detailed later in the section for the consideration of the City to incorporate its UDC update. The following list of best practices would be beneficial to include during the update of the code:
 - Include a definition of “disability” or “person with disabilities” that aligns with Fair Housing Amendments Act (FHAA) and Americans with Disabilities Act (ADA) in the development code. In defining disability, it is important to include the broad definition that has been interpreted by the courts to apply to the Fair Housing Act (FHA), which includes persons in recovery from substance abuse challenges and persons with HIV/AIDS.
 - Establish a standard process for reasonable accommodation requests in the development code.
 - Implement residential unit classifications, zone districts, and site design requirements for alternative housing types (e.g. tiny homes, cottage housing, courtyard development, micro-homes, and cooperative housing).

- Include a statement in the purpose of the zoning ordinance that discusses fair housing law or include a cross-reference that identifies the adopted planning documents that discuss and contain policies related to fair housing.

Legal Framework

Fair housing rights and protections are governed by the federal and state fair housing acts.

Federal Fair Housing Act. The Federal Fair Housing Act, passed in 1968 and amended in 1988, prohibits discrimination in housing on the basis of race, color, national origin, religion, gender/sex, familial status and disability. The Fair Housing Act—Amended (FHAA) covers most types of housing including rental housing, home sales, mortgage and home improvement lending and land use and zoning. Excluded from the FHAA are owner-occupied buildings with no more than four units, single family housing units sold or rented without the use of a real estate agent or broker, housing operated by organizations and private clubs that limit occupancy to members and housing for older persons.¹

HUD has the primary authority for enforcing the FHAA. HUD investigates the complaints it receives and determines if there is a “reasonable cause” to believe that discrimination occurred. If reasonable cause is established, HUD brings the complaint before an Administrative Law Judge. Parties to the action can also elect to have the trial held in a federal court (in which case the Department of Justice brings the claim on behalf of the plaintiff).²

State ordinance. The State of Montana has a law (“Montana Human Rights Act”) that prohibits housing discrimination (Montana Code Annotated, Title 49, Chapter 2, Part 3 – Discrimination in Housing).³ The state law includes additional protected classes’ marital status, creed, and age. The Montana Human Rights Bureau (MHRB) enforces the state’s fair housing law and is charged with enforcing specific state and federal laws that prohibit unlawful discrimination. The Bureau informally investigates complaints that are filed with the Department of Labor & Industry’s Human Rights Bureau. Residents who think that have been discriminated against have only 180 days from when the adverse act occurred to file a written complaint with the bureau. Additionally, the MHRB also “...provides quality education and training opportunities to employers, employees, housing providers, tenants, and all Montana residents.”⁴

¹ “How Much Do We Know? Public Awareness of the Nation’s Fair Housing Laws”, The U.S. Department of Housing and Urban Development, Office of Policy and Research, April 2002.

² *Ibid.*

³ See https://leg.mt.gov/bills/mca/title_0490/chapter_0020/part_0030/section_0050/0490-0020-0030-0050.html for the actual text of the law.

⁴ <https://erd.dli.mt.gov/human-rights/>

Course of Action

Bozeman residents who believe they have experienced discrimination in violation of the Federal Fair Housing Act (FHA) or state fair housing laws may report their complaints to the following entities:

- U. S. Department of Housing and Urban Development (HUD).
- Montana Human Rights Bureau.

Other entities that are responsible for receiving and investigating complaints of fair housing discrimination in Bozeman include:

- Montana Fair Housing.

Additionally, Montana Legal Services Association (MLSA) provides civic legal aid services to low-income Montanans.

Department of Housing and Urban Development (HUD). Housing discrimination complaints filed with HUD may be done online⁵; by calling toll free at 1-800-669-9777; or by contacting the Office of Fair Housing and Equal Opportunity in Washington D.C., or the HUD Denver Regional Office of Fair Housing and Equal Opportunity.

When HUD receives a complaint, HUD will notify the person who filed the complaint and will normally notify the alleged violator and allow that person to submit a response. The complaint will be investigated to determine whether there has been a violation of the Fair Housing Act.

A complaint may be resolved in a number of ways. First, HUD will try to reach an agreement between the two parties involved. A conciliation agreement must protect the filer of the complaint and public interest. If an agreement is signed, HUD will take no further action unless the agreement has been breached. HUD will then recommend that the Attorney General file suit.

If HUD has determined that a state or local agency has the same housing powers (“substantial equivalency”) as HUD, they will refer the complaint to that agency and will notify the complainant of the referral. The Montana Human Rights Bureau is not a substantially equivalent local agency.

If during the investigative review and legal processes, HUD finds that discrimination has occurred, the case will be heard in an administrative hearing within 120 days, unless either party prefers the case to be heard in Federal district court.

⁵ <http://www.hud.gov/complaints/housediscrim.cfm>.

If a person needs immediate help to stop a serious problem that is being caused by a Fair Housing Act violation, HUD may be able to assist as soon as a complaint is filed. HUD may authorize the Attorney General to go to court to seek temporary or preliminary relief, pending the outcome of the complaint, if irreparable harm is likely to occur without HUD's intervention and there is substantial evidence that a violation of the Fair Housing Act occurred.

Montana Human Rights Bureau (HRB). The Montana Human Rights Bureau (HRB) is charged with enforcing the state's anti-discrimination laws in the areas of employment, housing, education, and public accommodations.

The HRB encourages people who believe they have experienced illegal discrimination to contact their offices at 406-444-2884 or 1-800-542-0807. If the alleged act of discrimination falls within the jurisdiction of the HRB, those who believe they have experienced illegal discrimination will schedule a telephone interview with a trained investigator. If the facts of the incident point to a credible instance of illegal discrimination, the trained investigator will use the information gathered during the intake call to draft a formal complaint. A signature by the complainant is required. A formal complaint must be filed with the HRB within 180 days of the date of the alleged discrimination.

The Human Rights Bureau is a neutral administrative agency throughout this process. The individual filing the complaint is referred to as the "charging party," while the business or entity against whom the complaint is filed is called the "respondent." Once the complaint has been filed, the respondent is notified within 10 days.

Before the complaint moves forward through the process, the HRB offers a variety of options for voluntary resolution of discrimination complaints. Not only can voluntary resolutions save both parties time and money but negotiations are confidential and most parties who choose voluntary resolution see their cases successfully resolved. Additionally, "before or during the informal investigation, if the parties are able to resolve the matter on their own, then the Human Rights Bureau would ask that the parties provide the Bureau with a copy of the settlement agreement and a signed withdrawal form...which withdraw[s] the complaint from the administrative process."⁶

If parties voluntarily resolve the complaint after a cause finding has been established, HRB may seek affirmative relief to correct or prevent discrimination. Moreover, "if the parties reach a voluntary resolution without the participation of the Human Rights Bureau the Bureau may seek a separate agreement with the Respondent."⁷

⁶ <https://erd.dli.mt.gov/human-rights/voluntary-resolution>

⁷ Ibid

Once the complaint has been filed, an investigator assigned to the case will begin an information investigation to determine if illegal discrimination occurred. The Respondent will receive the opportunity to provide a position statement about the alleged discrimination, which the Complainant will have the opportunity to review and provide a rebuttal. As part of the informal investigation, the investigator might request additional information, perform an on-site inspection, or hold an in-person fact finding, which is an informal sit down that provides both the Complainant and Respondent to present their position in the case. The investigator will aim to work with both parties to reach a voluntary no-fault resolution of the case.

The investigation must be completed within 180 days (120 days in housing cases). If a case is unable to be resolved, a Final Investigative Report is produced, which summarizes the investigation and recommends a finding of “reasonable cause”—meaning there is reason to believe that illegal discrimination occurred— or “no reasonable cause”—meaning the evidence does not support a finding that illegal discrimination occurred. This report is sent to both parties.

If a reasonable cause finding is issued, HRB staff will attempt to conciliate the case with both parties, which may include “...compensation for any losses incurred...modifying any practices having an adverse effect on protected classes; and taking other affirmative steps needed to eliminate discrimination.”⁸ If the parties are unable to conciliate, a public hearing will be held by the Department of Labor and Industry. As such, “a hearing examiner will conduct a formal hearing subject to the rules of evidence and procedure, similar to a non-jury trial in district court. The hearing examiner will issue a Final Agency Decision regarding whether discrimination occurred. If appropriate, the hearing officer will award monetary damages, and other affirmative relief. This decision can be appealed to the Montana Human Rights Commission”⁹

Montana Fair Housing. Montana Fair Housing’s mission is to promote and ensure non-discrimination through outreach, education, dispute resolution, and enforcement. The organization “...investigates allegations of discrimination in housing, counsels victims of discrimination, and facilitates both the state and federal complaint process. [MFH] also assists victims of housing discrimination, under specific circumstances, in securing the representation of counsel when the filing of a complaint in court is deemed the best option.”¹⁰ MFH also maintains a list of housing accessible to people requiring a mobility device and provides dispute resolution services, upon request. MFH can be contacted

⁸ <https://erd.dli.mt.gov/human-rights/filing-a-complaint/>

⁹ Ibid

¹⁰ <https://www.montanafairhousing.org/index.php>

online through its contact form¹¹ or by phone at 1-406-782-2573. The MFH offices are located at 501 E Front Street, Butte, MT 59701.

Montana Legal Services Association (MLSA). The Montana Legal Services Association or MLSA, is a statewide organization dedicated to protecting and enhancing the civil legal rights of, and promoting systemic change for, Montanans living in poverty. MLSA can be contacted online¹² or can be reached by phone at 1-800-666-6899. MLSA has physical offices in Helena, Billings, and Missoula. MLSA provides non-criminal legal information, civic legal aid, and advice for thousands of Montanans each year, including representing families living in unsafe housing conditions.

Housing Discrimination, Complaints, and Legal Cases

This section provides an overview of residents' perceptions of discriminatory behavior from responses to the community survey conducted for this Fair Housing Plan and a review of FHAA related complaints and legal cases filed in the city over the last decade.

Experience with housing discrimination. According to the housing and community needs survey, approximately one in five respondents (19%) has experienced discrimination when looking for housing in Bozeman over the last five years. Specific survey respondents that experienced housing discrimination at a disproportionate rate compared to survey respondents overall include:

- Respondents with income less than \$25,000 (39% of respondents indicated they have experienced housing discrimination in the last five years);
- Respondents whose household include a member living with a disability (36%);
- Single parents (31%); and
- Students (27%).

While sample sizes is small (n=12), 42% of American Indian/Alaska Native indicated they have experienced housing discrimination in the last five years.

Common reasons cited by survey respondents about why they were discriminated against included age, income, disability, being a part of (or supporting) the LGBTQ+ community, race, and citizenship status. Survey respondents were asked to expand on their experiences with housing discrimination in Bozeman. Below are a sample of responses.

- "Application fees are discriminatory against the working class! It's unfair someone would pay hundreds of dollars to APPLY to housing to then be rejected. Management

¹¹ <https://www.montanafairhousing.org/contactform.php>

¹² <https://www.mtlsa.org/contact/>

companies are currently incentivized to let people apply with no intention of renting to them because of exorbitant application fees.”

- “Folks I work with have criminal records and most private landlords made no exceptions for felony charges.”
- “He felt discriminated against because he is black and his application was declined despite his excellent credit and rental history.”
- “I was wearing a pride pin and told they ‘don’t rent to people like me.’ Several friends have cited similar conversations.”
- “Many of the clients I work with are discriminated against by the way they look, arrest records, the costs to even fill out an application (over and over again adds up just to be denied).”
- “Race (one Black, one Native household member).”
- “They don’t speak English and are undocumented immigrants.”

Survey respondents were asked about when the most recent instance of housing discrimination occurred. Of the 140 survey respondents who had reported experiences of housing discrimination:

- 39% reported that the discrimination occurred in the past year;
- 48% reported that the discrimination occurred between 2 to 5 years ago;
- 11% reported that the discrimination occurred over five years ago; and
- 2% did not remember.

When asked about what the respondent did in response to the discrimination, the most common responses included:

- 46% of respondents reported they did nothing about the discrimination because they were unsure of what to do;
- 39% of respondents reported moving or finding another place to live; and
- 15% of respondents reported they did nothing about the discrimination because they were afraid of being evicted or harassed.

When asked about what type of fair housing activities are most needed in the city, the most common responses included:

- 46% of respondents wanted to see more resident education available;
- 36% of respondents wanted to see education and training made available for local officials and staff;

- 27% of respondents wanted to see assistance made available for filing fair housing complaints; and
- 14% of respondents identified implementing testing programs in the city to ensure people are not denied housing due to unlawful discrimination.

Fair housing complaints. The U.S. Department of Housing and Urban Development (HUD) receives and investigates housing complaints. HUD provided data on complaints from January 1, 2019, through September 30, 2023, for this study. Seven complaints were received by HUD in the city of Bozeman during this period.

Figure VI-1 shows the number of complaints by protected class from 2019 to 2023. The most common protected classes affected are physical disability (5 complaints). The other two cases during this time period were filed on the basis of race and retaliation, respectively.

Figure VI-1.
Count of Protected
Classes in all
Complaints, City of
Bozeman, January
2019 to September
2023

Note:
Complaints can have more than one
protected class.

Source:
U.S. Department of Housing and
Urban Development (HUD)
Complaint Responsive Records,
2019-2023

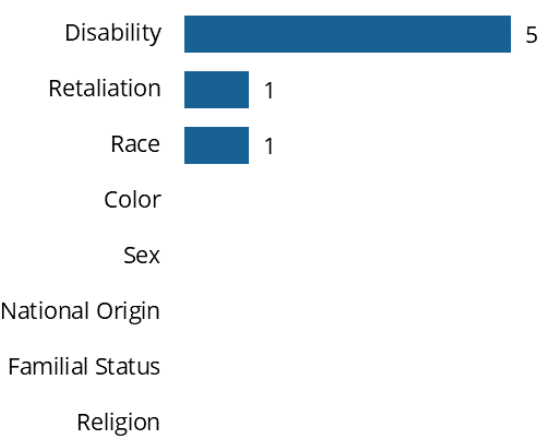
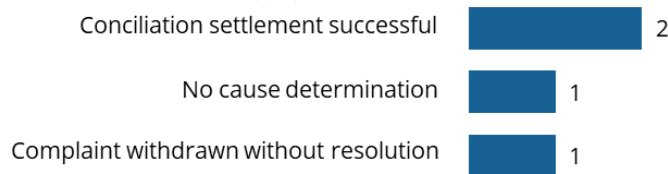


Figure VI-2 shows the number of complaints by resolution. Of the seven complaints filed between 2019 and 2023, two were resolved through a successful conciliation settlement, one was resolved through a no cause determination, and the other complaint was withdrawn without resolution.

Figure VI-2.

Count of Resolution of Complaints, City of Bozeman, January 2019 to September 2023



Note: Closure reason not provided for three cases.

Source: U.S. Department of Housing and Urban Development (HUD) Complaint Responsive Records, 2019-2023

Legal cases. To support the complaint analysis, we searched U.S. Department of Justice for housing and civil enforcement section cases in Bozeman. There was one case identified at the time of this report.

United States v. Katz and All Real Estate Services in Montana, LLC (Disability).¹³

This 2014 case involved alleged violations that a property manager with All Real Estate Services in Bozeman, Montana charged a \$1,000 pet deposit for a service animal owned by a tenant with a traumatic brain injury, despite being requested to waive the deposit as a reasonable accommodation pursuant to [Section 804\(f\) of the Fair Housing Act](#). The complaint also alleged that the defendant threatened to evict the tenant after the tenant sought the return of the deposit in violation of [Section 818 of the Fair Housing Act](#). In 2017, the jury returned a verdict in favor of the plaintiff, awarding the tenant approximately \$31,000 in compensatory and punitive damages and approximately \$6,000 in compensatory damages to the fair housing group that assisted the tenant with the HUD complaint.

Land Use, Public Policies, and Practices

The Federal Fair Housing Act's requirement to affirmatively further fair housing includes avoiding policies and/or practices that limit the fair housing choice of the individuals and households protected by the Act.

Land development codes cannot contain standards, definitions, or procedures that result in differential treatment in housing which can disproportionately affect the classes protected under the FHA. In addition, land development regulations that increase development costs, e.g., through density or design requirements that make residential development overly expensive, can limit the supply of affordable housing. In some communities, this has a direct impact on racial and ethnic minorities, larger households and families with children, and persons living with disabilities because these groups are disproportionately represented among those residing in lower cost housing. Limits or

¹³ <https://www.justice.gov/crt/case/united-states-v-katz-and-all-real-estate-services-montana-llc-d-mont>

prohibitions on multifamily housing or restrictions on household occupancy are other examples of how land development codes can negatively affect the groups protected under FHA.

The Americans with Disabilities Act (ADA) prohibits discrimination based on disability, defined by ADA as a physical or mental impairment. The ADA requires accessibility in public places (i.e., open to and used by the public) and also requires that “reasonable accommodations” be allowed when necessary to permit persons with disabilities equal opportunity to enjoy such places. The accessibility provision in the FHAA governs residential accessibility, and requires that multifamily buildings built after March 13, 1991 have specific accessible design features and be adaptable. In addition, the FHAA ensures that persons living with disabilities have the right to request and be granted modifications to residential units—as well as local regulations and standards—to make a residence or building accessible to them.

Common regulatory barriers. Some of the key factors in land development codes that most commonly result in barriers to fair housing choice and reasonable accommodation include:

- **Site standards.** Large lots or excessive setbacks between structures or from streets that can increase development costs, e.g., special infrastructure;
- **Limits on density.** Restriction on or prohibition of multifamily housing; low floor area ratios (FAR) for multifamily or mixed-use development; or low density requirements;
- **Use-specific standards.** Special site or operational requirements for group homes for persons with disabilities that are not required for other residences or groups;
- **Differences in quality and access to public services.** Additional requirements for infrastructure or essential municipal services not required for other residences or dwelling units;
- **Definition of family and occupancy restrictions.** Definitions of family or occupancy limits that prohibit or limit the number of unrelated persons in a household;
- **Procedures for development or rezone reviews.** Extensive review procedures, public hearings, or notice requirements for different housing types, housing for protected classes, or low-income housing;
- **Housing types.** Limits or prohibitions on alternative affordable housing options such as accessory dwelling units (ADUs), modular or manufactured homes, and mixed-use developments;
- **Spacing.** Minimum distance between group homes that are not required for other residences or groups and make development of group homes difficult;

- **Reasonable accommodations.** Regulations inhibiting modifications to housing for persons with disabilities or their ability to locate in certain neighborhoods; and
- **Code language.** Local land development codes and standards that are not aligned with federal and state regulations governing fair housing and reasonable accommodation.

Zoning and land use review. In 2022, the City of Bozeman began the process of updating its Unified Development Code (UDC) to implement the vision and goals established in the city's guiding documents, such as the 2020 Community Plan (a.k.a., Growth Policy), the Climate Plan, and strategic priorities like affordable housing. In late 2023, the Mayor and City Commission decided to put the UDC update on hold to offer more opportunities for residents to provide their feedback.

As such, the zoning and land use review for this Fair Housing Plan will focus on providing best practices based on a checklist developed by the Region IX HUD office ("Review of Public Policies and Practices—Zoning and Planning Code). The checklist poses a series of questions related to common zoning regulations that impact fair housing. These best practices will be considered for incorporation into the City's new UDC once the process resumes.

1. Is there a definition of "family" and does it discriminate against group living for persons with disabilities?

Some jurisdictions have moved away from defining "family" to avoid potential FHAA conflicts and instead rely on occupancy standards to regulate residential overcrowding. The "Scarborough 11" case in Hartford, Connecticut provides a strong case for removing narrow definitions of family from local codes. Current best practices indicate a broader definition of family increases housing opportunity and flexibility for all residents by allowing more unrelated people to live together. The best practice definition of family, "does not distinguish among housekeeping units on the basis of blood, marriage, or adoptive relationship, which avoids the problem of discrimination against individuals residing in group living facilities."¹⁴

2. Are there any occupancy standards or maximum occupancy limits?

According to HUD, "unreasonable occupancy limits on the number of persons who may occupy a unit may violate the Act's prohibition on discrimination against families with children. HUD [guidance](#) advises that as a general rule, an occupancy policy of two persons per bedroom is reasonable under the Act."¹⁵ However, the reasonableness of the policy might depend on certain factors, such as the size and/or configuration of the

¹⁴ Group Homes: Strategies for Effective and Defensible Planning and Regulation; Connolly, Brian and Merriam, Dwight.

¹⁵ https://www.hud.gov/program_offices/fair_housing_equal_opp/general_faq_housing_providers_and_fair_housing

unit and sleeping areas.¹⁶ HUD's guidance is intended to help determine whether the occupancy limits applied by a housing provider may discriminate based on familial status.

3. Is the number of unrelated disabled individuals residing together restricted but there is no restriction for other persons?

A best practice to minimize potential conflict with FHAA is to allow housing with support services for persons with disabilities serving six or fewer persons as a permitted use in all residential zones and in all other zone districts that permit any residential use. The facility should be reviewed under the same review procedures and requirements as for the permitted dwelling-type to be occupied by the facility. Requiring discretionary review in the form of a conditional use permit explicitly for seniors and individuals with developmental disabilities—regardless of the number of occupants—leaves the city open for litigation.

Group Homes: Strategies for Effective and Defensible Planning and Regulation states, "Local governments should be wary of employing discretionary review proceedings during the approval process for housing for people with disabilities [or seniors], primarily because of the discretionary processes' potential to attract litigation and because of the difficulty of crafting such a process in a way that comports with the FHAA."¹⁷

4. Is "disability" defined and is the definition the same as FHAA?

Including a definition of "disability" or "person with disabilities" that aligns with FHAA and ADA is a best practice. A definition can be included in the definitions section of the zoning code. Codes with a section detailing the process to request a reasonable accommodation could be improved by adding a definitions sub-section that consolidates key words or phrases, including "disability" or "person with disabilities" for ease of reference. Language could be added to clarify that the definitions contained in the reasonable accommodation section apply to all other sections of the zoning or land development code.

In defining disability, it is important to include the broad definition that has been interpreted by the courts to apply to the Fair Housing Act, which includes persons in recovery from substance abuse challenges and persons with HIV/AIDS.¹⁸

5. Are housing opportunities for persons with disabilities restricted or mischaracterized as a "boarding or rooming house"?

¹⁶ https://www.hud.gov/sites/documents/HUD_OGCGUIDAPPFHASTANDCR.PDF

¹⁷ *Group Homes: Strategies for Effective and Defensible Planning and Regulation*; Connolly, Brian and Merriam, Dwight.

¹⁸ *Group Homes: Strategies for Effective and Defensible Planning and Regulation*; Connolly, Brian and Merriam, Dwight.

Group living can sometimes be mischaracterized as “boarding” or “rooming” homes. This can occur when land development codes do not include a land use category or categories for group living situations. Terms such as “congregate care,” “group living,” “care facility,” or “residential home” may be used. Residences offering the same living situation to similar groups of people may be placed in different land use categories. Those land uses may be allowed in different zone districts or processed under different review procedures. Terminology can be confusing or may specify only certain groups of persons (i.e., certain types of disabilities). This can create barriers to group living for people living with disabilities and are impediments to fair housing choice. Group living situations should be based on land use attributes rather than the occupants of the facility or residence and overlapping definitions should be removed.

6. Does the zoning code allow housing with on-site support services for persons with disabilities?

Regardless of whether group homes provide on-site, in-home services or not, group homes should be allowed in all residential zone districts where single-family housing is allowed by right.

7. Are there definitions for “special group residential housing” and if so, do the definitions align with FHAA?

Please see the discussion under items three and five above.

8. Is there a process to allow waivers of zoning and building code regulations for reasonable accommodation for persons with disabilities?

A best practice is to implement a procedure for providing a reasonable accommodation in land use, zoning and building regulations, policies, practices and procedures. Some codes identify typical requests, such as a setback waiver for wheelchair ramps, as administrative in nature when it does not exceed a certain amount. Such requests are processed the same as any other building permit. Other reasonable accommodation requests are processed with a more detailed administrative review using criteria that comply with FHAA and ADA. This clarifies how a reasonable accommodation is reviewed and removes such requests from consideration under procedures and criteria that do not fit the circumstances of the request. When the reasonable accommodation request does not qualify for administrative review, a review before an appointed body can be used. However, the same criteria for deciding the request must be used:

- Whether the person to be accommodated has a disability;
- Whether the modification requested is reasonably necessary to accommodate that disability; and
- Whether the modification would fundamentally and unreasonably alter the nature or purposes of the zoning ordinance. The burden is on the municipality to prove this would occur.

The International Building Code (IBC) allows appeal of decisions of the building official and decisions can be made based on “alternate equivalency” to meeting the IBC requirement. The building code does not tie the determination of an alternative to the physical characteristics of the property or building, making the standard appeal process available to process requests for reasonable accommodation. Examples may include lower sink heights to accommodate a person in a wheelchair, or special positioning of grab bars to accommodate different types of disabilities.

9. Are public hearings required for exceptions to land use codes for disabled applicants but no hearing is required for all other applicants?

Please see discussion under item three above.

10. Are mixed-uses allowed and is housing for persons with disabilities and other protected classes permitted where mixed-use is allowed?

A best practice is to include mixed-use zone districts as base zone districts with all zoning requirements established in the zoning code. This minimizes procedural delays and public hearings associated with planned development and overlay districts. Mixed-use zone districts should allow a range of housing types as permitted uses and include group living facilities.

11. What type of residential land uses are allowed and what standards apply?

a. *Is there variety in allowed single-family and multi-family residential land uses?*

A best practice is to incorporate residential unit classifications, zone districts, and site design requirements for alternative housing types (e.g. tiny homes, cottage housing, courtyard development, micro-homes, and cooperative housing). This minimizes delay in the approval process, reduces costs, and educates zoning and building officials and the entire community about these housing types and who it will serve.

b. *Do densities and development standards (lot size, height, etc.) support low- and middle-income housing options?*

A best practice is to allow flexibility for “gentle density” such as duplexes to triplexes, to accommodate demand for missing middle housing, promote economic integration, and meet current preferences in housing. Some communities allow these densities if the units carry a level of affordability (e.g., 80-120% AMI to facilitate middle income ownership).

c. *Are accessory dwelling units (ADU) allowed?*

A best practice is to permit accessory dwelling units by right in all residential districts.

d. *Is design review required for multi-family housing or group living?*

If design review is required for certain housing types, a best practice is to ensure that design requirements are consistent and can be objectively met, as well as ensuring the process of design review is predictable and efficient.

e. *Are there special site improvement standards for certain types of housing?*

If site improvement standards are established for certain types of housing, a best practice is to ensure that the standards are consistent and can be objectively met.

12. Does the zoning code describe any areas as exclusive?

It is a best practice to remove exclusionary language from the code.

13. Are there restrictions for senior housing and if so, do the restrictions comply with Federal law on housing for older persons?

See discussion in item three on group homes for seniors.

14. Is senior housing a specific land use and if so, is a special or conditional use permit required but is not required for single-family or multi-family residential uses?

Group homes for seniors should be permitted by right where single-family residential used are allowed.

15. Is a conditional or special use review permit required for housing for persons with disabilities but is not required for single-family or multi-family residential uses?

Group homes for individuals with developmental disabilities should be permitted by right where single-family residential used are allowed.

16. Are there any references to fair housing or a statement about fair housing in the zoning code?

A best practice is to include a statement in the purpose of the zoning ordinance that discusses fair housing law or to include a cross-reference that identifies the adopted planning documents that discuss and contain policies related to fair housing.

17. Are there specific references to the accessibility requirements of FHAA or ADA in the development codes?

It is a best practice to include references to the FHAA or ADA accessibility requirements in the code. Specifically, minimum standards for handicap parking for multi-family housing, as well as standards for accessible routes (e.g., sidewalks and access through parking lots), should be articulated.

Jurisdictional review. Stakeholders consulted in the development of this Fair Housing Plan expressed concerns with regulatory barriers to affordable housing development in Bozeman. The following best practices are aimed at improving local zoning regulations and policies to promote the construction of affordable housing in jurisdictions.

- **Expedite the process.** Stakeholders shared that the entitlement process can be onerous and lengthy in some cases and inconsistent information and lack of urgency to move developments through the process can add costs to a project. Expediting the permitting process for affordable housing is common and is considered a best practice for encouraging affordable housing construction cost effectively.
 - In the 2020 Community Housing Action Plan, the City identified “Removal of Regulatory Barriers” as one of its Action Plan strategies. One of the sub-strategies is “ensur[ing] the process is predictable, transparent, useful and that codes produce what we want.”
- **Make design standards more objectives.** Stakeholders felt that current design standards are cost prohibitive and burdensome with no substantive benefits to developing affordable housing. Stakeholders suggested updating the code to simplify design standards or make them objective.
- **Increase local resources for housing.** Stakeholders advocated for increased funding for affordable housing projects in municipal and county budgets.
 - In the 2020 Community Housing Action Plan, the City identified “Taxed Dedicated to Housing” and “Commercial Linkage” as two strategies to increasing dedicated funding to affordable housing development.

Bozeman Fair Housing Activities

The City of Bozeman's new Annual Action Plan proposes that CDBG funds be used for the following affordable housing activities and housing related public service activities that will support the city's efforts to affirmatively further fair housing:

- The City will develop a fair housing page on its website, which will include information on the Federal Fair Housing Act, the Montana Human Rights Act, fair housing-related education and training opportunities, and local resources and organizations available to help residents learn more about fair housing.
- One of the goals articulated in the City's Belonging in Bozeman plan is to "Increase community knowledge in housing issues." As such, the City will work with a variety of partners to host workshops on the Montana Tenant Act and Fair Housing Act for landlords and tenants, becoming a Housing Choice Voucher landlord, and resident-owned community models.

Fair housing activities since 2018. This section provides a summary of activities undertaken by the City to improve fair housing choice since 2018.

Belonging in Bozeman—Equity and Inclusion Plan. The City of Bozeman recently completed the region's first Equity and Inclusion Plan. During the Equity Indicators Project, the City set out to characterize what inequity looks like in Bozeman, a city where about 55% of residents are renters and about 86% of the population is white, non-Hispanic. Bozeman's Equity Indicator Project found housing access to affordable housing was the top need identified by 69% of survey respondents. The housing goals and recommendations outlined include:

- Develop a coordinated strategy to address homelessness;
- Reduce displacement of residents who work and go to school in Bozeman but cannot afford to live here;
- Promote aging-in-place and universally accessible residential development;
- Increase community knowledge in housing issues; and
- Support and defend local housing solutions at the state legislature.

Code Audit to Create and Preserve Housing. The City's first Inclusionary Zoning policy was adopted in 2007. In 2021, the Montana State Legislature passed a bill prohibiting local governments from requiring the creation of affordable housing with residential development. As a result, communities must now use incentives to encourage developers to build affordable housing rather than requiring that they do so. The City now offers incentives to property owners and developers willing to construct housing at levels of affordability consistent with the housing needs and goals identified in the Bozeman Community Plan, the Community Housing Needs Assessment, and the Community Housing Action Plan.

Ordinance 2104 establishing new Planned Development Zones (PDZ) and Ordinance 2105 establishing the new Affordable Housing Ordinance (AHO) have both received final adoption from the Bozeman City Commission and took effect in October 2022.

Affordable housing ordinance. Removing regulatory barriers does not ensure that more affordable housing will be created, or that more permanently affordable housing will be created, but can represent a set of incremental changes that, cumulatively, can improve both housing availability and affordability.

The purpose of the new Affordable Housing Ordinance (AHO) is to:

- Create more affordable housing; preserve existing affordable housing;
- Make development standards more predictable;
- Rethink the housing review process; and
- Revise the zoning map.

Planned development zone ordinance. The purpose of the Planned Development Zone (PDZ) district is to provide a structure and plan for specific properties to encourage flexibility and innovations that: create distinct neighborhoods with quality urban design and mutually supportive issues; support implementation of community plans and goals, including the City's adopted growth policy; provide community benefits through the creation of affordable housing, inclusion of environmentally sustainable design features, and retention of historic structures; and protect and promote the health, safety, and general welfare of the community.

Departures for housing creation ordinance and accessory dwelling units. The intent of this provision is to allow minor departures from existing residential standards when the City determines that the departure will reduce the cost of production of and an increase production of housing while maintaining consistency with the City's adopted growth policy. These departures are especially applicable to infill sites and missing middle housing. The departures ordinance also includes provisions making Accessory Dwelling Units (ADUs) easier and more cost effective for property owners to build. ADUs may be permitted in all zoning districts.

2019 Community Housing Needs Assessment. The Community Housing Needs Assessment was completed to help the City identify, understand, and address the housing challenges and problems faced by local residents and employees in the city. The Assessment states that more housing more diversity in housing needed at prices that residents and employees can afford and that provides them choices, the ability to move as life circumstances change and that allows employers to fill jobs, recruit and retain employees and support business, resident and student growth. The goal should be to meet the spectrum of needs. The Assessment calls for the creation of a comprehensive Affordable Housing Action Plan that includes: mandates the creation of affordable housing

across all dwelling types; provides prescribed flexibility in the manner in which the mandate can be accomplished; provides a substantial, broad-based and reliable source of funding for the construction of affordable housing and for affordable housing loans; and to actively encourages Bozeman's major employers to develop workforce housing programs for their employees.

2020 Community Housing Action Plan. The Bozeman Community Housing Action Plan (CHAP) outlines a partnership framework to address affordable housing in Bozeman over a five-year period. The partnership framework for accelerating community housing in Bozeman is based on the recognition that no one entity can solve the local housing challenges – it takes a community to build a community. The Plan presents a set of actions that address a range of community housing needs. It was developed to begin addressing identified community housing needs and to create a lasting framework for implementation that will evolve as the community and its housing needs continue to evolve. The CHAP defines community housing as: homes that those who live and/or work in Bozeman can afford to purchase or rent. This includes apartments, townhomes, condominiums, emergency shelters, accessory dwelling units, mobile homes, and single-family homes – all dwelling types – serving the entire spectrum of housing needs.

2020 Bozeman Community Plan (Growth Policy). The Bozeman Community Plan establishes goals to increase the supply of affordable housing in the city. To fulfill these goals, the community plan, or growth policy, establishes numerous objectives to promote housing affordability and diversity through increased supply of certain types of housing. The Bozeman Community Plan makes clear that although Bozeman is very focused on improving the affordability of housing, it remains thoroughly committed to the quality of buildings, neighborhoods, and life for all residents. There should be no visible distinction between the quality of planning, connectivity, open space, or building design between the approved development plans for more and less affordable parts of the city.

This commitment to equity is both laudable and important. Households with fewer choices are often denied full integration into a community's quality of life, and that denial often has disproportionate impacts on households that are lower income and/or headed by persons of color, women, and those experiencing disability. As a practical matter, one of the most effective ways to ensure equitable access to the City's quality of life is to ensure that new opportunities for more affordable housing are not geographically isolated or focused in a particular area but are instead spread throughout Bozeman and served by the same types of public spaces and services provided to other Bozeman residents. Growth policy goals and actions include:

- Encouraging distribution of affordable housing units throughout the city with priority given to locations near commercial, recreational, and transit assets; and
- Development of affordable housing through coordination of funding for affordable housing and infrastructure.

2018 Bozeman Strategic Plan. Limited housing opportunities within the city negatively impacts economic development, transportation networks, and sustainability. Affordable housing needs must be addressed to maintain a sufficient resident workforce in all fields of employment, and to ensure the public safety and general welfare of the residents of the city, affordable housing needs must be addressed.

The Bozeman City Commission identifies affordable housing as one of its top strategic goals: “Housing and Transportation Choices – Vigorously encourage, through a wide variety of actions, the development of sustainable and lasting housing options for under-served individuals and families and improve mobility options that accommodate all travel modes.” The Strategic Plan also outlines frameworks to:

- Create a safe, healthy and welcoming inclusive community;
- Ensure Bozeman continues to welcome diversity through policies and public awareness; and
- Anticipate, celebrate, and incorporate an increasingly diverse population into the community, city advisory boards, and city staff.

Regional Housing Coalition. The Regional Housing Coalition (RHC) is a cross-sector group of diverse partners and resources that creates solutions to address the most pressing housing-related needs in Gallatin County. RHC members include elected officials and public sector leaders, nonprofit affordable housing developers, homeless service providers, banks, realtors, employers, and more. The RHC is working to create housing solutions for some of our most at-risk populations.

The City of Bozeman is a key partner in the work of the RHC. The RHC partners with City staff and elected officials around several of the City Commission’s priorities. The RHC’s ‘Unhoused to Housed Initiative’ brings together representatives from the City of Bozeman, Belgrade, Big Sky, West Yellowstone, Three Forks, HRDC, Family Promise and a number of other organizations that interface with our unhoused populations to develop a single regional strategy, eliminate siloes, and conduct a needs assessment that will inform where resources should be directed.

The RHC ‘Permanent Affordability Workgroup’ is bringing City staff together with the region’s key affordable housing stakeholders to determine how to develop deed-restricted housing faster and more efficiently. This work is essential to identifying ways to expand future affordable housing development.

The RHC ‘Communications Workgroup’ is working in partnership with a communications and marketing firm to develop a comms plan that will ensure that all RHC member organizations can deploy coordinated messaging around housing so that the public can gain more informed understanding of the work being done to address the current housing shortage as well as the factors impacting affordability.

Between the quarterly RHC meetings and multiple workgroups, the RHC provides many valuable connections and services to the City.

CATEGORIES OF ELIGIBLE ACTIVITIES

Purpose

This chapter describes in some detail the many categories of activity types which may be assisted using CDBG funds. It also discusses a number of activities that may not be so assisted. The chapter also contains guidance on documenting compliance and making the best choice for selecting the category to carry out an activity when more than one may apply.

The purpose of the chapter is to help ensure that grantees will: (1) use CDBG funds only for activities that fall under an authorized category of basic eligibility; (2) properly classify the activity; and (3) provide adequate documentation as required by the category it selects for each such activity. The importance of using CDBG funds only for eligible activities is self-evident. The proper classification of each assisted activity by one of these categories of eligibility is also important because the statute and regulations place specific requirements on particular categories and not on others. For example, there is a statutory and regulatory limitation on the amount of CDBG funds which may be used for activities assisted under the category of Public Services. Some services that are assisted under the program may also be eligible under a category other than Public Services and, if properly classified by the grantee as such, would therefore not be subject to the 15% public service cap. There is also a limitation on the amount of CDBG funds which may be used for activities under the categories of Planning and Capacity Building and Program Administration. Likewise, there are other categories under which these types of activities might also qualify and thus not be subject to that cap.

The statute and regulations also place special requirements on certain categories of eligible activities, such as Code Enforcement and Special Economic Development Activities. An improperly classified activity may be unnecessarily subject to additional program requirements. Conversely, an activity may be carried out in a manner that does not meet the requirements of the selected category but it might be eligible under the requirements of another category not selected by the grantee for that activity.

Activity Categories

This chapter describes separately each category of basic eligibility under the program, in the following order:

CATEGORIES OF ELIGIBLE ACTIVITIES	PAGE
Acquisition of Real Property	2-3
Disposition	2-9
Public Facilities and Improvements	2-11
Clearance	2-18
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Planning and Capacity Building	2-75
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Miscellaneous Other Activities	2-82

This chapter also discusses activities that are specifically ineligible and further covers ways of documenting compliance with the activity selected and how grantees can make the best choices, given the available options.

Acquisition of Real Property

Eligible Activities

The statute and regulations authorize the use of CDBG funds by a grantee or a public or private nonprofit entity to acquire real property in whole or in part by purchase, long-term lease, donation, or otherwise. In order to be considered acquisition, a permanent interest in the property must be obtained. Long-term leases are considered to constitute a permanent interest for this purpose if the lease is for a period of 15 years or more.

More specifically, CDBG funds may be used under this category by:

- ✓ The grantee,
- ✓ Any other public agency,
- ✓ A public nonprofit entity, or
- ✓ A private nonprofit entity.

to acquire real property for any public purpose. This authority is subject to the limitations at §570.207 (a)(1) which would preclude the acquisition cost attributable to a building to be used for the general conduct of government and §570.207(a)(3) which would preclude the acquisition of property to be used for political activities. *Reference: §570.201(a)*

Example

Real property to be acquired may be:

- Land,
- Air rights,
- Easements,
- Water rights,
- Rights-of-way,
- Buildings and other real property improvements, or
- Other interests in the real property.

Costs that may be paid for with CDBG funds under this category include the cost of surveys to identify the property to be acquired, appraisals, the preparation of legal documents, recordation fees, and other costs that are necessary to effect the acquisition.

*Real property acquisition under this category does **not** include:*

- ❖ The costs of moveable equipment, furnishings, or machinery if this is the principal purpose of the activity, since such items are not real property. They may, however, qualify under another category, such as Special Economic Development Activities when needed for

carrying out an economic development project, or under Public Services. (See discussion of these categories later in this chapter.)

- ❖ Acquisition of property which is then expected to be donated or sold at less than the purchase price to the same entity from which the property was purchased. This is not an eligible activity since it is not considered to involve a legitimate change of ownership.
- ❖ Acquisition of newly-constructed housing or an interest in the construction of new housing, unless such housing is already constructed and for sale on the open market at the time that a commitment is made to use CDBG funds for such a purchase. The prohibition of this type of acquisition is based on the fact that such acquisition would be considered to constitute assisting new new housing construction, which is generally ineligible for CDBG assistance. *Reference: §570.207(b)(3)*

Note: Acquisition of real property that does not meet the limitations for eligibility under this category may be eligible for CDBG assistance under other categories of basic eligibility. For example, CDBG funds may be provided to private individuals and private for-profit entities to acquire real property in the following situations:

- ❖ Under certain circumstances, CDBG funds may be provided to private individuals and private for-profit entities to acquire property to be rehabilitated, if the property is then rehabilitated and used or sold for residential purposes. *Reference: §570.202(b)(1)*
- ❖ Private non-profit entities may use CDBG funds to acquire real property for commercial or industrial uses, and private for-profit entities may also do so when appropriate for an economic development project. *References: §570.203(a) and (b)*

Complying With National Objectives— Acquisition of Real Property

Qualifying an acquisition activity under one of the CDBG national objectives depends entirely on the use of the acquired real property following its acquisition. A preliminary determination of compliance may be based on the planned use. The final determination must be based on the actual use of the property, excluding any short-term, temporary use. Where the acquisition is for the purpose of clearance which will eliminate specific conditions of blight or physical decay, the clearance activity may be considered the actual use of the property. However, any subsequent use or disposition of the cleared property must be treated as a “change of use” under §570.503(b)(8) or §570.505, as applicable. If property is to be acquired for a general purpose, such as housing or economic development, and the actual specific project is not yet identified, the grantee must document the general use it intends for the property, the national objective category it expects will be met, and make a written commitment to use the property only for a specific project under that general use that will meet the specified national objective.

Acquisition of real property may qualify as meeting a national objective in any of the ways shown in the charts that follow.

Additional Considerations

If property acquired with CDBG funds, or any interest therein, is subsequently transferred to another entity, the property or interest must be sold to the entity at **the current fair market value** unless the property will be used for an activity which meets a CDBG national objective. Sale proceeds would be program income.

The purchase of real property by the grantee or other entities under this eligibility category is subject to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Among other things, this could mean that persons displaced as a result of the acquisition must be provided with financial assistance. Temporary easements, acquisition from another public agency, and voluntary offers in response to a public solicitation are exempt from Uniform Act requirements.

Reference: §570.606.

Since the ultimate use of the property determines how a national objective will be met, whenever the use differs from that contemplated at the time of acquisition, a review must be made of the new use to ensure it will meet a national objective. When such review results in the determination that the national objective being met differs from that ascribed to the activity initially, an adjustment must be made to the program records for the program year in which the acquisition occurred to reflect this change, provided that the records for that year are still available at the time the new use is determined. If the objective claimed for the original acquisition costs was that of benefit to L/M income persons, and the objective being met by the new use falls under either of the other two national objectives, the new use of the property would be authorized only if the classification of the acquisition costs to the new objective would not result in a violation of the “overall expenditures certification” that the grantee made for the program year in which such costs were incurred. See Chapter 4 of this Guide for further information on this certification issue.

NATIONAL OBJECTIVES— ACQUISITION OF REAL PROPERTY

Objective	Qualifies If	Example	Additional Information
L/M Income Area Benefit	The property will be used for an activity the benefits of which are available to all the residents in a particular area that is primarily residential, and at least 51% of those residents (or fewer if the exception criteria apply) are L/M income persons.	Purchasing land to be used as a park serving a primarily residential neighborhood that is predominantly L/M income.	For more information, see page 3-7.
L/M Income Limited Clientele	The property will be used for an activity the benefits of which will be limited to a specific group of people, at least 51% of whom are L/M income persons.	Buying a building to be converted into a shelter for the homeless.	For more information, see page 3-14.
L/M Income Housing	The property will be used for housing to be occupied by L/M income persons.	Buying an apartment house to provide dwelling units to L/M income households at affordable rents, where at least 51% of the units will be occupied by L/M income households.	For more information, see page 3-19.

NATIONAL OBJECTIVES— ACQUISITION OF REAL PROPERTY

Objective	Qualifies If	Example	Additional Information
L/M Income Jobs	The property acquired is to be used for an economic development project that will create or retain permanent jobs at least 51% of which will benefit L/M income persons.	Acquiring vacant property that is planned to be used for a commercial purpose, and will be made available for that purpose only if the business commits to provide at least 51% of the new permanent jobs that will be created to L/M income persons.	For more information, see page 3-24.
Slum or Blighted Area	The acquired property is in an area designated by the grantee as a slum or blighted area, and the property will be used in a manner which addresses one or more of the conditions which contributed to the deterioration of the area.	Using CDBG funds to acquire several deteriorated buildings located in a slum/blight area for rehabilitation or demolition.	For more information, see page 3-35.
Spot Blight	The acquisition of property is located outside a designated slum/blight area and the acquisition is a prerequisite for clearance which will eliminate specific conditions of blight or physical decay on a spot basis.	The acquisition of a dilapidated property being used as a “crack house” for the purpose of eliminating that use, which is detrimental to public health and safety, through demolition and clearance.	For more information, see page 3-38.

NATIONAL OBJECTIVES— ACQUISITION OF REAL PROPERTY			
Objective	Qualifies If	Example	Additional Information
Urban Renewal Completion	The real property acquired is located within an urban renewal project area or an NDP (Neighborhood Development Program) action area designated under Title 1 of the Housing Act of 1949 and the acquisition is necessary to complete the current urban renewal plan.	The current, approved plan calls for a specific property to be used for middle-income housing which is currently being used for other purposes. The acquisition will allow the property to be cleared and to be included with other contiguous parcels for sale to an interested housing developer.	For more information, see page 3-40.
Urgent Needs	The acquisition is part of an activity designated to alleviate existing conditions and the grantee certifies that those conditions are a serious and immediate threat to the health or welfare of the community, they are of recent origin or recently became urgent, the grantee is unable to finance the activity on its own, and other sources of funds are not available.	Acquisition of property located in a flood plain which was severely damaged by a recent flood.	For more information, see page 3-41.

Disposition

Eligible Activities

Under this category, CDBG funds may be used to pay costs incidental to disposing of real property acquired with CDBG funds, including its disposition at less than fair market value, provided the property will be used to meet a national objective of the CDBG program.

The property may be disposed of through:

- ✓ Sale,
- ✓ Lease,
- ✓ Donation, or
- ✓ Otherwise.

CDBG funds may also be used under this category to pay reasonable costs of temporarily managing such property (or property acquired with Urban Renewal funds) until final disposition of the property is made. *Reference: §570.201(b).*

Example

Disposition costs include preparation of legal documents, as well as fees paid for:

- Surveys,
- Marketing,
- Financial services, and
- Transfer taxes and other costs involved in the transfer of ownership of property.

Caveat: Because this category only authorizes the costs of temporarily managing property pending its disposition, care should be taken to avoid spending CDBG funds to manage properties for which there are no plans for disposition in the near future or where the market is such that it is not likely to be sold in the near future, such as properties acquired many years ago under the Urban Renewal program.

Complying with National Objectives—Disposition

For disposition costs to be eligible, the use of the CDBG-acquired property after disposition must meet a national objective of the CDBG program. When property is disposed of for the same purpose as that for which it was acquired, the costs of disposition will be considered to meet the same national objective ascribed to the CDBG funds spent on its acquisition. For examples on how such acquired property may meet a national objective, see the charts on National Objectives—Acquisition of Real Property on pages 2-6 through 2-8.

If the property is being disposed of for a purpose other than that for which it was acquired, the new activity must be reviewed to determine whether a national objective will be met by the new use. See the discussion in the preceding section on Acquisition of Real Property on page 2-4 for more details. Property acquired with CDBG funds may be used for purposes that do not meet a national objective, but only under conditions specified under §570.503(b)(8) and §570.505.

Additional Considerations

Gross proceeds from the disposition of real property acquired with CDBG funds that are received by the grantee or a subrecipient are program income.

References: §570.201(b) and §570.500(a)(1)

Public Facilities and Improvements

Eligible Activities

CDBG funds may be used by the grantee or other public or private nonprofit entities for the:

- ✓ Acquisition (including long term leases for periods of 15 years or more),
- ✓ Construction,
- ✓ Reconstruction,
- ✓ Rehabilitation (including removal of architectural barriers to accessibility), or
- ✓ Installation.

of public improvements or facilities (except for buildings for the general conduct of government). *Reference: §570.201(c)*

Neither the statute nor the regulations define the terms “public facilities” or “public improvements.” However, in the CDBG program, these terms are broadly interpreted to include all improvements and facilities that are either publicly owned or that are traditionally provided by the government, or owned by a nonprofit, and operated so as to be open to the general public. This would include neighborhood facilities, firehouses, public schools, and libraries. Public improvements include streets, sidewalks, curbs and gutters, parks, playgrounds, water and sewer lines, flood and drainage improvements, parking lots, utility lines, and aesthetic amenities on public property such as trees, sculptures, pools of water and fountains, and other works of art. The regulations specify that facilities that are designed for use in providing shelter for persons having special needs are considered to be public facilities (and not permanent housing), and thus are covered under this category of basic eligibility. Such shelters would include nursing homes, convalescent homes, hospitals, shelters for victims of domestic violence, shelters and transitional facilities/housing for the homeless, halfway houses for run-away children, drug offenders or parolees, group homes for the developmentally disabled, and shelters for disaster victims.

In the CDBG program, site improvements of any kind that are made to property that is in public ownership are considered to be a “public improvement” eligible for assistance under this category. This distinction would be of particular importance if new housing is to be constructed on the property and direct CDBG assistance to that construction would not be eligible under program rules.

With one notable exception, this category does not authorize expenditures for “buildings for the general conduct of government.” The exception is that CDBG funds may be used to remove from such buildings material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons. *Reference: §570.207(a)(1)*

- ❖ As defined in the statute, the term “buildings for the general conduct of government” means “city halls, county administrative buildings, State capitol or office buildings or other facilities in which the legislative, judicial or general administrative affairs of government are conducted.” The term includes court houses but does not include jails or prisons. It does not include buildings which are used to deliver services to the public, such as police stations or fire stations. “Mini-city halls,” which are used by some large communities to make certain services available closer to the public, are also not included under this term. Generally speaking, buildings which house administrative functions of the government are considered to be “buildings for the general conduct of government.” Thus, CDBG assistance to a building in which the chief of police and the fire captain of a city have their offices would generally be ineligible. For small communities where one building provides both the administrative functions and services directly to the public, a determination should be sought from HUD as to whether the building may be assisted under this category.

Public facilities and improvements authorized under this category also do **not** include:

Reference

❖ Costs of <i>operating or maintaining</i> public facilities/improvements;	§570.207(b)(2)
❖ Costs of purchasing construction equipment;	§570.207(b)(1)(i)
❖ Costs of furnishings and other personal items such as uniforms; or	§570.207(b)(1)(iii)
❖ New construction of public housing.	§570.207(b)(3)

Complying with National Objectives— Public Facilities and Improvements

Except for highly specialized facilities, public facilities and improvements by their nature are intended to benefit all the residents of an area. Thus, to qualify under the national objective of benefit to L/M income persons, in most cases they must serve an area having a sufficiently high percentage of L/M income persons. The general rule is that the primarily residential area must have at least 51% L/M income residents. Certain grantees are authorized to use what is called the “upper quartile” percent in lieu of 51% or more in the area served. See §570.208(a)(1)(ii). The charts following Additional Considerations, below, show several ways that facilities and improvements eligible under this category may meet a national objective of the CDBG program. Note that public facilities that serve the entire jurisdiction of the grantee, a main library for example, may qualify under the L/M Income Benefit national objective only if the percentage of L/M income persons in the entire jurisdiction is sufficiently high to meet the “area benefit” test. Jails are considered to benefit the entire community served by the facility and thus would have this same restriction. Some facilities by their nature serve an area that is larger (sometimes much larger) than the grantee’s jurisdiction. Regional parks and prisons fall into this category. In such cases, it is important to note that the entire area served by the facility must be considered in determining if it can meet the L/M Income Area Benefit subcategory of the L/M Income Benefit national objective.

Additional Considerations

Title to public facilities:

- ❖ Nonprofit entities frequently hold title to and operate facilities such as senior centers, centers for the handicapped and neighborhood facilities. When such facilities are owned by nonprofit entities, they may qualify for assistance under this category only if they are made available to the general public. Where applicable, facilities owned by a nonprofit must be open for use by the general public during all normal hours of operation. *Reference: §570.201(c)*

Facilities containing both eligible and ineligible uses:

- ❖ If a public facility contains both eligible and ineligible uses, §570.200(b)(1) of the regulations should be consulted for special qualifying criteria for the eligible portion of the facility.

Fees:

- ❖ Reasonable fees may be charged for the use of the facilities assisted with CDBG funds, but charges, such as excessive membership fees, which will have the effect of precluding L/M income persons from using the facilities are not permitted. *Reference: §570.200(b)(2)*

Special assessments:

- ❖ Because many communities levy special assessments against property owners to help pay for the costs of certain public facilities, it is important to be aware of limitations, implications, and requirements that are unique to the CDBG program in this regard.
- ❖ For purposes of the CDBG program, “special assessment” is defined as the recovery of the capital costs of a public improvement, such as streets, water or sewer lines, curbs, and gutters, through:
 - a fee or charge levied or filed as a lien against a parcel of real estate as a direct result of a benefit derived from the installation of a public improvement; or
 - a one-time charge made as a condition of access to the public improvement.
- ❖ Where CDBG funds are used to pay all or part of the cost of a public improvement, the rules (described in Appendix C to this Guide) apply if special assessments are used to recover capital costs.
Reference: Section 104(b)(5) of the HCD Act
- ❖ There is no special category of basic eligibility authorizing the use of CDBG funds to pay for special assessments. However, because of the broad use of this technique for funding public improvements, the use of CDBG funds to pay special assessments on behalf of property owners for a public improvement has been considered to constitute a form of using CDBG funds to assist the public improvement and is thus authorized under this category. Therefore, all the rules applicable to a CDBG-assisted public improvement apply even if CDBG funds are only used to pay special assessments for that improvement, but do not assist in the construction. This means that Davis-Bacon applies, and the rules described in Appendix C about the requirements to pay assessments on behalf of L/M income property owners also apply.

NATIONAL OBJECTIVES— PUBLIC FACILITIES AND IMPROVEMENTS			
Objective	Qualifies If	Example	Additional Information
L/M Income Area Benefit	The public facility or improvement will be used for a purpose the benefits of which are available <i>to all the residents in a particular area</i> that is primarily residential, and at least 51% of those residents (or less if grantee qualifies to use the exception rule) are L/M income persons.	Paving of gravel streets and the installation of curbs, gutters, and sidewalks in a predominantly L/M income neighborhood.	For more information, see page 3-7.
L/M Income Limited Clientele	The public facility or improvement will be used for an activity designed to benefit a particular group of persons at least 51% of whom are L/M income persons.	Rehabilitation of a building to be used as a center for training severely disabled persons to enable them to live independently.	For more information, see page 3-14.
L/M Income Housing	The public facility or improvement exclusively assists in the provision of housing to be occupied by L/M income persons.	Site improvements on publicly-owned land to serve a new apartment structure to be rented to L/M income households at affordable rents.	For more information, see page 3-19.

NATIONAL OBJECTIVES— PUBLIC FACILITIES AND IMPROVEMENTS

Objective	Qualifies If	Example	Additional Information
L/M Income Jobs	The provision of a particular public improvement needed by one or more businesses to allow creation or retention of jobs, primarily for L/M income persons.*	Rebuilding a public road adjacent to a factory to allow larger and heavier trucks access to the facility, determined to be necessary for plant expansion and the creation of new jobs, where the business agrees to fill 51% of the jobs with L/M income persons.*	For more information, see page 3-24.
Slum or Blighted Area	The public facilities and improvements are located in a designated slum or blighted area and are designed to address one or more conditions which contributed to the deterioration of the area.	Reconstruction of a deteriorated public park located in an area designated by the grantee as slum or blighted pursuant to CDBG rules.	For more information, see page 3-35.
* In certain cases, the area served by a public improvement that enables a business to create or retain jobs may also include other properties (e.g., bringing new water or sewer service to a fringe area of a community that will not only help a business to locate there but that also will bring that new water/sewer service to houses that are located in that area). When, overall, the properties served by the public improvement are primarily residential, the benefits to the residents must also be considered. Therefore, the assisted public improvement in such a case must not only meet the L/M Income Benefit based on the Jobs criteria but must also meet the Area Benefit criteria Reference: §570.208(d)(3) (See also the discussion on page 3-27 of this Guide concerning the case where more than one business may create or retain jobs as a result of a public improvement.)			

NATIONAL OBJECTIVES— PUBLIC FACILITIES AND IMPROVEMENTS

Objective	Qualifies If	Example	Additional Information
Spot Blight	The public facilities or improvements are for the historic preservation or rehabilitation of blighted or decayed public facilities/improvements located outside of a designated slum or blighted area. Rehabilitation must be limited to the extent necessary to eliminate specific conditions detrimental to public health and safety.	Rehabilitation/restoration of a severely deteriorated building of historic significance that is being used as a museum that is located outside a designated slum or blighted area (and does not serve a L/M income area).	For more information, see page 3-38.
Urban Renewal Completion	The public facilities and improvements are located within an urban renewal project area (or an NDP action area), designated under Title I of the Housing Act of 1949, and the public facilities/improvements are necessary to complete the urban renewal plan.	Construction of a publicly-owned parking garage in an urban renewal project area where the garage is specified in the urban renewal plan and is necessary to complete the plan.	For more information, see page 3-40.
Urgent Needs	The acquisition, construction, or reconstruction of a public facility or improvement designed to alleviate existing conditions and the grantee certifies that those conditions are a serious and immediate threat to the health or welfare of the community, the conditions are of recent origin, and there is no other known source of funds it can use to implement the activity.	Reconstruction of a publicly-owned hospital that was severely damaged by a tornado.	For more information, see page 3-41.

Clearance

Eligible Activities

Under this category, CDBG funds may be used for:

- ✓ Demolition of buildings and improvements;
- ✓ Removal of demolition products (rubble) and other debris;
- ✓ Physical removal of environmental contaminants or treatment of such contaminants to render them harmless; and
- ✓ Movement of structures to other sites.

Reference: §570.201(d)

Caveat: Demolition of HUD-assisted housing may be undertaken only with the prior approval of HUD.

Complying with National Objectives— Clearance

Clearance activities may qualify as meeting a national objective of the CDBG program in the ways depicted in the charts on the following pages.

Additional Considerations

Where activities under this category are integral to the construction of a building or improvement on the cleared property, and where such construction is also to be assisted with CDBG funds, the clearance activities may be treated as a part of the construction costs and need not be qualified separately under the program.

NATIONAL OBJECTIVES— CLEARANCE

Objective	Qualifies If	Example	Additional Information
L/M Income Area Benefit	The cleared property will be used for a purpose the benefits of which are available to <i>all</i> the residents in a particular area, and at least 51% of those residents (or less if the exception criteria are applicable) are L/M income persons.	Demolishing a vacant structure and removing the debris to make a neighborhood park and playground serving a predominantly residential L/M income neighborhood.	For more information, see page 3-7.
L/M Income Limited Clientele	The cleared property will be used for an activity the benefits of which are limited to a specific group of people, at least 51% of whom are L/M income persons.	Demolishing a dilapidated structure from the site on which a neighborhood center will be built, the use of which will be limited to the elderly.	For more information, see page 3-14.
L/M Income Housing	The cleared property will be used for providing housing to be occupied by L/M income persons. Rental units for L/M income persons must be occupied at affordable rents.	Demolishing an abandoned warehouse to make room for new apartments, where at least 51% of the units will be occupied by L/M income households at affordable rents.	For more information, see page 3-19.

NATIONAL OBJECTIVES— CLEARANCE

Objective	Qualifies If	Example	Additional Information
L/M Income Jobs	The clearance is part of an activity that will create or retain permanent jobs, at least 51% of which are for L/M income persons.	Using CDBG funds to clear a site on which a new business will locate and agrees that at least 51% of the jobs to be created will be for L/M income persons.	For more information, see page 3-24.
Slum or Blighted Area	The clearance activities are in a designated slum or blighted area and are designed to address one or more conditions which contributed to the deterioration of the area.	Using CDBG funds to demolish one or more deteriorated buildings located in a designated slum or blighted area.	For more information, see page 3-35.
Spot Blight	The clearance activity is undertaken to eliminate specific conditions of blight or physical decay on a spot basis not located in a designated slum or blighted area.	Demolition of an abandoned and deteriorated structure located in an area that is not designated as a slum or blighted area.	For more information, see page 3-38.

NATIONAL OBJECTIVES— CLEARANCE

Objective	Qualifies If	Example	Additional Information
Urban Renewal Completion	The clearance activities are located within an urban renewal project area (or an NDP action area), designated under Title I of the Housing Act of 1949, and such activities are necessary to complete the urban renewal plan.	Clearance of a property located in an urban renewal project area and which is specified in the urban renewal plan and necessary to complete the plan.	For more information, see page 3-40.
Urgent Needs	The clearance is part of an activity designed to alleviate existing conditions and the grantee certifies that those conditions are a serious and immediate threat to the health or welfare of the community, they are of recent origin or recently became urgent, the grantee is unable to finance the activity on its own, and other sources of funds are not available.	Clearance of a building that was destroyed by a major earthquake and that constitutes a safety hazard to the community.	For more information, see page 3-41.

Public Services

Eligible Activities

Under this category, CDBG funds may be used to provide public services (including labor, supplies, materials and other costs), provided that each of the following criteria is met:

(1) The *public service* must be either:

- ✓ A new service; or
- ✓ A quantifiable increase in the level of a service.

above that which has been provided by or on behalf of the unit of general local government through funds raised by such unit, or received by such unit from the State in which it is located during the 12 months prior to submission of the grantee's applicable Action Plan. (This requirement is intended to prevent the substitution of CDBG funds for recent support of public services by the grantee using local or State government funds.)

An exception to this limitation may be granted by HUD if it is determined that the level of service from the previous period has decreased for reasons beyond the unit of local government's control. *Reference: §570.201(e)*

(2) The amount of CDBG funds obligated within a program year to support public service activities under this category may not exceed 15% of the total grant awarded to the grantee for that year plus 15% of the total program income it received in the preceding program year or, where applicable, the amount determined as described in the next paragraph. (Specific description of how to calculate the Public Services Cap is located on page 2-27.)

(3) A grantee that obligated more than 15% of its FY 1982 or of its 1983 grant for public service activities during its 1982 or 1983 program year, respectively, may instead use for this purpose a limitation that exceeds that described in (2), above. The amount of the alternative cap for such a grantee shall be as follows:

The maximum amount that the grantee may obligate for public services under this category is 15% of the program income it received during the preceding program year; plus the greater of

- the actual dollar amount it obligated during the 1982 or 1983 program year; or
- the percentage of public service obligations comprised of the grant it received for the 1982 or 1983 program year multiplied by the grant it will receive for the program year for which the alternative limitation is being computed. *Reference: §570.201(e)(2).*

Note: The exception to the straight 15% limitation that is described in (3) above is only available to those grantees that received authority from HUD to exceed the 10% cap on public services for their 1982 or 1983 program year and legally obligated in excess of 15% for public services that program year.

Public services that are not subject to the cap: Certain types of services fall under other categories of basic eligibility and are not subject to the dollar limitation that applies to services carried out under this category. (See especially the categories of Homeownership Assistance, Special Economic Development Activities, Microenterprise Assistance, and Special Activities by CBDOs.) Moreover, under special circumstances, services that would otherwise be subject to the dollar limitation under this category are exempted from this limitation. (See especially Appendix E.) A discussion of the factors to consider in deciding how to categorize public services that a grantee may be interested in assisting with CDBG funds may be found in the subsection entitled Making the Best Choice, at the end of this chapter on page 2-92.

Example

Public services include, but are not limited to:

- Child care,
- Health care,
- Job training (including training a qualified pool of candidates for unspecified jobs but see Special Economic Development Activities and Special Activities by CBDOs categories),
- Recreation programs,
- Education programs,
- Public safety services,
- Fair housing activities (but see Program Administration category),
- Services for senior citizens,
- Services for homeless persons,
- Drug abuse counseling and treatment,
- Energy conservation counseling and testing,
- Homebuyer downpayment assistance, and
- Welfare (but excluding provision of income payments described at §570.207(b)(4)).

Paying the cost of operating and maintaining that portion of a facility in which the service is located is also considered to fall under the basic eligibility category of Public Services, even if such costs are the only contributions made by CDBG for those services.

The following Public services **are not** eligible under this category:

	<i>Reference</i>
❖ Political activities;	§570.207(a)(3)
❖ Ongoing grants or non-emergency payments (defined as more than 3 consecutive months) to individuals for their food, clothing, rent, utilities, or other income payments.	§570.207(b)(4)

Complying with National Objectives—Public Services

Public service activities may qualify as meeting a national objective of the CDBG program as depicted in the charts on the following pages.

Additional Considerations

Applicability of Public Services Cap to subrecipients:

- ❖ Public services carried out by subrecipients and some such services carried out by CBDOs are subject to the Public Services Cap.

Substitution of CDBG funds for private or other Federal funds:

- ❖ The prohibition on substituting CDBG funds for recent local or State government funding of a public service, as described on page 2-22, does not extend to prohibiting the substitution of CDBG funds for **private** or other **Federal** funding of a public service.
- ❖ It also does not prevent continued funding of a CDBG-funded public service at the same or smaller level in the subsequent program year.
Reference: §570.201(e)

Purchase or lease of personal property for a public service:

- ❖ The purchase or lease of furnishings, equipment, or other personal property needed for an eligible public service may be paid for with CDBG funds. *Reference: §570.207(b)(1)(iii)*

NATIONAL OBJECTIVES— PUBLIC SERVICES

Objective	Qualifies If	Example	Additional Information
L/M Income Area Benefit	The public service is available to <i>all</i> the residents in a particular primarily residential area, and at least 51% of those residents (or less if the exception criteria are applicable) are L/M income persons.	Increased police and fire protection services in a predominantly L/M income neighborhood.	For more information, see page 3-7.
L/M Income Limited Clientele	The public service is limited to a specific group of people, at least 51% of whom are L/M income persons. Services qualifying under this category serve a specific clientele, rather than providing service to all the persons in a geographic area.	Provision of meals to the homeless. (Most public services qualify under this category.)	For more information, see page 3-14.
L/M Income Housing	Not applicable.	Not applicable.	Not applicable.
L/M Income Jobs	Not applicable.	Not applicable.	Not applicable.

NATIONAL OBJECTIVES— PUBLIC SERVICES			
Objective	Qualifies If	Example	Additional Information
Slum or Blighted Area	The public service is provided within a designated slum or blighted area, and is designed to address one or more conditions which contributed to the deterioration of the area.	Provision of crime prevention counseling to residents of a designated slum/blight area.	For more information, see page 3-35.
Spot Blight	Not applicable.	Not applicable.	Not applicable.
Urban Renewal Completion	Not applicable.	Not applicable.	Not applicable.
Urgent Needs	The public service is designed to alleviate existing conditions that pose a serious and immediate threat to the health or welfare of the community, they are of recent origin or recently became urgent, and the grantee is unable to find other available funds to support the activity.	Additional police protection to prevent looting in an area damaged by a tornado.	For more information, see page 3-41.

Public Services Cap

Follow the steps below in order to determine the maximum amount which your entitlement community may obligate for Public Services during a program year:

1. Enter the amount of the Entitlement Grant awarded for the program year, as shown in the Grant Agreement on line 11.b of the Funding Approval Form (HUD-7082 dated 4/14/93). \$_____
2. Multiply the amount on line 1 by 0.15 and enter the product here. \$_____
3. *If applicable to this community*, enter here the amount determined as described in the note below. \$_____
4. Enter here the total amount of program income received by the grantee and all of its subrecipients during the program year preceding the year for which this cap is being determined. \$_____
5. Multiply the amount on line 4 by 0.15 and enter the product here. \$_____
6. Add the amount on line 5 to the amount on line 2 (or, where applicable, to the amount on line 3) and enter the sum here. This is the maximum amount that this community may obligate during the program year for activities carried out under the category of Public Services and under the category of Special Activities by CBDOs which are not expressly exempt from the cap. \$_____

***Note:** If the grantee, *with the expressed consent of HUD*, obligated more than 15% of its annual entitlement grant during either its 1982 or 1983 program year for public services, the grantee may use for this calculation, in lieu of 15% of its current grant, the *greater* of the following two amounts:

enter here the amount the grantee actually obligated for public services during that program year \$_____ ;

or

identify the percentage of the grant obligated for public services during that program year and multiply the amount on line 1., above, by the decimal equivalent of this percentage in lieu of 0.15 and enter the product here \$_____.

Determining Compliance with the Cap

Compliance with the public service cap for entitlement grantees is determined by performing the following calculation at the end of each program year:

Determine the total amount of CDBG funds expended during program year for activities that are classified as eligible under §570.201(e) plus any public services carried out by a CBDO under §570.204 that are not exempt from the cap as provided under §570.204(b)(2)(i) or (ii) and enter the total here: \$_____

Identify the total amount of unliquidated obligations for activities under these same two categories, as of the end of the program year and enter the total here: \$_____

Add the above two numbers and enter the subtotal here: \$_____

Identify the total amount of unliquidated obligations for these two categories, as of the end of the preceding program year and enter that amount here: \$_____

Subtract the figure in the line directly above from the preceding subtotal and enter the balance here. (This is the amount of net obligations for public services that were incurred during the program year and are subject to the cap.) \$_____

If the amount of net obligations incurred during the program year does not exceed the amount determined on the previous page as the maximum amount allowed for the year, the grantee is in compliance with this limitation.

Interim Assistance

Eligible Activities

CDBG funds may be used for certain activities on an interim basis, provided that the activities meet a national objective.

There are two subcategories of interim assistance activities:

(1) The first subcategory covers limited improvements to a deteriorating area as a prelude to permanent improvements. To qualify under this subcategory:

- ❖ The area must be exhibiting objectively determinable signs of physical deterioration.
- ❖ The grantee must determine that immediate action is needed to arrest the deterioration and that permanent improvements will be undertaken as soon as practicable. Documentation of this determination must be maintained.
- ❖ The activities that may be carried out with CDBG funds under this subcategory are *limited* to:

(A) The repair of:

- streets,
- sidewalks,
- public buildings,
- parks and playgrounds, and
- publicly-owned utilities.

(B) The execution of *special* (i.e., beyond that normally provided):

- garbage,
- trash, and
- debris removal, including neighborhood cleanup campaigns.

References: §570.201(f)(1) and §570.200(e)

(2) The second subcategory covers activities to alleviate an emergency condition. To qualify under the second subcategory:

- ❖ The grantee’s chief executive officer must determine that emergency conditions threatening the public health and safety exist in the area and require immediate resolution. Documentation of that determination must be maintained.
- ❖ The activities that may be carried out with CDBG funds under this subcategory are *limited* to:
 - activities eligible under the first subcategory, except for the repair of parks and playgrounds;
 - clearance of streets, including snow removal and similar activities; and
 - improvements to private properties.

These activities may not go beyond what is necessary to alleviate the emergency condition. *References: §570.201(f)(2) and §570.200(e)*

Complying with National Objectives— Interim Assistance

Interim assistance activities may qualify as meeting a national objective of the CDBG program as shown in the charts on the following pages.

Additional Considerations

Because activities carried out under this category might otherwise be either ineligible or subject to the cap on public services, it is critical that the grantee maintain the documentation that is called for above to make the activities eligible as Interim Assistance.

NATIONAL OBJECTIVES— INTERIM ASSISTANCE			
Objective	Qualifies If	Example	Additional Information
L/M Income Area Benefit	The interim assistance activities benefit all persons in a primarily residential area where at least 51% (or less if the upper quartile applies) are L/M income persons residing in the area and who are benefiting from those activities.	Removal of storm damaged tree limbs from streets in a predominantly L/M income neighborhood and blocking emergency vehicle entrance.	For more information, see page 3-7.
L/M Income Limited Clientele	Not applicable.	Not applicable.	Not applicable.
L/M Income Housing	Not applicable.	Not applicable.	Not applicable.
L/M Income Jobs	Not applicable.	Not applicable.	Not applicable.

NATIONAL OBJECTIVES— INTERIM ASSISTANCE			
Objective	Qualifies If	Example	Additional Information
Slum or Blighted Area	The interim assistance activities are carried out in a designated slum or blighted area.	Improvements to private properties in a designated slum/blight area which require immediate resolution because of public safety concerns.	For more information, see page 3-35.
Spot Blight	Not applicable.	Not applicable.	Not applicable.
Urban Renewal Completion	Not applicable.	Not applicable.	Not applicable.
Urgent Needs	The interim assistance is designed to alleviate existing conditions that the grantee certifies as posing a serious and immediate threat to the health or welfare of the community, they are of recent origin or recently became urgent, the grantee is unable to finance the activity on its own, and other sources of funds are not available.	Emergency treatment of health problems caused by a flood.	For more information, see page 3-41.

Relocation

Eligible Activities

CDBG funds may be used for relocation payments and assistance to displaced persons, including:

- ✓ Individuals,
- ✓ Families,
- ✓ Businesses,
- ✓ Non-profit organizations, and
- ✓ Farms

where **required** under section 570.606 of the regulations.

CDBG funds may be used for **optional** relocation payments and assistance to persons (individuals, families, businesses, non-profit organizations, and farms) displaced by an activity that is not subject to the requirements described above. This may include payments and other assistance for temporary relocation (when persons are not permanently displaced.)

Optional relocation payments and assistance may also include payments and assistance at levels higher than those required.

Unless optional payments and assistance are made pursuant to State or local law, the grantee may make such payments and assistance only upon the basis of a written determination that such payments and assistance are appropriate, and only if the grantee adopts a written policy available to the public setting forth the relocation payments and assistance it elects to provide.

This written policy must also provide for equal payments and assistance within each class of displacees. *References: §570.201(i) and §570.606(d)*

Complying With National Objectives— Relocation

The compliance of relocation activities with the national objectives of the CDBG program must be determined in one of two ways, depending on whether the relocation assistance is mandatory for the grantee.

Where such assistance is **required** under the Uniform Act or the CDBG statute, the activity may qualify as meeting the national objective of benefiting L/M income persons only where the acquisition or rehabilitation causing the relocation can also qualify under that objective.

If the grantee acquires property for construction of a public facility that will serve an area that qualified under the slums/blight objective, but cannot qualify as benefiting L/M income persons, the payment of assistance to those displaced by such activity would qualify under the slums/blight objective *even if most or all of the displacees are L/M income.*

This is because the grantee is required by law to make such payments and therefore it must be viewed as an integral part of the displacing activity.

In any case where the payment of such assistance is **voluntary** on the part of the grantee, however, the relocation payments could qualify either on the basis of the re-use of the property or the income of the recipients of the relocation assistance, at the grantee's option.

Thus, HUD would accept a claim of addressing the L/M income benefit objective where the voluntary payment of relocation benefits is made to L/M income persons who were displaced by an activity that could not be considered to meet that objective. This is because the payment of such benefits clearly would not be needed to make possible the activity causing the displacement.

Additional Considerations

Because of the relationship of the optional versus mandatory aspects of relocation payments to the national objectives determinations, it is critical that the grantee make this distinction in its program files and identify the displacing project.

Loss of Rental Income

Eligible Activities

CDBG funds may be used to pay housing owners for the loss of rental income incurred in holding, for temporary periods, housing units to be used for the relocation of individuals and families displaced by CDBG-assisted activities.

The statutory requirements concerning displacement require certain replacement housing to be made available to displacees. If the displaced household requires a type of housing unit that is scarce in that community, it may be necessary for the grantee to have an existing, available unit held open for the household for a short period until the displacement actually occurs.

Reference: §570.201(j)

Complying with National Objectives— Loss of Rental Income

Compliance of this activity with the national objectives of the CDBG program must be determined based on the underlying relocation activity.

If the activity resulting in the relocation assistance to the displaced household qualified on the basis of benefit to L/M income persons, then paying housing owners for losses incurred in holding units for those displacees also qualifies as benefiting L/M income persons, even if the displaced household itself is not L/M income.

Note: If the relocation assistance to displacees qualified under the “Slum/Blight” or “Urgent Needs” national objectives, then paying housing owners for losses incurred in holding units for those displacees also would qualify under “Slum/Blight” or “Urgent Needs,” as applicable.

Additional Considerations

Because the eligibility of this activity is dependent upon the housing unit being required to relocate a household displaced by another CDBG-funded activity, it is critical that the displacing activity and the displaced household be documented as well as the basis upon which the grantee determined that the housing was needed to be kept available for the displaced household.

Privately-Owned Utilities

Eligible Activities

The grantee, other public agencies, private nonprofit entities, and for-profit entities may use CDBG funds to:

- ✓ Acquire,
- ✓ Construct,
- ✓ Reconstruct,
- ✓ Rehabilitate, or
- ✓ Install

the distribution lines and related facilities for privately-owned utilities.
Reference §570.201(1)

Definition: A privately-owned utility may be defined as a publicly-regulated service which is provided through the use of physical distribution lines to private properties and that is owned and operated by a non-public entity. Utilities include, but are not necessarily limited to, natural gas, electricity, telephone, water, sewer, and television cable services.

Example:

A grantee could use CDBG funds to:

- Pay the costs of placing underground new or existing power lines and telephone lines where such lines are owned by private companies.
- Pay the costs of installing water lines where the water service is owned and operated by a private company.

Complying with National Objectives—Private-Owned Utilities

Privately-owned utilities may qualify as meeting a national objective of the CDBG program in the same ways as are applicable to **Public Facilities and Improvements** (see page 2-11).

Additional Considerations

The inclusion of this category of basic eligibility serves to ensure that publicly-regulated utilities may be assisted with CDBG funds without regard to whether the utility is publicly- or privately-owned. Thus, the CDBG program does not constitute a barrier to a community's determination to shift one or more of its publicly-owned utilities to private ownership where economic considerations dictate.

Rehabilitation

Eligible Activities

CDBG funds may be used to finance the costs of rehabilitation as shown below.

Eligible types of property

Residential—Residential property, whether privately or publicly owned. This includes manufactured housing when such housing constitutes part of the community’s housing stock.

Commercial/industrial—Commercial or industrial property, but where such property is owned by a for-profit, rehabilitation under this category is limited to exterior improvements of the building and the correction of code violations. (Further improvements for such buildings may qualify under the category of Special Economic Development Activities.)

Other—Nonprofit-owned, nonresidential buildings and improvements that are not considered to be public facilities or improvements under §570.201(c) of the CDBG program regulations.

Note: Additions to existing buildings may be assisted under this category when they are incidental to the rehabilitation of the property, and may be provided as a part of other rehabilitation if the addition does not materially increase the size or function of the building.

Eligible types of assistance

Costs—Costs of labor, materials, supplies and other expenses required for the rehabilitation of property, including repair or replacement of principal fixtures and components of existing structures (e.g., the heating system).

Financing—Grants, loans, loan guarantees, interest supplements and other forms of financial assistance may be provided under this category. (A grantee may make a “lump sum draw down” for the purpose of financing rehabilitation of privately-owned properties. See §590.513 for details.)

Refinancing—Loans for refinancing existing indebtedness secured by a property being rehabilitated with CDBG funds, if such refinancing is determined by the grantee to be necessary or appropriate to achieve its community development objectives.

Property acquisition—Assistance to private individuals and entities (whether profit or not-for-profit) to acquire for the purpose of rehabilitation and to rehabilitate properties *for use or resale for residential purposes*.

Security devices—Installation costs of sprinkler systems, smoke detectors and dead bolt locks, and other devices for security purposes.

Insurance—The costs of *initial* homeowner warranty premiums and, where needed to protect the grantee's interest in properties securing a rehabilitation loan, hazard insurance premiums as well as flood insurance premiums for properties covered by the Flood Disaster Protection Act of 1973, as amended, pursuant to §570.605.

Conservation—Costs required to increase the efficient use of water (e.g., water saving faucets and shower heads) and improvements to increase the efficient use of energy in structures through such means as installation of storm windows and doors, insulation, and modification or replacement of heating and cooling equipment.

Water and sewer—Costs of connecting existing residential structures to water distribution lines or local sewer collection lines.

Tools—Costs of acquiring tools to be lent to owners, tenants and others who will use the tools to carry out rehabilitation.

Barrier removal—Costs to remove material and architectural barriers that restrict the mobility and accessibility of elderly and severely disabled persons to buildings and improvements that are eligible for rehabilitation under this category.

Landscaping, sidewalks, and driveways—The costs of installation or replacement of landscape materials, sidewalks, and driveways *when incidental to other rehabilitation of the property*.

Renovation of closed buildings—The conversion of a closed building from one use to another (e.g., the renovation of a closed school building to residential use).

Historic preservation—This category also authorizes the costs of preserving or restoring properties of historic significance, whether privately- or publicly-owned, except that buildings for the general conduct of government may not be restored or preserved with CDBG assistance (see the section on Public Facilities and Improvements concerning this limitation). Historic properties are those sites or structures that are either listed in or eligible to be listed in the National Register of Historic Places, listed in a State or local inventory of historic places, or designated as a State or local landmark or historic district by appropriate law or ordinance.

Lead-based paint hazard evaluation and reduction—The costs of evaluating and treating lead-based paint may be undertaken under this category whether alone or in conjunction with other rehabilitation.

Rehabilitation services—Staff costs and related expenses required for outreach efforts for marketing the program, rehabilitation counseling, screening potential applicant households and structures, energy auditing, preparing work specifications, loan underwriting and processing, inspections, and other services related to assisting owners, tenants, contractors, and other entities who are participating or seeking to participate in rehabilitation activities eligible under this category; under the Section 312 of the Housing Act of 1964, as amended; under Section 810 of the Act; or under Section 17 of the United States Housing Act of 1937.

Business in a residence—In some cases where a business is conducted in a residential unit, it may be necessary to make improvements to the residence in order to conduct the business. (This would be the case where, for example, the business is providing child care and local requirements for such business dictate that modifications be made to the housing unit.) In any case where the improvements are of such nature that, in addition to facilitating the business, they also provide a benefit to the resident(s), such rehabilitation costs may be covered under this category. Other improvements not meeting this test needed for such a business could be eligible under the category of Special Economic Development.

Reference: §570.202

*Rehabilitation does **not** include:*

- ❖ Creation of a secondary housing unit attached to a primary unit;
- ❖ Installation of luxury items, such as a swimming pool;
- ❖ Costs of equipment, furnishings, or other personal property not an integral structural fixture, such as:
 - a window air conditioner; or
 - a washer or dryer (but a stove or refrigerator is allowed); or
- ❖ Labor costs for homeowners to rehabilitate their own property.

Use of Subrecipients

Nonprofit entities are often used by grantees in carrying out a rehabilitation program. Where the nonprofit entity is acting in the same capacity as the grantee in selecting properties to be rehabilitated, they are appropriately designated as a subrecipient under the CDBG program and thus subject to subrecipient requirements. However, there are instances where a nonprofit entity may not be considered to be a subrecipient with respect to the use of CDBG funds for rehabilitation. Simply put, where the nonprofit owns property that is in need of rehabilitation and they take advantage of the grantee's program of using CDBG funds for such rehabilitation (in the same manner as other property owners do), the entity should not be considered to be a subrecipient for purposes of the program. Perhaps the most significant aspect of this is that any income the nonprofit might receive from the use or rental of the rehabilitated property would not be considered to be CDBG program income. If there is any question as to whether a nonprofit entity should be considered to be a subrecipient with respect to a particular use of CDBG funds for rehabilitation, contact the local HUD field office for advice.

Drawing Down Funds for Rehabilitation

The general Treasury rules for drawing Federal funds require that funds not be drawn until needed. In the CDBG program, this usually means that the grantee or subrecipient should not draw funds from the line of credit (the Treasury) in an amount greater than that which it expects to use within the next three business days. The rules also require that any program income on hand must be used before drawing additional funds from the Treasury [but see the special rule applying to revolving funds at §§570.500(b) and 570.504(b)(2)]. There are, however, two regulatory provisions that allow drawing funds from the Treasury in advance which apply with respect to rehabilitation. They are: (a) Lump Sum Drawdown; and (b) Escrow Accounts. Each of these is discussed below.

Lump Sum Drawdown—The grantee may draw, as a single amount, the total amount needed for rehabilitation if it enters into an agreement with a financial institution that meets the requirements set forth in §570.513(b)(2) and if the grantee complies with other requirements under §570.513. Some of the key requirements outlined in that provision include: the agreement may not exceed two years; the financial institution must agree to provide certain benefits in conjunction with the activities paid for from the account; there are time benchmarks for when the rehabilitation carried out with funds in the account must begin and the pace at which the funds must be used; and there are limits to what the funds can be used for. If the grantee is interested in using this authority but has questions about the requirements, it should consult with its local HUD field office for assistance. *Reference: §570.513*

Escrow Account—Some grantees have experienced difficulty in making timely payments from their CDBG account to contractors engaged in rehabilitation. Where the grantee’s program makes use of small and minority contractors or subcontractors, delays in making payment for invoices presented by such entities can mean that the contractors or subcontractors are unable to participate in CDBG-assisted rehabilitation, since they cannot afford to wait long for payment. In such cases, the grantee may establish an escrow account for purposes of making timely payments from that account rather than from the program account, provided it does so in conformance with the requirements set forth at §570.511. Some of the key requirements contained in that provision include: the use of this feature must be limited to residential rehabilitation; the account may not hold more than the amount expected to be disbursed within ten working days; and interest earned on the funds on deposit is to be returned to HUD at least quarterly. It should be noted that, if the grantee has a lump-sum account, as described in the subsection above, it may serve the same purpose as an escrow account and the two may not need to be used together. If a grantee has an interest in establishing an escrow account but has some questions or concerns about the matter, the local HUD field office should be contacted for advice. *Reference: §570.511*

Complying with National Objectives— Rehabilitation

Section 105(c)(3) of the authorizing statute, the Housing and Community Development Act of 1974, requires that, in order for an activity that involves the acquisition or improvement of property for housing to qualify as benefiting L/M income persons, the housing must be occupied by such persons. Even though a particular housing activity may provide a clear benefit to an area containing predominantly L/M Income residents, it cannot qualify on that basis. Instead, the housing must be occupied by L/M Income households. (See page 3-3 of the Guide for a discussion about the distinction between L/M households and L/M persons in this regard.) That limitation is reflected in the charts that follow which provide general guidance on how rehabilitation activities may qualify as meeting a national objective under the CDBG program. This section of the statute also limits the extent to which CDBG expenditures for housing activities may count towards the Overall Expenditures Benefit requirement, as discussed in Chapter 4 of this Guide. It should also be noted that the section on L/M Income Benefit for housing in Chapter 3 of this Guide covering National Objectives contains important information on the rules that must be followed concerning housing activities that are not covered in the following charts in this section. That chapter also discusses the circumstances under which occupancy of a CDBG-assisted housing unit by a L/M income household may qualify for the assistance to that unit without regard to the income of households occupying any other units that may be located in the same structure.

Additional Considerations

When CDBG funds are used under this category for refinancing, the grantee should maintain documentation showing that the rehabilitation was done with CDBG funds and that the borrower needed the refinancing in order to make the rehabilitation affordable. *References: §570.202(b)(3) and §570.200(e)*

If the grantee or a subrecipient makes a number of loans for rehabilitation, it will be important that appropriate steps be taken to manage its portfolio of loans. Some guidance and advice on this matter is contained in Appendix G, Selling or Securitizing CDBG Loans.

NATIONAL OBJECTIVES — REHABILITATION

Objective	Qualifies If	Example	Additional Information
L/M Income Area Benefit	Rehabilitation of a building to be used for a purpose that will benefit all the residents of a qualifying L/M income primarily residential area.	Facade improvements to a commercial structure serving a predominantly L/M income primarily residential area.	For more information, see page 3-7.
L/M Income Limited Clientele	Not applicable.	Not applicable.	Not applicable.
L/M Income Housing	Rehabilitation of housing to be occupied by L/M income persons. Rental units must be occupied at affordable rents.	Conversion of an abandoned warehouse into rental housing for L/M income households at affordable rents. Also improvements to a single family residence used as a place of business provided the improvements generally benefit the unit's residential occupants.	For more information, see page 3-19.
L/M Income Jobs	Rehabilitation of nonresidential property that will create or retain jobs for L/M income persons	Correction of code violations that will enable a business to survive and retain jobs the majority of which are held by L/M income persons.	For more information, see page 3-24.

NATIONAL OBJECTIVES — REHABILITATION

Objective	Qualifies If	Example	Additional Information
Slum or Blighted Area	Rehabilitation of residential structures located in a designated slum or blighted area; the structure to be rehabilitated is considered substandard under local definition before rehabilitation, and all deficiencies making the structure substandard are corrected before less critical work is undertaken. <i>Reference: §570.208(b)(1)(iv)</i>	Rehabilitation of substandard housing located in a designated blighted area and where the housing is expected to be brought to standard condition and sold to non-L/M income households.	For more information, see page 3-35.
Spot Blight	Rehabilitation of a structure located outside a designated slum or blighted area, where the rehabilitation is limited to the extent necessary to eliminate specific conditions of blight or decay that are detrimental to public health and safety.	Rehabilitation of the deteriorated exterior of an abandoned building located in an area that has not been designated as slum or blighted and where the rehabilitation is limited to removal of the exterior blight. Rehabilitation of plumbing in a building located in an area that has not been designated as slum or blighted and where rehabilitation is limited to corrections of code violators that are detrimental to public health and safety.	For more information, see page 3-38.

NATIONAL OBJECTIVES — REHABILITATION

Objective	Qualifies If	Example	Additional Information
Urban Renewal Completion	Rehabilitation of property located in an Urban Renewal area and for a use that is specified in the latest approved plan for the area.	Conversion of a warehouse to residential housing in an Urban Renewal project area, necessary to complete the urban renewal plan.	For more information, see page 3-40.
Urgent Needs	The rehabilitation is part of an activity designed to alleviate existing conditions for which the grantee certifies are a serious and immediate threat to the health or welfare of the community, the conditions are of recent origin or recently became urgent, the grantee is unable to finance the activity on its own, and other sources of funds are not available.	Rehabilitation of housing that has been badly damaged by an earthquake.	For more information, see page 3-41.

Construction of Housing

Eligible Activities

Under this category, CDBG funds may be used in certain specified circumstances to finance the construction of new permanent residential structures. The following identifies those limited circumstances:

- ✓ Grantees may use CDBG funds in a housing construction project that has received funding through a Housing Development Grant (a HODAG). *Reference: §570.201(m)*
- ✓ Grantees may construct housing of last resort under 24 CFR Part 42, Subpart I. (This is housing that the grantee has determined must be constructed in order to provide suitable replacement housing for persons to be displaced by a contemplated CDBG project, subject to the Uniform Act, and where the project is prevented from proceeding because the required replacement housing is not available otherwise.) *Reference: §570.207(b)(3)*

Note: Other than these two situations, new housing construction is ineligible under the CDBG program, unless carried out under the authority of the basic eligibility category, “Special Activities by CBDOs.”

Reference: §570.207(b)(3)

Complying with National Objectives— Construction of Housing

New housing construction may qualify as meeting a national objective of the CDBG program as depicted in the charts on the following pages.

Additional Considerations

It is important to note that several activities which support new housing may be carried out using CDBG funds even though the actual housing construction costs are being supported by other resources. The following are examples of supportive activities:

- ❖ Acquisition of sites on which buildings will be constructed for use or resale as housing. *Reference: §570.201(a);*
- ❖ Clearance of toxic contaminants of property to be used for the new construction of housing. *Reference: §570.201(d);*

- ❖ Site improvements to publicly-owned land to enable the property to be used for the new construction of housing, provided the improvements are undertaken while the property is *still in public ownership* *Reference: §570.201(c); and*
- ❖ The cost of disposing of real property, acquired with CDBG funds, which will be used for new construction of housing. *Reference: §570.201(b).*

In addition, certain “soft costs” necessary for the new construction of housing that would otherwise be ineligible may be eligible if the limitations of §570.206(g) are waived by HUD. Such soft costs include:

- ❖ Surveys,
- ❖ Site and utility plans, and
- ❖ Application processing fees.

Note: A waiver of §570.206(g) is needed because the regulatory provision currently limits costs to that associated with developing new housing identified in the grantee’s HUD-approved Housing Assistance Plan (HAP). Since the HAP is no longer required in the program, the use of this provision must be authorized by HUD by waiving this limitation. HUD would consider granting such a waiver if the grantee could meet the threshold requirements of §570.5 and demonstrate that the housing is clearly needed to support the grantee’s housing and community development objectives, as shown in the grantee’s Consolidated Plan. However, soft costs incurred in support of **eligible** new housing construction activities may be paid for as part of the cost of the new construction itself.

Conversion: It should be noted that the cost of converting an existing non-residential structure to residential is not generally considered to constitute new construction under the CDBG program and is thus covered under the basic eligibility category of Rehabilitation. However, in some cases, the conversion may involve construction that goes beyond the envelope of the non-residential structure. Where this is the case, the grantee should consult with the local HUD field office to ensure that the extent of such construction would not constitute new construction of housing and thus be ineligible for CDBG assistance. *Reference: §570.202*

NATIONAL OBJECTIVES — CONSTRUCTION OF HOUSING

Objective	Qualifies If	Example	Additional Information
L/M Income Area Benefit	Not applicable.	Not applicable.	Not applicable.
L/M Income Limited Clientele	Not applicable.	Not applicable.	Not applicable.
L/M Income Housing	The new housing will be occupied by L/M income households. Rental units must be occupied at affordable rents.	New construction of “last resort” housing needed for a L/M income household being displaced by a CDBG-assisted project.	For more information, see page 3-19.
L/M Income Jobs	Not applicable.	Not applicable.	Not applicable.

NATIONAL OBJECTIVES — CONSTRUCTION OF HOUSING

Objective	Qualifies If	Example	Additional Information
Slum or Blighted Area	New housing qualifies if: (1) The new housing is located with a designated slum or blighted area, and (2) Development of new housing addresses one of the conditions which contributed to the deterioration of the area.	Luxury apartments constructed with HODAG assistance on a site in a designated slum/blight area.	For more information, see page 3-35.
Spot Blight	Not applicable.	Not applicable.	Not applicable.
Urban Renewal Completion	The new housing is: (1) Located within an Urban Renewal project or an NDP action area designated under Title I of the Housing Act of 1949, and (2) Necessary to complete the Urban Renewal plan.	Last resort housing constructed in the Urban Renewal project area on a site calling for such housing in the Urban Renewal plan.	For more information, see page 3-40.
Urgent Needs	The new housing is needed to respond to a threat to the health or welfare of the community of recent origin and no other funding is available to meet the threat and the new construction is eligible (or the statutory waiver Authority for Presidentially-declared disasters is exercised.	Housing needed to replace units completely destroyed by a flood and needed to be built in a new location.	For more information, see page 3-41.

Code Enforcement

Eligible Activities

Code enforcement involves the payment of salaries and overhead costs directly related to the enforcement of state and/or local codes.

CDBG funds may be used for code enforcement only in deteriorating or deteriorated areas where such enforcement, together with public or private improvements, rehabilitation, or services to be provided, may be expected to arrest the decline of the area. *Reference: §570.202(c)*

Example

CDBG funds may be used to pay the salaries of inspectors enforcing codes in a blighted area being renewed through comprehensive treatment.

*Code enforcement does **not** include:*

- ❖ Inspections for the purpose of processing applications for rehabilitation assistance and overseeing such rehabilitation. Such inspections may be eligible under the Rehabilitation category and they are not limited by the restrictions on the eligibility of code enforcement.
- ❖ Correcting code enforcement violations identified during inspections.

Compliance with National Objectives— Code Enforcement

Code enforcement may qualify as meeting a national objective of the CDBG program as shown in the charts on the following pages.

Additional Considerations

Code enforcement expenditures should not be included in costs subject to the 20% limit on planning and administration, even though all expenditures are for staff and related costs because they are considered to be an activity delivery cost.

NATIONAL OBJECTIVES— CODE ENFORCEMENT

Objective	Qualifies If	Example	Additional Information
L/M Income Area Benefit	The code enforcement is targeted at a deteriorated or deteriorating area delineated by the grantee and: (1) At least 51% (or less if the upper quartile applies) of the residents of the area are L/M income persons; and (2) The code enforcement, together with public improvements, rehabilitation, and services to be provided, may be expected to arrest the decline of the area.	Code enforcement efforts in a L/M income deteriorated neighborhood targeted for rehabilitation assistance, construction of a neighborhood facility, and street reconstruction.	For more information, see page 3-7.
L/M Income Limited Clientele	Not applicable.	Not applicable.	Not applicable.
L/M Income Housing	Not applicable.	Not applicable.	Not applicable.
L/M Income Jobs	Not applicable.	Not applicable.	Not applicable.

NATIONAL OBJECTIVES— CODE ENFORCEMENT

Objective	Qualifies If	Example	Additional Information
Slum or Blighted Area	The code enforcement is targeted at a designated slum or blighted area and: (1) Is designed to address one or more of the conditions which contributed to the deterioration of the area; and (2) The code enforcement, together with public improvements, rehabilitation, and services to be provided, may be expected to arrest the decline of the area.	Building inspections for code violations in a designated blighted area, which are part of a comprehensive effort to arrest decline in that area.	For more information, see page 3-35.
Spot Blight	Not applicable.	Not applicable.	Not applicable.
Urban Renewal Completion	While this situation is unlikely to occur, it is possible for code enforcement to qualify under this category if the code enforcement is necessary to complete an Urban Renewal plan.	Building inspections for code violations in a designated blighted area, which are part of a comprehensive effort to arrest decline in an Urban Renewal area.	For more information, see page 3-40.

NATIONAL OBJECTIVES— CODE ENFORCEMENT

Objective	Qualifies If	Example	Additional Information
Urgent Needs	While this situation is likely to be infrequent, it is possible for code enforcement to qualify if: (1) The code enforcement is targeted at a deteriorated or deteriorating area; (2) The code enforcement, together with public or private improvements, rehabilitation, and services to be provided, may be expected to arrest the decline of the area; and (3) The grantee is able to certify that the existing conditions which the code enforcement is designed to alleviate pose a serious and immediate threat to the health or welfare of the community, they are of recent origin or recently became urgent, the grantee is unable to finance the activity on its own, and other sources of funds are not available.* <i>* In cases where disaster causes the blight of an area, it may be easier to qualify the code enforcement under the “Slum or Blighted Area” category than under the “Urgent Need” category.</i>	Code enforcement activities taking place in an area that has been severely affected by a flood, and is part of the community’s overall response to the emergency.	For more information, see page 3-41.

Special Economic Development Activities

Preface

The purpose of this preface is to distinguish the concept of “**economic development**” from the term “**special economic development activities**” as used in the CDBG program. “**Economic development**” is generally thought of in two ways within the context of CDBG activities: the very broad concept of the term as distinguished from “**special economic development activities**” as that term is used at 24 CFR 570.203.

“**Economic development**” can be interpreted very broadly to include all endeavors aimed at sustaining or increasing the level of business activity. Under this broad concept, most CDBG activities could, under the right circumstances, be viewed as economic development. For example, the level of business activity in a jurisdiction could be helped through development of a community economic development plan, improvements to the public infrastructure, through better housing, or an enhanced level of public services.

When the Consolidated Plan regulations were published in January 1995, the term “expanded economic opportunities” was defined at 24 CFR 91.1 (a)(1)(iii) as including:

“...job creation and retention; establishment, stabilization and expansion of small businesses (including microbusinesses); the provision of public services concerned with employment; the provision of jobs involved in carrying out activities under programs covered by this plan to low-income persons in areas affected by those programs and activities; availability of mortgage financing for low-income persons at reasonable rates using nondiscriminatory lending practices; access to capital and credit development activities that promote the long-term economic and social viability of the community; and empowerment and self-sufficiency opportunities for low-income persons to reduce generational poverty in federally assisted and public housing.”

This was a very broad statement of purpose for Consolidated Plan goal-setting purposes and was designed, in part, to cover what is the primary objective of the CDBG program (section 101(c) of the Housing and Community Development Act of 1974 as amended).

In contrast, the term “**special economic development activities**” is used in the CDBG program to identify three types of activities described below and at §570.203(a), (b), and (c) of the regulations.

As a consequence of changes to the CDBG program legislation in 1992, significant alterations were made to the program regulations to facilitate the use of CDBG funds for economic development purposes, both in terms of eligibility and national objectives. The resultant flexibility has sprinkled activities often considered as more directly linked to “special economic development activities,” such as microenterprise assistance and technical assistance to nonprofits to build economic development capacity, more broadly throughout the eligible activities in the regulations (Subpart C), thus removing them from the requirements specific to funding activities under §570.203.

An economic development *project* in the CDBG program may be supported by a range of CDBG-funded activities, including both special economic development activities and other categories of basic eligibility, each of which must meet a national objective of the CDBG program.

Eligible Activities

CDBG funds may be used for the following **special economic development** activities:

- ❖ Commercial or industrial improvements carried out by the **grantee** or a **nonprofit subrecipient**, including:
 - acquisition,
 - construction,
 - rehabilitation,
 - reconstruction, or
 - installation of commercial or industrial buildings or structures and other related real property equipment and improvements.
- ❖ Assistance to **private for-profit entities** for an activity determined by the grantee to be appropriate to carry out an economic development project. This assistance may include, but is not limited to:
 - grants;
 - loans;
 - loan guarantees;
 - interest supplements;
 - technical assistance; or
 - any other form except for those described as ineligible in §570.207(a), such as political activities.

Under this type of assistance, the grantee shall minimize, to the extent practical, displacement of existing businesses and jobs in neighborhoods.

- ❖ Economic development services in connection with the above subcategories, including outreach efforts to market available forms of assistance, screening of applicants, reviewing and underwriting applications for assistance, preparation of agreements, management of assisted activities, and the screening, referral, and placement of applicants for employment opportunities generated by CDBG-eligible economic development activities. The costs of providing necessary job training for persons filling those positions may also be provided.

Reference: §570.203(a), (b) and (c)

Example

Special economic development activities may include:

- Construction by the grantee or subrecipient of a business incubator designed to provide inexpensive space and assistance to new firms to help them become viable businesses,
- Loans to pay for the expansion of a factory or commercial business,
- Technical assistance to a business facing bankruptcy, and
- Providing training needed by persons on welfare to enable them to qualify for jobs created by CDBG-assisted special economic development activities.

Public Benefit: The previous requirement that certain Special Economic Development Activities meet a particular kind of financial analysis (known as the “appropriate” determination) has been replaced with a requirement that the level of public benefit to be derived from the activity must be appropriate given the amount of CDBG assistance being provided. This requirement, which is found at §570.209 and is further discussed in Appendix B of this Guide, applies to **all** activities under the category of Special Economic Development Activities at §570.203. Grantees are still expected to perform due diligence through financial underwriting of any assistance being provided to a for-profit business and HUD has provided some guidelines which a grantee may use for this purpose. *It is important to note, however, that grantees are not required to use the HUD-supplied underwriting guidelines.*

*Special economic development activities do **not** include:*

- ❖ Assistance to a for-profit business in the form of lobbying or other political activities. *Reference: §570.207(a)(3)*
- ❖ Public facilities and improvements carried out to support or benefit a private for-profit business. (These activities may, however, be eligible under the category of Public Facilities and Improvements.) *Reference: §570.201(c)*
- ❖ New Housing Construction. This activity may be eligible under either of the categories of Construction of Housing or Special Activities by CBDOs. When a project to be assisted includes new construction of housing as part of a commercial structure (e.g., a “mixed use” project), those costs clearly attributable to the commercial portion of the project may be eligible as a special economic development activity. *References: §570.201(m) and §570.204*
- ❖ Planning for economic development projects, including conducting market surveys to determine an appropriate type of business to attempt to attract to a particular area, developing individual commercial or industrial project plans, and identifying actions to implement those plans. Such planning activities may be eligible under the category of Planning and Capacity Building. *Reference: §570.205*
- ❖ Job training, unless part of a CDBG-eligible economic development activity that will create or retain permanent jobs. Such other training may be eligible under the categories of Public Services or Special Activities by CBDOs. *References: §570.201(e) and §570.204*

**Complying
with National
Objectives—
Special
Economic
Development
Activities**

Section 105(c)(1) of the authorizing statute specifies certain limitations on how activities under the category of Special Economic Development Activities may meet the national objective of benefit to L/M income persons. These limitations are reflected in the charts that follow which show how activities in this category may meet the CDBG national objectives.

Additional Considerations

Grantees should take special precautions in the use of the category of Special Economic Development Activities, particularly when providing assistance to a for-profit business. First, it should be evident that all business activity involves more than the average amount of risk and it is possible that the contemplated results will not materialize. It should also be noted that businesses may be expected to be focusing heavily on their own interests and it should not be surprising if they show little interest in the fulfillment of the community's goals and objectives or in the particular requirements of the CDBG program. Grantees must therefore maintain proper documentation in the activity files and offer technical assistance to avoid program non-compliance. Ultimately, grantees should take special care to protect the community's interests in their dealings with those entities that work in the economic development sphere.

If the grantee or a subrecipient makes a number of loans for economic development, it will be important that appropriate steps be taken to manage the loan portfolio. Some guidance and advice concerning this matter may be found in Appendix G.

NATIONAL OBJECTIVES— SPECIAL ECONOMIC DEVELOPMENT ACTIVITIES

Objective	Qualifies If	Example	Additional Information
L/M Income Area Benefit	The assistance is to a business which provides goods or services to residents of a L/M income <i>residential</i> area.	Assistance to neighborhood businesses such as grocery stores and laundromats, serving a predominantly L/M income neighborhood.	For more information, see page 3-7.
L/M Income Limited Clientele	The only use of CDBG is to provide job training or other employment support services as part of a CDBG-eligible economic development project, and the percent of total project cost contributed by CDBG does not exceed the percent of all persons assisted who are L/M income.	Training for the 30 new employees, 10 of whom are L/M income, hired by a manufacturer adding new machinery to its plant where CDBG pays no more than one-third of the total cost of the project, including the training.	For more information, see page 3-14.
L/M Income Housing	Not applicable.	Not applicable.	Not applicable.
L/M Income Jobs	The assisted project involves the creation or retention of jobs at least 51% of which benefit L/M income persons.	Financial assistance to a manufacturer for the expansion of its facilities which is expected to create permanent jobs, at least 51% of which will be taken by L/M income persons.	For more information, see page 3-24.

NATIONAL OBJECTIVES— SPECIAL ECONOMIC DEVELOPMENT ACTIVITIES

Objective	Qualifies If	Example	Additional Information
Slum or Blighted Area	The assistance is to a business in a designated slum or blighted area and addresses one or more of the conditions which contributed to the deterioration of the area.	A low-interest loan to a business as an inducement to locate a branch store in a redeveloping blighted area.	For more information, see page 3-35.
Spot Blight	The assistance is to a business located outside of a designated slum or blighted area where: (1) The assistance is designed to eliminate specific conditions of blight or physical decay; and (2) The assistance is limited to the following activities: acquisition, clearance, relocation, historic preservation, and building rehabilitation. Rehabilitation must be limited to the extent necessary to eliminate specific conditions detrimental to public safety and health.	Financial assistance to a business to demolish a decayed structure it owns in order to assist the business in constructing a new building on the site.	For more information, see page 3-38.

NATIONAL OBJECTIVES— SPECIAL ECONOMIC DEVELOPMENT ACTIVITIES			
Objective	Qualifies If	Example	Additional Information
Urban Renewal Completion	The assistance is to a commercial or industrial business located in an Urban Renewal project area or an NDP action area designated under Title I of the Housing Act of 1949, and is necessary to complete the Urban Renewal Plan.	Assistance to a developer for the construction of commercial structures located in an urban Renewal project area where the construction is needed to complete the approved plan for the Urban Renewal area.	For more information, see page 3-40.
Urgent Need	The assistance to a commercial or industrial business is designed to alleviate existing conditions and the grantee certifies that such conditions pose a serious and immediate threat to the health or welfare of the community, they are of recent origin or recently became urgent, the grantee is unable to finance the activity on its own, and other sources of funds are not available.	Assistance in reconstructing the only grocery store in a remote part of an urban county that was damaged by a hurricane, where no other funds are available for the reconstruction.	For more information, see page 3-41.

Microenterprise Assistance

Eligible Activities

Under this category, grantees and other public or private organizations may use CDBG funds to facilitate economic development through the establishment, stabilization and expansion of microenterprises. *Reference: §570.201(o)*

This category authorizes the use of CDBG funds to provide financial assistance of virtually any kind to an existing microenterprise or to assist in the establishment of a microenterprise. It also authorizes the provision of:

- ✓ Technical assistance to a new or existing microenterprise or to persons developing a microenterprise, and
- ✓ General support to owners of microenterprises or to persons developing a microenterprise.

Note that under the subcategory of “general support,” CDBG funds may be used to provide services of any kind that may be needed by the owner of or person developing a microenterprise to enable the establishment, stabilization, or expansion of the business. This could include, for example, child care, transportation, counseling, and peer support programs. *Any such services provided under this authority are not subject to the cap on public services* regardless of the entity providing the service.

It should also be noted that financially or technically assisting a microenterprise may also be carried out under the basic eligibility categories of Special Economic Development Activities and Special Activities by CBDOs. However, if carried out under either of those categories, such assistance would be subject to the requirements concerning Public Benefit. *References: §570.203, §570.204, and §570.209*

Definitions:

“Microenterprise” means a business having five or fewer employees, one or more of whom owns the business.

“Person developing a microenterprise” means any person who has expressed an interest and who is, after an initial screening, expected to be actively working towards developing a business that is expected to be a microenterprise at the time it is formed.

Complying with National Objectives— Microenterprise Assistance

Because microenterprises are for-profit businesses, most of the guidelines for meeting national objectives under the category of Special Economic Development Activities also apply here. There is one notable exception, however. A grantee may qualify under the L/M Income Limited Clientele subcategory any CDBG assistance under the basic eligibility category of Microenterprise Assistance that it provides to owners of and/or persons developing a microenterprise who are L/M income persons. If such assistance is provided to owners/persons developing a microenterprise who are not L/M income persons, it would not qualify under Limited Clientele, but would need to meet the requirements of other subcategories (e.g., Area Benefit or Jobs). See the following chart for further elaboration on meeting the L/M Income Benefit national objective. *Reference: §570.208(a)(2)(iii)*

Additional Considerations

Many grantees have been assisting some microenterprises as part of their CDBG economic development programs. The creation of a separate eligibility category for this class of businesses does not mean that such grantees may no longer do so. First, it should be made clear that just because a business is small enough to meet the CDBG definition of a microenterprise would not preclude its being assisted under the category of Special Economic Development. However, when the grantee provides assistance to such businesses under that category, all applicable requirements, including public benefit, will apply. In order to take advantage of the special advantages available under the Microenterprise Assistance category, the grantee would need to establish an activity for providing such assistance separate from all other business assistance it may elect to provide. This is necessary to avoid the confusion that would result from mixing assistance under two categories having differing requirements. Therefore, grantees should consider revamping their CDBG economic development programs to clearly separate microenterprise assistance from all other forms.

NATIONAL OBJECTIVES— MICROENTERPRISE ASSISTANCE

Objective	Qualifies If	Example	Additional Information
L/M Income Area Benefit	The microenterprise assisted provides services to a residential area that has a sufficiently high percentage of L/M income persons.	A small carry-out store in a neighborhood having more than 51% L/M income residents.	For more information, see page 3-7.
L/M Income Limited Income	The microenterprise assistance is provided to a L/M income person who owns or is developing a microenterprise.	Assisting a resident of public housing to establish a business providing child care.	For more information, see page 3-14.
L/M Income Housing	Not applicable.	Not applicable.	Not applicable.
L/M Income Jobs	The microenterprise assisted will create or retain jobs, 51% or more of which will benefit L/M income persons.	Assisting in the expansion of a house cleaning service with two employees that agrees to hire an additional L/M income person for the business.	For more information, see page 3-24.
<i>For other national objective possibilities, see pages 2-60 and 2-61.</i>			

Special Activities by CBDOs

Preface

The purpose of this preface is to emphasize the distinction between subrecipients and Community-Based Development Organizations (CBDOs) as they relate to the CDBG program.

- ❖ The term “**subrecipient**” is defined at §570.500(c) to mean a public or private nonprofit agency, authority, or organization, or a for-profit entity authorized under §570.201(o) to provide microenterprise assistance, receiving CDBG funds from the grantee to undertake activities eligible under the CDBG program.
- ❖ While the types of organizations that qualify as CBDOs generally would meet the above description, the subrecipient definition at §570.500(c) *excludes CBDOs unless the CBDO is specifically designated by the grantee to be a subrecipient for CDBG program purposes.*
- ❖ Designation of an entity as a subrecipient affects the following:
 - whether any income that may be generated by a CDBG-funded activity that is received by the entity is considered to be CDBG program income;
 - whether the grantee must enter into a written agreement with the entity containing requirements specified at §570.503 (although the grantee could elect to enter into such an agreement with a CBDO whether or not it is designated as a subrecipient); and
 - whether the entity is bound by the general administrative requirements imposed by the OMB Circulars in its administration of the CDBG funds provided to it by the grantee (although a grantee could require a CBDO to abide by these requirements as a condition of providing CDBG funds to the entity, without the need to designate it as a subrecipient).

- ❖ Fundamentally, in order to use the authority provided under this category of Special Activities by CBDOs, the grantee must ensure that four key tests are met:
 - that the *entity* selected qualifies as a CBDO under §570.204(c),
 - that the *project* that the CBDO will undertake qualifies under §570.204(a)(1), (2) or (3),
 - that the CBDO will be “*carrying out*” the activities as defined at §570.204(a)(4), and
 - that the CBDO is *not* carrying out an activity specifically prohibited in §570.207(a).

Eligible Activities

This category authorizes a grantee to designate certain types of entities to carry out a range of activities that may include activities the grantee may otherwise not carry out itself. While the “otherwise ineligible” activities covered by this authority may take many forms, the most frequent use of this provision in the CDBG program has been to carry out new construction of housing. However, there are also other advantages of using a CBDO in the CDBG program: specifically, for the purpose of providing public services that in certain circumstances are not subject to the expenditures cap otherwise applicable to Public Services. This exception is explained in more detail in the following subsections.

Eligible Projects

Under this category, a qualified CBDO can only carry out any or all of the following three types of projects:

- ❖ *Neighborhood revitalization:* Activities undertaken under this provision must be of sufficient size and scope to have an impact on the decline of a designated geographic location within the jurisdiction of the grantee (but not the entire jurisdiction of an entitlement community unless it has a population of 25,000 or less). The activities to be considered for this purpose are not limited to those funded (or to be funded) with CDBG assistance.
- ❖ *Community Economic Development:* This type of project must include activities that increase economic opportunity, principally for low- and moderate-income persons, or that are expected to create or retain businesses or permanent jobs within the community. Housing activities may be included within this project type if they can clearly link the need for affordable housing accessible to existing or planned jobs, or otherwise address the Consolidated Plan’s definition of “expanded economic opportunity” at 24 CFR Part 91.1(a)(1)(iii).

- ❖ *Energy Conservation:* Activities carried out under this provision are clearly designed to conserve energy for the benefit of residents within the grantee's jurisdiction. An example of this type of project may involve the construction of energy efficient housing where substantial savings in heating and/or cooling costs can expect to be realized.

Application Tips: The typical CDBG eligibility categories (e.g., public facilities and improvements, public services, rehabilitation) may appear either singly or in virtually any combination under any one of these three types of projects. CDBG funds do not have to constitute the only source of funding in the project.

Note also that the definitions of these terms are not synonymous with the use of these terms in other parts of the CDBG regulations (see §570.201(p), 570.202(b)(4) and 570.203).

Eligible Entities

In order to qualify as a CBDO, an entity must meet the criteria specified at §570.204(c)(1), (2), or (3). Generally, this means that the entity must:

- ❖ Be organized under State or local law to carry out community development activities. For entitled communities, the entity must operate primarily within an identified neighborhood within the grantee's jurisdiction.
- ❖ Maintain at least 51% of its governing body's membership to be made up of any combination of the following:
 - low- and moderate-income residents of its area of operation,
 - owners or senior officers of private establishments and other institutions located in and serving its geographic area of operation, or
 - representatives of low- and moderate-income neighborhood organizations located in its geographic area of operation.
- ❖ Require that members of the governing body must be nominated and approved by the organization's general membership or by its permanent governing body (except as otherwise authorized in §570.204(c)(1)(v)).
- ❖ Have as its primary purpose the improvement of the physical, economic, or social environment of its geographic area of operation, with particular emphasis on the needs of low- and moderate-income persons.

- ❖ Be either nonprofit or for-profit, but, if a for-profit, only incidental monetary benefits to its members are allowed.
- ❖ Not be an agency or instrumentality of the grantee, and not permit more than one-third of its governing body to be appointed by or consist of elected or other public officials or employees of the grantee (or of any other entity that could not qualify as a CBDO), even if such persons would otherwise meet the requirements described above.
- ❖ Not be subject to the reversion of its assets to the grantee upon dissolution (although a grantee may specify as a condition of providing CDBG funds to the entity that any assets related to the specific CDBG assistance being provided must revert to the grantee, whether or not the grantee designates the CBDO as a subrecipient. (Application of the reversion of assets clause under §570.503(b)(8) would be required for any CBDO designated as a subrecipient and would function to permit the specific assets purchased with the CDBG funds to revert back to the grantee. This would not constitute a violation of the §570.204 requirement.)
- ❖ Be free to contract for goods and services from vendors of its own choosing (a sign that the entity is not an agent of the grantee).

Application Tips: Entities which do not meet the CBDO requirements are not prohibited from establishing a subsidiary organization to carry out an activity under this category, but the subsidiary organization in such case would need to be in control of itself and not be merely a “front” for the parent organization.

The regulations at §570.204(c)(2) also provide other ways that an entity may qualify as a CBDO (e.g., Small Business Administration Section 301(d) entity, Section 501, Section 502, or Section 503 Companies). Most notably, it qualifies as a CBDO any entity that has been designated by a HOME participating jurisdiction as a Community Housing Development Organization (CHDO), *and which has a geographic area of operation that is not greater than one neighborhood and which has received, or expects to receive, HOME funding.* This could include a CHDO that does not meet the standard 51% board membership requirements discussed above for CBDOs. It should also be noted that a CHDO that meets the standard requirements to qualify as a CBDO (and thus does not need to qualify under this exception) would not be subject to the single neighborhood limitation.

§570.204(c)(3) of the regulations further allows the grantee an opportunity to show, to HUD’s satisfaction, that an entity that does not meet the specific criteria at §570.204(c)(1) or (2) is nevertheless sufficiently similar in *purpose, function, and scope* to those eligible entities to qualify as a CBDO. In reviewing such an entity’s charter and by-laws for this purpose, HUD will be looking for evidence that the organization’s principal purpose is consistent

with the grantee's objectives for improving the area in question and that key stakeholders in that area have substantial input in how the organization operates.

Note: If a grantee is unsure whether a particular organization qualifies as a CBDO under this category, it should seek assistance from its local HUD field office.

"Carry out"

The authority conveyed under this category requires that the CBDO "carry out" the funded activities. This means that the CBDO will undertake the activity directly or through contracts with an entity other than the grantee. In any case where the CBDO provides CDBG funds to another entity, it must be clear that the CBDO has a direct and controlling interest in how and where the activities are undertaken. The purpose of this restriction is to ensure that the grantee itself is not playing a major and controlling interest in the funded activities. Perhaps the "litmus test" for this purpose is whether the entity has the authority, independent of the grantee, to stop the project if something is going wrong.

Application Tips: The CBDO is not prevented from entering into a contract with another entity to assist in project implementation so long as the contract provides the CBDO with sufficient control over the project to ensure compliance with all program requirements (e.g., a CBDO can contract with a developer to build housing and not have to use CBDO staff to construct the units).

Ineligible Activities

*Special activities by CBDOs do **not** include:*

- ❖ Any activity described in §570.207(a) *as ineligible*. That is, buildings for the general conduct of government, general government expenses, and political activities.
- ❖ Any activity which would violate the specific limitations described below:
 - provision of public services in violation of the prohibition against substituting CDBG for State or local funds as set forth in §570.201(e), or that would exceed the dollar limitations described under §570.201(e)(1) and (2) unless the regulations otherwise provide that the services are exempt from that cost limitation (see discussion under Additional Considerations subsection, below). *Reference: §570.204(b)(2)*

- provision of assistance for a special economic development activity eligible under §570.203 that does not comply with the Public Benefit requirements of §570.209. *References: §570.204(b)(3) and §570.209*
- planning and administrative activities that are eligible under §570.205 or §570.206 which would result in the grantee exceeding the 20% cost limitation on such activities, unless the regulations specifically provide that the activity is exempt from that cost limitation. *Reference: §570.204(b)(4)*

Complying with National Objectives— Special Activities by CBDOs

Since the majority of activities carried out by a CBDO under this authority are also eligible under other categories covered in this Guidebook, refer to the applicable sections in this chapter concerning the considerations necessary to determine how to meet the CDBG national objectives. Where otherwise ineligible housing activities are being carried out, see the section on Construction of Housing for guidance.

Additional Considerations

The use of CDBG funds by a grantee to fund CBDOs does not relieve the grantee of its responsibility for meeting program requirements on how those funds are used. Thus, even if the grantee does not designate the CBDO as a subrecipient, it should nevertheless give serious consideration to developing a written, contractual agreement with the CBDO that would be comparable to that required with subrecipients. Such an agreement would include the scope of work, the activity(ies) to be carried out, the national objective(s) to be met, time frames, termination criteria, reporting requirements, and applicability of other requirements (e.g., those specified in Subpart K of the CDBG regulations).

It is important to note that when an activity is being carried out by a CBDO under this category and the activity is of such nature that it would also qualify under the category of Special Economic Development Activities at §570.203, that activity will be subject to the Public Benefit requirements set forth in §570.209 and further described in Appendix B of this Guide (although if the CBDO is carrying out any such activities pursuant to a HUD-approved Neighborhood Revitalization Strategy [NRS], the grantee may elect to exempt the activities from the *aggregate* public benefit standards.) See Appendix E for information on NRS and Appendix B for information on the aggregate standards.

It should also be noted that, while as a general rule CBDOs cannot carry out public services that are not subject to the cost limitation on the amount that the grantee may obligate for public services (i.e., 15% cap), there are two exceptions to this rule. The exceptions include:

- ❖ Any services provided by a CBDO that are specifically designed to increase economic opportunities through job training and placement and other employment support services (e.g., peer support programs, counseling, child care, transportation, and other similar services); and
- ❖ Services of any type being provided by a CBDO pursuant to a Neighborhood Revitalization Strategy approved by HUD. (Reference: 24 CFR 91.215(e) and Appendix E of this Guide for further information on such strategies.)

Note that, if a grantee does not designate the CBDO as a subrecipient, any revenue generated by its CDBG-funded activities is not classified as CDBG program income, since by definition, program income is money that is *received by* the grantee or a subrecipient. While this may be a way to help a high-performing CBDO secure ongoing funding to continue its mission following completion of the CDBG-funded project, it must be noted that, since such revenue is not program income, it *cannot* be included in the bases for calculating the public services or planning/administration caps. However, when the grantee provides funds to a CBDO in the form of a loan, any payments made by the CBDO to the grantee on that loan would be CDBG program income, whether or not the CBDO has been designated as a subrecipient.

If a grantee intends to fund a CBDO that lacks capacity to carry out complex development activities without substantial “hand-holding,” careful consideration must be paid to the “carry out/control” aspect of §570.204 to ensure that program requirements are not violated. One solution may be to assist the CBDO in hiring professionals, such as a more experienced nonprofit, a general contractor, or an architectural and engineering firm, to provide needed expertise to complete the project. The grantee could also break a project into two parts and, in the first year, fund capacity building for the CBDO before the CBDO carries out the project.

Note also that complex development projects may stretch the ability of grantees (or HUD field offices) to adequately monitor (e.g., carrying out multi-funded, low-income housing tax credit deals). In such cases, grantees should seek the appropriate expertise to ensure that program requirements are met.

Homeownership Assistance

Under the provisions at §570.201(n), grantees and their subrecipients may provide financial assistance to low- and moderate-income households to assist them in the purchase of a home.

Eligible Activities

The specific purposes for which financial assistance using CDBG funds may be provided under this category are to:

- ✓ Subsidize interest rates and mortgage principal amounts, including making a grant to reduce the effective interest rate on the amount needed by the purchaser to an affordable level. (The funds granted would have to be applied towards the purchase price.) Alternatively, the grantee/subrecipient could make a subordinate loan for part of the purchase price, at little or no interest, for an amount of funds the payments on which, together with that required under the first mortgage, would be affordable to the purchaser.
- ✓ Finance the cost of acquiring property already occupied by the household at terms needed to make the purchase affordable.
- ✓ Pay all or part of the premium (on behalf of the purchaser) for mortgage insurance required up-front by a private mortgagee. (This would include the cost for private mortgage insurance.)
- ✓ Pay any or all of the reasonable closing costs associated with the home purchase on behalf of the purchaser.
- ✓ Pay up to 50% of the down payment required by the mortgagee for the purchase on behalf of the purchaser.

Note especially that the use of funds under this category is *specifically limited to assisting low- and moderate-income households*. Reference: §570.201(n)

Complying with National Objectives— Homeownership Assistance

Because the use of CDBG funds authorized under this category is limited to assisting low- and moderate-income households, any such use of funds would clearly qualify under the national objective of benefit to low- and moderate-income persons-housing activities, and no further consideration needs to be given here. Reference: §570.208(a)(3)

Additional Considerations

Homeownership assistance may also be eligible under the categories of Public Services or Special Activities by CBDOs. While these categories don't have the same restrictions on the type of assistance that may be provided, they do have to comply with the public services cap. However, under these provisions, assistance is not specifically limited by statute to L/M income persons. Therefore, a grantee should carefully consider its objectives against these factors and select the category that best fits those objectives in the context of its entire CDBG program.

In the case where HUD has approved a Neighborhood Revitalization Strategy (NRS) and the grantee plans to provide homeownership assistance pursuant to that strategy, two further considerations should be given. First, if the grantee elects to use a CBDO to deliver services in the strategy area, any services provided by the CBDO (including homeownership assistance) would be exempt from the expenditures cap on Public Services. This would remove the main advantage of qualifying the assistance under the Homeownership Assistance category. Moreover, if the strategy involves assisting non-L/M income households to purchase houses in the area, CDBG assistance could not be provided under the Homeownership Assistance category (which is limited to assistance provided to L/M income households). The use of a CBDO would be needed for this purpose. It should also be noted that where CDBG funds are provided to non L/M income households in a NRS area, meeting the L/M Income Benefit national objective is made feasible by a special feature offered by an NRS. All housing units assisted in such an area may be considered to be part of a single structure for the purpose of meeting the 51%+ occupancy requirement. See Appendix E to this Guide that describes the NRS feature of the CDBG program in further detail.

Planning and Capacity Building

Eligible Activities

CDBG funds may be used for:

- ✓ Studies,
- ✓ Analysis,
- ✓ Data gathering,
- ✓ Preparation of plans, and
- ✓ Identification of actions that will implement plans.

Example

The types of plans which may be paid for with CDBG funds include, but are not limited to:

- Comprehensive plans;
- Individual project plans;
- Community development plans;
- Capital improvement programs;
- Small area and neighborhood plans;
- Analysis of impediments to fair housing choice;
- Environmental and historic preservation studies; and
- Functional plans (such as plans for housing, land use, energy conservation or economic development).

A more detailed description of planning and capacity building activities is located at §570.205 of the regulations.

Such funds may also be used under this category for activities designed to improve the grantee's capacity (or that of its subrecipients) to plan and manage programs and activities for the grantee's CDBG program. However, the amount of CDBG funds which may be used for activities under this category (whether by the grantee or its subrecipients) is subject to the statutory limitation on planning and administrative cost. Note that the planning and administrative costs of subrecipients subject to the 20% cap are limited to those related to the CDBG program as a whole and not for activity-specific administrative costs related to carrying out other eligible Subpart C activities which are considered part of the cost of those activities. (See also the discussion describing the 20% cap which is contained in the Program Administration Costs category section and the description on how to calculate the cap following that section.) *References: §570.200(g) and §570.205*

Note, however, that capacity building is also eligible under the category of Technical Assistance, which is discussed in this Guide under the section of this chapter entitled Miscellaneous Other Activities. The use of funds under that category is not subject to the 20% cap, but must be shown to meet a national objective. *Reference: §570.201(p)*

Planning and capacity building activities do not include:

- ❖ Engineering, architectural and design costs related to a specific project (e.g., detailed engineering specifications and working drawings); or
- ❖ Other costs of implementing plans.

Example

While developing an economic development strategy for the city or county is an eligible planning activity, printing brochures promoting the city or county in order to attract businesses is not.

Complying with National Objectives—Planning and Capacity Building

Because CDBG funds spent for planning and capacity building costs are considered to address the national objectives of the CDBG program as a whole, no documentation of such compliance is required. *Reference: §570.208(d)(4)*

Additional Considerations

The cost of implementing plans, while not eligible as planning costs, may qualify for CDBG funding if the implementing actions are otherwise eligible activities (i.e., activities eligible under §570.201 through §570.204).

A market study performed on behalf of the grantee to determine the market for some type of facility or business would be eligible under the category of Planning, but a market study performed on behalf of a particular business would only be eligible for CDBG funding under the category of Special Economic Development Activities. Similarly, conducting a market study on the need for a new hotel downtown would be eligible under Planning, while conducting a feasibility study of a specific proposed project (e.g., a hotel) on a specific site would have to qualify under the Special Economic Development Activities category.

Program

Administration Costs

Eligible Activities

CDBG funds may be used to pay reasonable program administration costs and carrying charges related to the planning and execution of community development activities assisted in whole or in part with funds provided under the CDBG or the HOME or Urban Development Action Grants (UDAG) programs.

Program administration costs include staff and related costs required for overall program management, coordination, monitoring, reporting, and evaluation, as described at §570.206(a)(1).

Other activities eligible under this category include:

- ✓ Citizen participation costs *Reference: §570.206(b),*
- ✓ Fair housing activities *Reference: §570.206(c),*
- ✓ Indirect costs charged using an accepted cost allocation plan *Reference: §570.206(e),*
- ✓ Development of submissions or applications for Federal programs *Reference: §570.206(f), and*
- ✓ Certain costs of administering the HOME program or a Federally designated Empowerment Zone or Enterprise Community *Reference: §570.206(i).*

Office space: A grantee may charge to the CDBG program the costs of rent and maintenance of office space to house the staff involved in program administration, but may not purchase or construct offices for this purpose.

Proration: Where an individual staff person performs some duties that are eligible as administration costs as well as other duties that are eligible under other categories of basic eligibility, the grantee may elect to charge either *all* of such person's costs to administration if the person's primary duties are program administration, or *only the portion* of the staff's duties that are covered under this category (provided appropriate time distribution records are kept).

20% cap: Costs that are charged to administrative costs and to Planning and Capacity Building per §570.205 and 206 are subject to a statutory limitation that not more than 20% of grant funds plus program income may be used for planning and administration. (This limitation is not contained in the Housing and Community Development Act of 1974, which authorizes the CDBG program, but has been included in each Appropriations statute for the CDBG program since 1978.) See the description on how to calculate the amount of this limitation, shown later in this section.

Note: 24 CFR 570.206(g) authorizes the use of CDBG funds to pay administrative expenses to facilitate housing identified in a grantee’s housing assistance plan (HAP). However, the Comprehensive Housing Affordability Strategy (CHAS) (now a part of the Consolidated Plan) replaced the HAP. The CHAS had a broader reach and was not limited exclusively to housing for L/M income persons. Therefore, this provision of the regulation cannot be used without a waiver from HUD on the limitation concerning the identification of the housing in the grantee’s HAP and provided the grantee otherwise meets the CDBG waiver standards at §570.5. *Reference: §570.206(g)*

Example

Overall program management, coordination, monitoring, and evaluation include, but are not limited to, the following types of assistance:

- Preparing program budgets, schedules and amendments;
- Evaluating program results against stated objectives;
- Coordinating the resolution of audit and monitoring findings;
- Developing systems for assuring compliance with program requirements;
- Monitoring program activities for progress and compliance with program requirements;
- Preparing reports and other compliance documents related to the program for submission to HUD; and
- Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities.

*Program administration does **not** authorize:*

- ❖ Political activities. *Reference: §570.207(a)(3)*
- ❖ The acquisition, construction, or reconstruction of space in a government office building for staff administering the grantee’s CDBG, UDAG, Rental Rehabilitation, HoDAG, or HOME programs, since CDBG funds may not be used to assist “buildings for the general conduct of government.” See the section on Public Facilities and Improvements for more information on this limitation.

- ❖ Staff and overhead costs directly involved in carrying out activities eligible under §570.201 through §570.204, since those costs (often referred to as “activity delivery costs”) are eligible as part of such activities.

**Complying
with National
Objectives—
Program
Administration
Costs**

Costs that are appropriately charged to this category are presumed to meet a CDBG national objective, and the grantee does not have to maintain any other documentation for this purpose. *Reference: §570.208(d)(4)*

Planning and Administrative Cap

Description

As indicated in the preceding pages, no more than 20% of the sum of any grant plus program income that is received during the program year may be obligated by the grantee and its subrecipients for planning and administrative costs, as defined in §570.205 and §570.206, respectively.

Recipients of entitlement grants will be considered to be in conformance with this limitation if total obligations charged under those categories during the grantee's most recently completed program year, without regard to the source year of funds, are not greater than 20% of the sum of the entitlement grant received for that program year plus the program income received during that program year by the grantee and its subrecipients.
References: Appropriations Acts and §570.200(g)

Calculating the Cap

- (1) To determine the base against which the 20% cap will be applied, total the amount of CDBG funds *received during the program year* from the following sources:

Entitlement Grant (from line 8.b of the Funding Approval form, HUD-7082) \$ _____

Surplus from Urban Renewal (from line 10.b of the Funding Approval form) \$ _____

Program income received by the grantee and its subrecipients \$ _____

TOTAL \$ _____

- (2) To calculate the amount of the cap, multiply the total amount determined in Step (1) above by .20 and enter the number here \$ _____

This amount represents the maximum dollar level that may be obligated during the program year and charged to the basic eligibility categories of Planning and Capacity Building and Program Administration, i.e., the **cap**.

Determining Compliance with the Cap

Compliance with the cap is determined for entitlement grantees by performing the following calculation at the end of each program year:

Determine the total amount of CDBG funds expended during the program year for activities that are classified as eligible under §570.205 (Planning and Capacity Building) and §570.206 (Program Administration Costs):

\$ _____

Add to the above amount the total amount of unliquidated obligations for activities under these same two categories, as of the end of the program year:

\$ _____

Subtract from the balance the total amount of unliquidated obligations for these two categories, as of the end of the preceding program year:

\$(_____)

Enter here the result of the above calculations. This is the amount of net obligations for Planning Administration during the program year:

\$ _____

To be in compliance with the 20% cap, the amount determined above as the net amount obligated may not exceed the amount determined as the cap for the year in the first portion of this subsection (see (2) on the preceding page).

Miscellaneous Other Activities

Other miscellaneous activities eligible under the CDBG regulations are described in this section of the Guide.

Payment of the Non-Federal Share— §570.201(g)

This provision does not make any additional activities eligible for CDBG assistance because it limits the use of CDBG funds to paying the non-Federal share only for activities which are otherwise eligible for CDBG assistance. Therefore, any proposed use of CDBG funds to pay the non-Federal share of a Federal grant-in-aid should be evaluated against the requirements of the applicable eligibility category.

It should also be noted that the authority to use CDBG funds for the non-Federal share of another program does not override any specific restriction against that use that may be contained in the statute or regulations for that program. For example, the HOME program requires a non-Federal match, but specifically states that CDBG expenditures may not count towards meeting that requirement.

Urban Renewal Completion— §570.201(h)

This provision does not make any additional activities eligible for CDBG assistance because any cost of completing an urban renewal project funded under Title I of the Housing Act of 1949 must also be eligible under other activity categories described in this Guide.

For example: The costs of public improvements required to complete an urban renewal project would also be eligible under the category of Public Facilities and Improvements described on page 2-11.

Technical Assistance— §570.201(p)

This provision makes eligible the use of CDBG funds to increase the capacity of public or nonprofit entities to carry out eligible neighborhood revitalization or economic development activities. (This could include the grantee itself.) In order to use the funds under this authority, the grantee must determine, prior to providing the assistance, the eligibility of the activity for which capacity is to be built *and* that there is a reasonable expectation that a national objective can be met once the entity has received the technical assistance and undertakes the activity. It should be noted that, while building capacity of an entity under this authority provides an alternative to using the authority under the category of Planning and Capacity Building (and thus can help avoid a problem with exceeding the 20% cap), the program does not provide a presumption concerning national objective compliance. Thus, it is important that this be considered before charging costs under this category. Factors that should be considered in determining

if a national objective can be met include the nature of the organization receiving the assistance, the type and eligibility of the activity to be carried out, the location of the activity, and the entity's expected (or traditional) clientele. Based on a review of these factors, the grantee should have a reasonable expectation that the activity to be undertaken by the entity would comply with a national objective before funding capacity building.

**Assistance
to Institutions
of Higher
Education—
§470.201(q)**

This authority may be used by a grantee to provide assistance to an institution of higher education (i.e., secondary schools or higher) when the grantee determines that such an institution has demonstrated a capacity to carry out activities that fall under one or more of the basic eligibility categories under the CDBG program.

**Housing
Services—
§570.201(k)**

Section 105(a)(20) provides that CDBG funds may be used to pay costs in support of activities eligible for funding under the HOME program. This includes services such as housing counseling in connection with tenant-based rental assistance and affordable housing projects, energy auditing, preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and other services related to assisting owners, tenants, contractors, and other entities participating or seeking to participate in the HOME program. Since such assistance must also meet HOME income targeting requirements, see the discussion under L/M Income Housing in Chapter 3 to determine how these services can meet the CDBG national objectives. (Note that this provision is not prohibited from qualifying under other CDBG national objectives but the requirement to comply with HOME criteria makes the L/M Income Housing Benefit the clear alternative for CDBG compliance.)

(§570.206 also provides that CDBG funds may be used to pay for program administration of the HOME program.)

Reconstruction

Reconstruction became explicitly eligible for CDBG assistance as a result of a legislative change under section 225 of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (P.L. 104-234, enacted April 26, 1996). This change [in section 105(a)(4) of the Housing and Community Development Act of 1974 as amended] broadens grantees' ability to use CDBG funds for "reconstruction" of properties. While this eligibility provision has not yet been codified in the CDBG regulations, it became effective upon enactment. Grantees have thus been able to make use of this provision since enacted.

While the statute does not define the term “reconstruction,” for CDBG purposes, it is generally defined as meaning the rebuilding of a structure on the same site in substantially the same manner. Deviations from the original design are permitted for reasons of safety or if otherwise impractical. The structure to be reconstructed may be residential or nonresidential, and either publicly- or privately-owned. For reconstruction involving housing, the number of housing units on a site may not be increased, but the number of rooms per unit may be increased or decreased. [Note that any *decrease* in the number of units on a site may require compliance with the one-for-one replacement of L/M income dwelling units at 24 CFR part 42, subpart C.] Reconstruction of residential structures would also permit replacing an existing substandard unit of manufactured housing with a new or standard unit of manufactured housing.

Note that reconstruction is also permitted elsewhere in the regulations under Public Facilities and Improvements [§570.201(c)], Privately Owned Utilities [§570.201(1)], and Special Economic Development Activities [§570.203].

In Rem

Section 105(a) (23) of the Act, as added by Section 807 (a) (4) of the Housing and Community Development Act of 1992 provided a separate category of eligibility under the CDBG program regarding the provision of assistance to housing units acquired through tax foreclosure proceedings. Specifically, it authorizes activities necessary to make essential repairs and payment of operating expenses needed to maintain the habitability of housing units acquired through tax foreclosure proceedings in order to prevent abandonment and deterioration of such housing in primarily low- and moderate-income neighborhoods. This provision has not been incorporated into the regulations at the time of this writing, but is available for use nevertheless. Some aspects that must be considered for meeting the national objectives when using this authority should be noted. The statute clarified that, since these expenses are limited to housing located in primarily low- and moderate-income neighborhoods, the L/M Income Benefit national objective is to be met through the Area Benefit subcategory. This means that, even though these are housing activities, the usual requirement that occupancy by L/M income households must be demonstrated does not apply to activities carried out under this authority. Of course, the grantee could also claim such activities as qualifying under the Slums/Blight objective in particular circumstances where meeting the criteria for this objective could be demonstrated.

Handicapped Accessibility

The statute makes specifically eligible the removal of material and architectural barriers that restrict the accessibility or mobility of elderly or handicapped persons.

Confusion has emerged concerning the distinction between removing barriers to accessibility and the need to provide for accessibility. Together, these issues led some grantees and beneficiaries to the impression that the involvement of the removal of barriers would qualify an entire activity for assistance under the CDBG program, or that the additional costs of making even newly constructed buildings accessible to the handicapped should be eligible for CDBG assistance under that authority, whether or not the rest of the building could so qualify.

The passage of the Americans with Disabilities Act (ADA) had much to do with this confusion. Pressure has mounted on grantees to provide accessibility in both public and private places. This has led to some attempts to use CDBG funds to provide accessibility in ways that go well beyond the simple removal of existing barriers. As a result, it became necessary to clarify the regulations.

For many years, the CDBG regulations contained the removal of architectural barriers as a separate category of eligibility. However, this free-standing category was removed in 1995 because of the confusion it seemed to be causing and has been woven into other eligibility categories as appropriate. The regulations also contained (and still contain) a provision indicating that such barrier removal can meet the national objective of benefit to L/M income under Limited Clientele.

Where the construction of a building or improvement is eligible for assistance with CDBG, the costs of making the building or improvement accessible to persons with handicaps is also eligible as an integral cost of the construction and there is no need to provide separate eligibility for such a purpose. The removal of architectural barriers is now clarified as rehabilitation or reconstruction under the categories of Public Facilities and Improvements, Rehabilitation, and Special Economic Development Activities.

The main issue that is presented in the CDBG program with respect to handicapped accessibility lies in being able to meet a national objective. If the new construction of a public facility or improvement cannot meet a national objective based on either area benefit or the clientele to be served, then the features that are required in such construction in order to provide for accessibility to handicapped persons also cannot meet a national objective. The situation is somewhat different with rehabilitation or reconstruction. Since the cost of removing existing barriers is specifically eligible under the statute, §570.208(a)(2)(ii) provides that removal of accessibility barriers may be presumed to meet the L/M Income Limited Clientele criteria if the costs of such removal is restricted, to the extent practicable, to the removal of such barriers in:

- ❖ The reconstruction of a public facility or improvement, or portion thereof, that does not meet the criteria for L/M Income Benefit under Area Benefit,
- ❖ The rehabilitation of a privately owned nonresidential building or improvement that does not meet the criteria for L/M Income Benefit under Area Benefit or Jobs, or
- ❖ The rehabilitation of the common areas of a residential structure that contains more than one dwelling unit and that does not meet the criteria for L/M Income Benefit under Housing.

In a related matter, the use in the regulations concerning the presumption of L/M income status of handicapped persons became problematical as the use of the term “handicapped” broadened over the past several years to include categories of handicap that do not necessarily heavily impact on a person’s capacity to work in good paying jobs. Thus, when HUD changed the regulations concerning the removal of architectural barriers, it also amended them to revise the term used for this purpose. The regulations now use the term “severely disabled adult” in lieu of “handicapped.” See the discussion of this matter under the L/M Income Limited Clientele subsection in Chapter 3 of this Guide.

Activities Specified as Ineligible

Ineligible Activities

The CDBG program regulations identify certain activities as categorically ineligible. They also identify certain other activities that are ineligible unless they are carried out by a CBDO under the authority of §570.204.

The general rule in the CDBG program is that any activity that is not authorized under the provisions of §§ 570.201-570.206 (or, where applicable, the statute) is ineligible to be assisted with CDBG funds. However, the eligible activities are so broad that it is easy to forget that some things cannot be done under the program. The purpose of this section is to discuss specific activities that are ineligible and to provide guidance in determining the eligibility of other activities frequently associated with housing and community development.

Categorically ineligible

The following activities may not be assisted with CDBG funds under any circumstance:

- ❖ *Buildings or portions thereof, used for the general conduct of government* as defined at §570.3 may not be assisted with CDBG funds. This does not include, however, the removal of architectural barriers involving any such building, which may be assisted under the category of Public Facilities and Improvements. Also, where acquisition of real property includes a building or other improvement that would be used for the general conduct of government, the portion of the acquisition cost attributable to the land may be assisted under the category of Acquisition of Real Property. *Reference: §570.207(a)(1)*
- ❖ *General government expenses.* Except as otherwise specifically authorized in Subpart C of Part 570 or under OMB Circular A-87, expenses required to carry out the regular responsibilities of the unit of general local government are not eligible for assistance under this part. *Reference: §570.207(a)(2)*
- ❖ *Political activities.* CDBG funds may not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration. However, a facility originally assisted with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns, provided that all parties and organizations have access to the facility on an equal basis, and are assessed equal rent or use charges, if any. *Reference: §570.207(a)(3)*

Generally ineligible

The following activities may not be assisted with CDBG funds unless authorized as Special Economic Development Activities under §570.203 or when carried out by a CBDO under the provisions of §570.204.

- ❖ *Purchase of equipment.* The purchase of equipment with CDBG funds is generally ineligible.
 - *Construction equipment.* The purchase of construction equipment is ineligible, but compensation for the use of such equipment through leasing, depreciation, or use allowances pursuant to OMB Circulars A-21, A-87, or A-122 as applicable for an otherwise eligible activity is an eligible use of CDBG funds. However, the purchase of construction equipment for use as part of a solid waste disposal facility is eligible under the category of Public Facilities and Improvements [see §570.201(c)].
 - *Fire protection equipment.* Fire protection equipment is considered for this purpose to be an integral part of a public facility. Thus, purchase of such equipment would be eligible under the category of Public Facilities and Improvements. This includes fire engines and specialized tools such as “jaws of life” and life-saving equipment as well as protective clothing worn by fire fighters [see §570.201(c)].
 - *Furnishings and personal property.* The purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property not an integral structural fixture is generally ineligible. CDBG funds may be used, however, to purchase or to pay depreciation or use allowances (in accordance with OMB Circulars A-21, A-87, or A-122, as applicable) for such items when necessary for use by a recipient or its subrecipients in the administration of activities assisted with CDBG funds, or when eligible as fire fighting equipment, or when such items constitute all or part of a public service pursuant to §570.201(e). Also, these items are eligible when carried out by a for-profit business as part of CDBG assistance under the authority of §570.203(b).
Reference: §570.207(b)(1)
- ❖ *Operating and maintenance expenses.* The general rule is that any expense associated with repairing, operating, or maintaining public facilities, improvements, and services is ineligible. Specific exceptions to this general rule are operating and maintenance expenses associated with public service activities [see §570.201(e)], interim assistance [see §570.201(f)], and office space for program staff employed in carrying out the CDBG program (see §570.206). For example, the use of CDBG funds to pay the allowable costs of

operating and maintaining a facility used in providing a public service (e.g., salaries, rent) would be eligible under §570.201(e), even if no other costs of providing the service there are assisted with such funds. Examples of operating and maintenance expenses that are generally ineligible include:

- Maintenance and repair of publicly-owned streets, parks, playgrounds, water and sewer facilities, neighborhood facilities, senior centers, centers for persons with disabilities, parking, and other public facilities and improvements. Examples of maintenance and repair activities for which CDBG funds may not be used include the filling of pot holes in streets, repairing of cracks in sidewalks, the mowing of grass in city or county parks, and the replacement of street light bulbs.
- Payment of salaries for staff, utility costs, and similar expenses necessary for the operation of public works and facilities.
Reference: §570.207(b)(2)

❖ *New housing construction.* See the discussion of this activity type under the earlier sections of this chapter entitled Construction of Housing and Special Activities by CBDOS. *Reference: §570.207(b)(3)*

❖ *Income payments.* The general rule is that CDBG funds may not be used for income payments. For purposes of the CDBG program, “income payments” is defined as a *series of subsistence-type grant* payments made to an individual or family for items such as food, clothing, housing (rent or mortgage), or utilities, but excludes emergency grant payments made over a period of up to three consecutive months directly to the provider of such items or services on behalf of an individual or family. One time grants, emergency type grants, or loans for such purposes may be authorized under the category of Public Services [see §570.201(e)]. *Reference: §570.207(b)(4)*

Note: Certain activities, even if they would otherwise be eligible under the category of Special Economic Development Activities, cannot be assisted with CDBG funds if they are specifically ineligible under the provisions of the Public Benefit standards under §570.209. For example, assisting a business to create jobs that would cost more than \$50,000 in CDBG funds per job would be unallowable. Also, providing assistance to a professional sports team is not allowed. See Appendix B for further details.

Documenting Compliance

This section of the chapter provides special guidance on the requirement the grantee must document that each assisted activity falls within a specified category and that it meets the requirements that apply to that category.

The requirement

The nature of the program is that the Federal government provides funds that a grantee may use in a variety of ways, at its option. There are limitations within which the grantee must operate, however. In order to ensure that HUD can carry out its statutory responsibilities to review grantee performance to determine that program requirements have been met, the grantee must maintain certain records which are identified in §570.506 of the CDBG program regulations. §570.506(a) specifies that the grantee must keep records which provide a full description of each activity that is selected for assistance, including its location, the amount of CDBG funds budgeted, obligated and expended for the activity, and—with particular respect to the subject of this chapter of the Guide—the provision of the regulations (or in certain cases, the statute) under which the activity is eligible.

The earlier portions of this chapter have identified the many categories of basic eligibility that are (at the time of this writing) currently available for selection. As is evident by a review of those sections, there are aspects that must be considered in order to make sure that program rules are honored in the case of almost every category. The files must document all relevant eligibility considerations that apply. For example, Acquisition of Real Property is an eligible activity only if it is carried out by a public or private nonprofit entity. Therefore, the records kept by the grantee in fulfillment of §570.506(a) must clearly indicate the entity that carried out the acquisition and the nonprofit status of that entity.

Certain categories of eligibility require, as a condition of such eligibility, that the grantee must make, and document, a particular local determination. §570.200(e) identifies those determinations which must be made and documented as a condition of eligibility.

While a grantee is not required to keep in its own files the records concerning the eligibility of an activity carried out by a CBDO or a subrecipient, the grantee must make sure that the required records are kept by that entity.

The OMB Circulars require recipients of Federal assistance to keep source documentation to justify all expenditures. For example, for an expenditure for rehabilitation, the grantee (or its CBDO or subrecipient) should be able to show an invoice that identifies what the payment was made for, to and by whom, and the physical location of the property that was rehabilitated. Where applicable, the rehabilitation contractor, in turn, would be obligated to be able to produce detailed records showing specifically the costs that it incurred and for which the invoice was presented. Similarly, a for-profit entity that receives a working capital loan should have sufficient source documentation to show the actual use of the CDBG funds.

Making the Best Choice

This section of the chapter stresses the desirability of considering alternative categories of eligibility for certain types of activities. Several examples are provided for key program areas to illustrate possible alternatives that may be available and the considerations that should guide the grantee in making the wisest choice among them.

The most common among these activity types and the requirements that the grantee should consider are:

- ❖ Public services (public services cap),
- ❖ Commercial/industrial projects (public benefit requirements), and
- ❖ Planning and administration (planning/admin cap).

The following discussion of these key areas is intended to assist grantees in thinking through the alternatives that may be available, the factors that should be considered, and some ground rules that may be helpful in this process.

Public Services

While the CDBG program was, from the onset, intended to be a physical development program, it was recognized that certain services can be very helpful to stabilize a neighborhood and to make for a sustainable redevelopment of areas needing revitalization. Therefore, the program authorizes the use of funds to provide services generally, but with a dollar limitation (usually no more than 15% of program funds may be used for services). However, there are certain situations where the regulations provide that services are not subject to this dollar limitation.

The most notable types of services that are not subject to the cap are:

- ❖ Financial assistance for homeownership, under the authority of §570.201(n);
- ❖ Employment services (including job training) related to employment opportunities generated by CDBG-eligible economic development activities, under the authority of §570.203(c);
- ❖ Services provided by a CBDO under the authority of §570.204 and that are specifically designed to increase economic opportunities through job training and placement and other related support services, such as child care and transportation;

- ❖ Services of any kind that are provided by a CBDO under the authority of §570.204 and that are carried out pursuant to a Neighborhood Revitalization Strategy approved by HUD under §91.215(e)(2) (see also Appendix E of this Guide); and
- ❖ General support services provided to owners of and/or persons developing microenterprises, under the authority of §570.201(o).

If a grantee's CDBG program is operating at or near its cap on public services, it is probably wise to review activities planned for future years to determine if any public services could be reclassified. In doing so, it is important to remember that shifting employment services from the Public Services category to that of Special Economic Development Activities would mean subjecting the services to public benefit requirements. For some grantees, it may also not be feasible to provide the services they have in mind through a CBDO because of the lack of a qualified entity in the applicable area. With respect to homeownership assistance, it should also be recognized that the alternative category may also have certain limitations.

Commercial/Industrial Projects

Usually, when a commercial or industrial project is assisted in the CDBG program as a Special Economic Development Activity, or when it is carried out by a CBDO as a Special Activity by a CBDO, the assistance will be subject to the public benefit requirements described in §570.209 (and discussed further in Appendix B of this Guide). While those requirements may not prevent the project from going forward as planned, it may nevertheless be useful to consider whether any other category could be used that may be more desirable.

The alternatives that should be considered in this regard are:

- ❖ Employment services that are eligible under §570.203(c) are also eligible under the Public Services category;
- ❖ Depending on the size of the business, assistance that is eligible under §570.203(b) or (c) may also be eligible under the Microenterprise Assistance category of 570.201(o);
- ❖ Property acquisition that is undertaken by a nonprofit under the authority of §570.203(a) may also be eligible under the category of Acquisition of Real Property at 570.201(a);

- ❖ Reconstruction of a commercial or industrial property that is eligible under the authority of §570.203(a) would also be eligible under the category of Rehabilitation at 570.202;
- ❖ Rehabilitation of a commercial or industrial property under the authority of §570.203(b) may be eligible, at least in part, under the category of Rehabilitation at 570.202; and
- ❖ Provision of one or more public improvements or utilities needed by the business may qualify under the category of Public Improvements at §570.201(c) or Privately-Owned Utilities at §570.201(l).

Moreover, an economic development project often involves a number of different activities that could be assisted in lieu of the specific assistance requested by a business. Consider, for example, a business that wants to expand and has requested financial assistance to pay for the construction of a building. It may be that the business needs to purchase land for the expansion or might be planning to pay to have the street widened or otherwise improved to support truck traffic. Either of these needs could be met with CDBG funds, under other categories than Special Economic Development Activities, which might be more desirable for the grantee to provide in order to help the project go forward. This sort of assessment of alternative activities might also help determine whether Davis-Bacon would apply to the form of assistance being contemplated.

Planning/administration

There are a few activities eligible under the categories of Planning and Capacity Building and Program Administration Costs that are also eligible under other categories of basic eligibility. Since costs charged to §570.205 or 570.206 are subject to the 20% cap, it may be useful to consider any alternative classification if the grantee is at or near its cap.

Such activities include:

- ❖ Fair housing counseling,
- ❖ Environmental assessments required for compliance with 24 CFR part 58,
- ❖ Capacity building, and
- ❖ Staff cost for persons carrying out program administration activities but also performing functions in direct support of activities being carried out under other categories of basic eligibility.

A brief discussion of each of the preceding activities follows:

Fair Housing Counseling

Grantees in the CDBG program have a responsibility to affirmatively further fair housing. Activities carried out pursuant to this responsibility may be charged to Program Administration. When the grantee is planning to provide counseling to advise persons of their rights under the Fair Housing Act or otherwise assist them in this regard, such activities could also be eligible under the category of Public Services. While both of these alternatives involve an overall cost limitation (i.e., the 20% cap and the 15% cap), it is not likely that a grantee would reach both caps in the same program year, thus allowing the grantee to shift the costs of these services to the appropriate category.

Environmental Assessments

The costs of performing the assessment and related public notices as required under 24 CFR part 58 are considered to be “activity delivery costs” and are thus part of the costs of carrying out the activity under the same basic eligibility category applicable to that activity. As such, these costs are not subject to the 20% cap. Alternately, it should be noted, however, that the regulations allow charging these costs under §570.205. It would generally not be desirable for a grantee if it is at or near its 20% cap to elect this alternative. There are some reasons, however, to think about this where possible. Where environmental assessment costs incurred with respect to an activity would create a problem for that activity, it may be preferable to charge that cost to the category of Planning and Capacity Building. Although this would be rare, it might occur in the case where the supported activity falls under the categories of Public Services or Special Economic Development Activities, and the grantee is in danger of exceeding the 15% cap or failing the public benefit requirements. Furthermore, a grantee may prefer to charge all its environmental assessment costs to §570.205 for administrative convenience, so as to avoid the need to shred the costs of one or more staff persons performing the assessments.

Capacity Building

A discussion of the alternatives available for the costs of capacity building may be found under the sections of this chapter entitled Miscellaneous Other Activities (see Technical Assistance) and Planning and Capacity Building.

Split-function Staff

Many grantees, especially the smaller ones, and some subrecipients have staff that perform both program administration and activity delivery functions. The regulations provide such grantees (and subrecipients) the option of prorating the costs according to the extent of time involved in each, or, in the case of staff whose *primary* function is program administration, charging all the person's time to the category of Program Administration. The implications to be considered in evaluating this option are virtually the same as those for the environmental assessment function discussed above.

City of Bozeman CDBG Consolidated Plan & Fair Housing Plan

Detailed Overview Slides for Commissioner Packet

PRESENTED BY

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WHAT IS A “CDBG CONSOLIDATED PLAN?”

A planning document required by the U.S. Department of Housing and Urban Development (HUD) as a condition of receiving housing and community development funding (CDBG funds).

It uses a combination of data and community outreach to determine the top housing needs, community development concerns, and gaps in supportive services for low- and moderate-income populations in cities and counties

WHAT IS A “FAIR HOUSING PLAN?”

A Fair Housing Plan, or “Equity Plan,” prepared by a HUD program participant, commits the program participant to goals (and expenditures of HUD funds) that advance equity in housing, community development programs, and residents’ access to well-resourced areas, opportunity, and community assets.

It is developed with the input of the community and consists of an analysis of fair housing data and issues, a prioritization of the issues that would be address, and the establishment of and commitment to undertake fair housing goals.

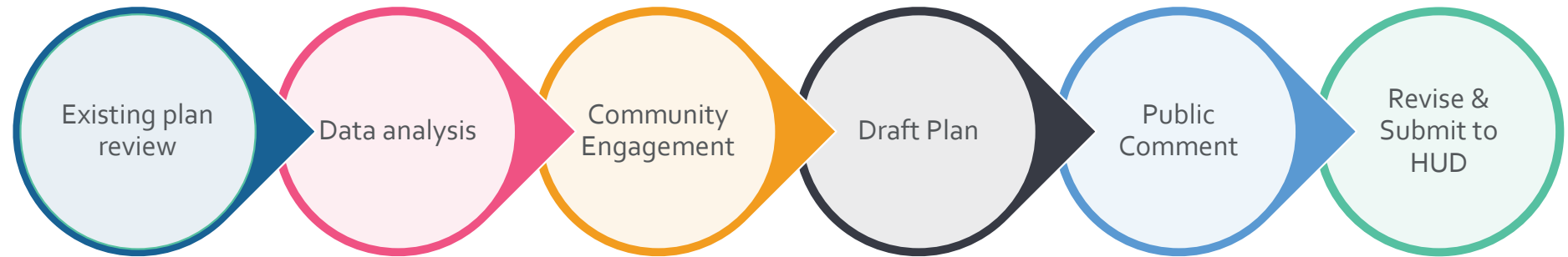
HOW DO THESE REPORTS RELATE TO OTHER CITY PLANS ON HOUSING AND EQUITY?

The CDBG Con Plan and the Fair Housing Plan are not intended to replace the City's other housing and equity plans, including **Belonging in Bozeman** and the **Community Housing Action Plan**.

Rather the HUD reports draw from City plans and build on previous analyses to comply with HUD reporting requirements (as a condition of receiving CDBG).

- The Con Plan provides the vision, goals, and plan specifically for allocating CDBG funds granted to the City by HUD. These funds must benefit low- and moderate-income households.
- The Fair Housing Plan meets the federal standards for evaluating fair housing challenges in Bozeman and identifying actions to promote fair housing choice in compliance with the Federal Fair Housing Act.

Plan Development





- Drew extensively from recent City efforts that engaged residents and stakeholders on housing and equity (Belonging in Bozeman, Community Housing Needs Assessment, Bozeman Community Plan, Economic Development Strategy, etc.)
- Supplemented with tailored engagement specific to Con Plan and Fair Housing efforts:
 - Formal presentations (open to the public) with City Commission, Economic Vitality Board, Inter-Neighborhood Council, and the Community Development Board;
 - Stakeholder consultation with housing agencies and service providers;
 - Focus groups with vulnerable resident populations; and
 - Community needs survey (in English and Spanish).
- **Currently holding a 30-day draft public comment period**



Community Engagement

CDBG Consolidated Plan Overview

WHAT ARE CDBG FUNDS?

The Community Development Block Grant (CDBG) program provides eligible jurisdictions ("entitlement communities") with annual direct grants that they can use to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low- and moderate-income persons.

Allocation amounts are based on a HUD formula that uses both community size and need (as measured by HUD-defined housing problems and incomes).

Bozeman can expect to receive about \$325,000 per year in CDBG funds for the next 5 years.

Prior to becoming an entitlement community, non-profits in Bozeman could apply to the state for a portion of state CDBG funds; now the City will have more influence on local allocations of CDBG dollars.

HOW CAN THE CITY USE CDBG FUNDING?



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Acquisition of
real property



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Activities relating to energy
conservation and renewable
energy resources



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Relocation and demolition



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Public services
(15% max)



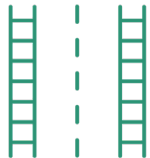
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Rehabilitation of residential
and non-residential structures



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Economic development
and job creation/
retention activities



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Construction of public facilities
and improvements



Administration of grant
(20% max)

HOW SHOULD I READ THE CON PLAN?

The CDBG Consolidated Plan fits a prescribed Q&A style structure from HUD's online reporting system that applies to all jurisdictions, regardless of size, HUD grants, or funding amounts:

- **ES:** Executive Summary
- **PR:** Process (Lead Agency and Consultation)
- **NA:** Needs Assessment
- **MA:** Housing Market Analysis
- **SP:** 5-Year Strategic Plan (goals, priorities, and expected resources)
- **AP:** 1-Year Action Plan (expected funding, goals, and projects)

Because all entitlement communities prepare the same document structure for HUD, not all sections of the Con Plan are perfectly applicable to all jurisdictions (e.g., questions related to housing authorities where there is no PHA).

The most important components to review to provide input for CDBG investments in Bozeman are goals and priorities in the Strategic Plan (sections SP-25, 35, 45) and funding and project info in the Annual Action Plan (sections AP-15, 20, and 35).

Identified Needs

The greatest housing and community development needs in Bozeman identified through the development of the CDBG Con Plan include:

- More [affordable rental housing](#) options, particularly for local workforce;
- More [affordable homeownership](#) opportunities;
- More [transitional housing and emergency shelter](#) options;
- More [accessible housing](#) and supportive housing;
- Increased access to [critical community services](#), such as mental health services, chemical dependency services, and affordable and available childcare.

Bozeman's 5-Year CDBG Goals

1. **Increase, protect and preserve affordable rental and homeownership housing opportunities** by improving access to a diverse set of affordable housing, including but not limited to, naturally occurring affordable housing (NOAH), supportive housing for seniors and residents living with disabilities, and accessible housing.
2. **Improve housing stability for individuals and households with critical needs**, including persons experiencing or at-risk of homelessness by providing appropriate housing and service solutions grounded in Housing First approaches, including but not limited to, emergency shelter, transitional housing, and other supportive services.
3. **Improve community services** by addressing critical needs and promoting equity through improved or increased access to community programming, including but not limited to, mental health services, chemical dependency services, and affordable and available childcare.
4. **Planning and Administration** to support the goals articulated above.

Proposed CDBG Funding Plan 2024-2028

Goal	Needs Addressed	Year 1 Funding	Cumulative 5-Year Funding
1. Increasing and Preserving Housing Options	- Affordable rental housing - Affordable homeownership - Accessible housing	\$0	\$846,355
2. Supporting Vulnerable Populations	Emergency shelter and transitional housing	\$212,687	\$212,687
3. Critical Community Services (15% max)	Community Services	\$48,000	\$244,394
4. Planning and Administration (20% max)	Planning and Administration	\$65,172	\$325,859

HUD caps CDBG spending on public services at 15% of total allocation and spending on admin at 20% 669

Fair Housing Plan Overview

Fair Housing Challenges

Challenges include market factors that may be outside City's sphere of influence.

- **Shortage of affordable and accessible housing units.** There is a significant shortage of affordable and accessible housing units in the city, which disproportionately impacts low-income households—primarily minorities—and households with individuals living with a disability.
- **Disparate access to opportunity.** As articulated in Section IV of the report, Indigenous residents in Bozeman have the lowest English and Math proficiency rates among K-8 students by race and ethnicity, as well as the lowest high school graduation rates and highest unemployment rate among city residents. Residents and stakeholders also highlighted transportation challenges in the city, which primarily impact low-income households, Hispanic/Latino immigrants, and residents living with disabilities.

Fair Housing Challenges

Challenges include market factors that may be outside City's sphere of influence.

- **Barriers to homeownership.** Households of color have lower rates of homeownership compared with non-Hispanic White households in Bozeman. Significant gaps in homeownership exist for Black/African American and Hispanic households in Bozeman. Additionally, Hispanic applicants are more than twice as likely to receive high-priced loans compared with non-Hispanic White applicants.
- **Lack of access to fair housing resources.** Nearly half of survey respondents who reported experiencing housing discrimination (46%) identified a need for more resources and education for residents related to fair housing and how to respond to housing discrimination.
- **Lack of access to translation and interpretation services.** Stakeholders articulated a need for more translation and interpretation services provided by the City, specifically Spanish.



Proposed Fair Housing Actions

Actions are structured around Con Plan goals and aligned with Belonging in Bozeman.

Con Plan Goal 1. Increasing and Preserving Housing Options.

Current or Ongoing Fair Housing Actions

- UDC update in alignment with vision and goals established in Bozeman's guiding documents.

Planned or Potential Fair Housing Actions

- To achieve the Belonging in Bozeman goal to "Promote aging in place and universally accessible residential development," the City provide developer education/training on adaptable and universal design and may also offer home-buyer and renter education on universal design.
- Explore potential incentives that could enable aging in place and universal design.
- Continue prioritizing investment in innovative models to increase affordable ownership.
- Explore policies that address disparities in access to homeownership.

Proposed Fair Housing Actions

Actions are structured around Con Plan goals and aligned with Belonging in Bozeman.

Con Plan Goal 2. Supporting Vulnerable Populations.

Planned or Potential Fair Housing Actions

The City is working with partners on a coordinated strategy to address homelessness including:

- Identify and prioritize Housing First approaches;
- Support partners by funding transitional and emergency housing programs;
- Work with partners to leverage creative funding mechanisms, incentives, and existing assets to increase long-term affordable housing supply.

Proposed Fair Housing Actions

Actions are structured around Con Plan goals and aligned with Belonging in Bozeman.

Con Plan Goals 3. Critical Community Services; and 4. Admin:

Current or Ongoing Fair Housing Actions

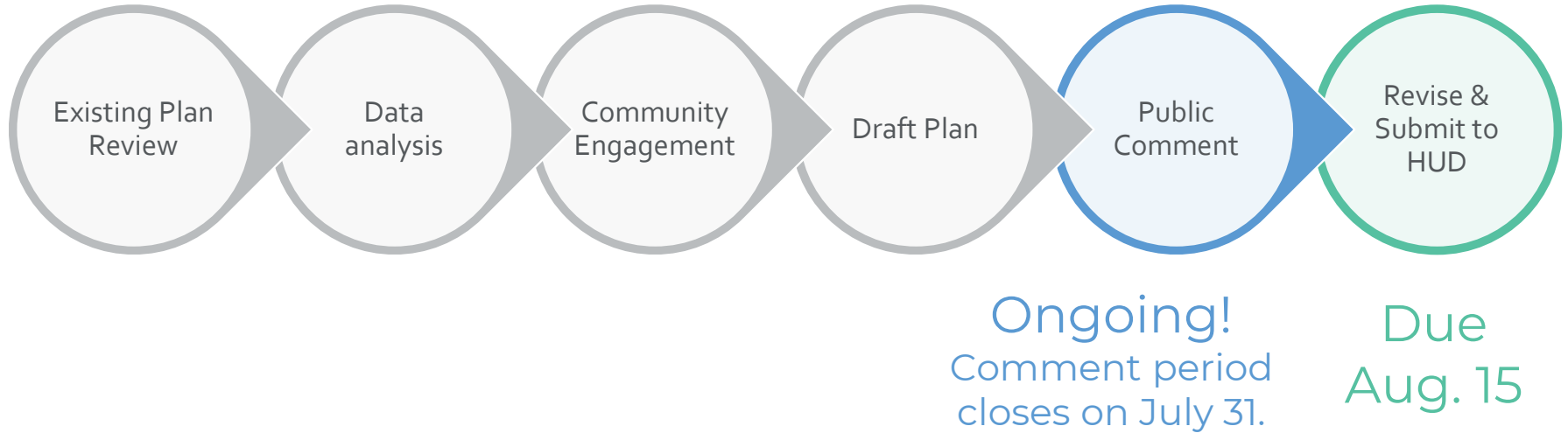
Support Belonging in Bozeman goal to “Address language barriers to local government services and public engagement processes,” by:

- Training frontline staff to use on-demand interpretation services
- Providing multilingual learning opportunities for staff, as well as compensating multilingual staff for providing translation services.

Planned or Potential Fair Housing Actions

- Develop a fair housing page on the City’s website.
- Support Belonging in Bozeman goal to “Increase community knowledge in housing issues,” by hosting landlord/tenant workshops on fair housing, vouchers, and community ownership models.
- Develop a Language Access Plan.

Next Steps



Discussion

- Are you comfortable with the priorities and proposed funding plan for Year 1, which prioritize solutions for people experiencing homelessness (after 15% on services and 20% on admin)?
- Are you comfortable with the priorities and proposed funding plan for subsequent years in the 5-year period, which direct resources to increasing and preserving housing options (after 15% on services and 20% on admin)?
- Other thoughts, comments, suggestions?



Memorandum

REPORT TO: City Commission

FROM: Chuck Winn, Interim City Manager

SUBJECT: Resolution 5620 Calling for a Special Election for a City of Bozeman First Responder Levy and Fire Station 4 Construction Bond in November 2024

MEETING DATE: July 23, 2024

AGENDA ITEM TYPE: Resolution

RECOMMENDATION: **Consider the Motion:** *I move to approve Resolution 5620.*

STRATEGIC PLAN: 3.1 Public Safety: Support high quality public safety programs, emergency preparedness, facilities, and leadership.

BACKGROUND: This agenda item authorizes the City Commission to adopt Resolution 5620 placing two questions on the November 2024 ballot as a special election of the City.

On June 4, 2024, the City Commission directed staff to prepare a public safety mill levy and fire station construction bond for consideration by electors at a special election of the City to be held in November 2024. The mill levy would fund additional first responder staff in the Bozeman Police and Fire Departments and authorize the City to sell bonds to fund construction of a new Fire Station (#4) on the west side of Bozeman.

First Responder Levy – Right Size the Police and Fire Departments

Staffing studies, current call volumes, a rising crime rate, and excessive response times all point to the critical need for additional staffing in the Police and Fire Departments. Staffing in these two life-safety departments has not kept up with growth and the resulting demands for service. Approval of a First Responder Levy would authorize the City to levy sufficient funds, incrementally over a five-year period, to allow for a phased approach to hiring the following numbers of emergency responders and support staff:

POLICE

The recommended staffing in the Police Department includes a total of 38 positions. These include:

- 30 sworn police officers: includes staff to establish a Traffic

Enforcement Unit

- 8 non-sworn support staff: 2 Special Services Officers, 1 Police Information Specialist, 1 Asset and Equipment Manager, 1 Animal Control Officer, 1 Intel Analyst, 1 Crash investigator and 1 Operations/Management Analyst.

Timing of Police Department Hiring - Hiring of the additional positions in the Police Department would be phased-in over a five-year period. This would allow sufficient time to ensure best practice recruitment and selection procedures and to adequately train and onboard new officers. Additionally, the Montana Law Enforcement Academy limits the number of new officers in its training and certification programs each year.

FIRE

The recommended staffing in the Fire Department includes a total of 25 positions. These include:

- 22 Firefighters: includes firefighters to fully staff the Quick Response Vehicle program
- 3 non-sworn support staff: 1 Emergency Manager, 1 Community Risk Reduction/Outreach Coordinator, 1 Radio Technician (shared with Police)

Timing of Fire Department Hiring - Hiring of the six new firefighters needed to staff the new Quick Response Program would begin immediately upon approval of funding. The remaining 16 firefighter positions and support staff would be spread out over a three-year period and are dependent on approval of the Fire Station construction bond and timed with the completion of construction of the new station. For the same reasons discussed above for the Police Department, a phased approach to hiring would also apply to the Fire Department.

Taxes for these new positions would not be levied until they are needed. As such, the number of mills the City will assess is planned to be phased in incrementally over a five-year period. Refer to the chart in Attachment A estimated costs for each of the five years.

Fire Station #4 Construction Bond

Fire stations are public safety facilities built to the essential services requirements of the International Building Code. They must operate for 48 to 72 hours in the event of power failure and remain operational in all severe weather events and be able to withstand expected seismic stresses.

To reduce costs, the City will use the same design for Fire Station #4 as we did for the new Fire Station #2 replacement. There may be some minor

changes based on the configuration of the property the City is considering for Fire Station #4, but we expect to save significant money on design fees by using the modern design and functionality of Fire Station #2.

Construction costs, particularly for commercial structures, have exceeded inflation over the past several years. Based on current construction estimates, and our recent experience with the construction of Fire Station #2, we are using a cost estimate of \$18M which will include all necessary equipment. We will make every effort to reduce costs through effective planning, bidding, and value engineering and will only levy the amount needed to complete construction. The property for Fire Station #4 will be purchased using Fire impact fees.

Additional Staffing Not Included in First Responder Levy

Increased staffing in the Police and Fire Departments will require additional resources in several other City departments including Municipal Courts, City Attorney's Office, Human Resources, IT, and Finance. We are confident we will be able to add additional positions in these departments as they become needed through the regular City budget process.

Why Now?

Bozeman has changed significantly over the past two decades, nearly doubling in size and growing from a micropolitan area to a metropolitan one. Residents feel the challenges that come along with growth, and City staff feel the strains as they go about their daily work. As an organization, growth has caused us to incrementally add staff in many departments to meet the expanding needs of the community.

While we have been able to add resources in some departments, we have not been able to implement significant staffing increases in our Fire and Police Departments. The last meaningful addition to our public safety departments was through a voter-approved levy in 2007 when Bozeman's population was 34,969. Today, the population exceeds 57,000. The City is struggling to provide critical life-safety and law enforcement services with essentially the same staffing levels of 17 years ago. The City has changed significantly since 2007, and so must our public safety services.

As we look to the future, we can expect these trends to continue, placing even greater burden on our public safety services. Bozeman continues to be a regional hub for southwest Montana, attracting visitors from across the country, visitors who come here for both work and play. While this is positive for our economy and local businesses, it places additional burden on City services and results in significantly more calls for services on our already strained emergency response system.

Critical Need in Bozeman's Emergency Services

POLICE The Bozeman Police Department continues to face significant staffing and resource challenges. As the population has increased, so has crime and the number of calls for service. The department has shifted toward responding to crime reactively rather than proactively. Today, officers are unable to do the important work of proactive patrolling to prevent crime, leading to a growing lack of trust and increased safety concerns among residents. A common concern the City hears from the public is frustration around traffic enforcement, as they witness drivers routinely breaking laws such as driving through red lights and speeding through school zones. Due to other pressing, often life-threatening, calls, officers are unable to proactively enforce traffic laws. Even more concerning, a police officer may witness illegal driving and be unable to stop a driver because they have a pending higher priority call. This leads to increasing frustration among residents. Unfortunately, this cycle continues and the feeling of community safety declines.

Inadequate staffing levels also impact other areas of policing. Detectives are frustrated by their limited capacity to focus on less severe crimes, ultimately leading to frustration experienced by victims. While many of us are fortunate to never experience violent crime, we may more often be victims of theft, hit and runs, and other misdemeanor crimes. These are crimes that still deserve a thorough investigation. However, with current staffing levels, the Police Department oftentimes cannot provide a response beyond the generation of a report.

Residents of Bozeman deserve better, and the members of our Police Department want to do better. Community policing practices are critical to building a positive and trusting relationship between the Bozeman community and our Police Department. Too often these efforts are sacrificed while officers are responding to urgent and oftentimes life-threatening calls. At current staffing levels, the Police Department is operating with a strained workforce and unsustainable levels of activity, leading to burnout and creating retention challenges. An experienced and trained officer not experiencing burnout will be a more effective officer and will be able to provide a higher level of service to our residents. It is imperative that our officers are able to effectively serve our community, creating more positive experiences with law enforcement for the general public.

FIRE The Bozeman Fire Department faces several challenges impacting its ability to provide effective emergency services within the City. The Fire Department operates with the same number of staffed fire trucks that it had in 2007 and has recently reduced its level of service to more effectively address the most critical calls. The need to prioritize critical, life-threatening calls leads to a lower level of service provided to residents who may not need lifesaving care, but who still need a high level of care from an

experienced professional. The continuous need to prioritize critical calls, with limited staff capacity, means that proactive risk mitigation, public education, and outreach efforts suffer. While the relocation of Fire Station #2 was a planned effort to better serve the Bozeman community, a fourth fire station has been a priority for many years and is needed to effectively serve the fast-growing West side. Currently, response times are more than four minutes beyond the national standard, significantly affecting the survivability of emergencies and increasing the community's risk and extent of property damage. Additionally, notable gaps in training programs and emergency preparedness have been identified in a recent Insurance Services Office (ISO) audit and accreditation work via the Center for Public Safety Excellence (CPSE).

UNRESOLVED ISSUES: None

ALTERNATIVES: As suggested by Commission

FISCAL EFFECTS: The First Responder Levy would authorize the City to phase in a total levy of up to 48 mills by fiscal year (FY) 2030 and permanently each year thereafter for the purpose of paying the costs of first responder services including personnel and associated operations and maintenance costs of the City's Police and Fire Departments. The estimated cost to the median single-family homeowner is between \$30 and \$36 dollars monthly in 2030, by the time the full levy is assessed.

The Fire Station #4 Construction project would authorize the City to issue general obligation bonds in an amount up to 18 million dollars (\$18,000,000) for the purpose of paying the costs of design, construction, furnishing, and equipping a new fire station. Failure of the construction bond would eliminate the need for 15 firefighters included in the first responder levy and the City would not levy mills for those positions. The estimated cost to the median single-household homeowner is \$4.28 in the first year. The cost should decline slightly year over year once newly taxable property is included.

See Attachment A for estimates of the cost to a median homeowner at the current (FY24) mill value, and estimates using assumptions of newly taxable value.

Attachments:

[Resolution Calling Bond Mill Levy Election.pdf](#)

[First Responder Levy Attachment A.pdf](#)

Report compiled on: July 18, 2024

Resolution No. 5620, Resolution Submitting to Qualified Electors at a Special Election to be held on November 5, 2024 the Questions of Issuing General Obligation Bonds in the Total Principal Amount of up to \$18,000,000.00 for Fire Station 4 and Permanently Levying up to 48 Mills to Pay Costs of City of Bozeman First Responder Services



RESOLUTION NO. 5620

A RESOLUTION OF THE CITY COMMISSION SUBMITTING TO THE QUALIFIED ELECTORS OF THE CITY OF BOZEMAN, MONTANA, AT A SPECIAL ELECTION TO BE HELD ON NOVEMBER 5, 2024, THE QUESTIONS OF (I) ISSUING GENERAL OBLIGATION BONDS OF THE CITY IN A TOTAL PRINCIPAL AMOUNT OF UP TO EIGHTEEN MILLION AND NO/100 DOLLARS (\$18,000,000.00) FOR THE PURPOSE OF PAYING COSTS OF DESIGNING, CONSTRUCTING, FURNISHING, AND EQUIPPING FIRE STATION 4 AND RELATED IMPROVEMENTS AND COSTS, AND PAYING COSTS ASSOCIATED WITH THE SALE AND ISSUANCE OF THE BONDS; AND (II) PERMANENTLY LEVYING UP TO 48 MILLS TO PAY COSTS OF THE CITY OF BOZEMAN'S FIRST RESPONDER SERVICES, INCLUDING OPERATION AND MAINTENANCE COSTS OF THE CITY POLICE AND FIRE DEPARTMENTS, TO INCLUDE ADDITIONAL POLICE DEPARTMENT AND FIRE DEPARTMENT PERSONNEL, EQUIPMENT, AND RELATED PUBLIC SAFETY COSTS AND EXPENSES

BE IT RESOLVED, by the City Commission (the "Commission") of the City of Bozeman, Montana (the "City") as follows:

Section 1

Recitals.

1.01. Authorization. The City is authorized pursuant to Section 7-7-4221, Montana Code Annotated, upon approval of the electorate of the City, to issue general obligation bonds pledging the general credit of the City for any purpose authorized by law, provided that such indebtedness will not cause the total indebtedness of the City to exceed 2.5% of the total assessed value of taxable property of the City, determined as provided in Section 15-8-111, Montana Code Annotated, ascertained by the last assessment for state and county taxes. In addition, pursuant to Section 7-7-4223, Montana Code Annotated, the Commission is authorized to call a bond election

by adopting a resolution to that effect. The Commission is also authorized pursuant to Section 15-10-425, Montana Code Annotated, to increase its mill levies for a specific purpose by conducting a mill levy election as prescribed by law.

1.02. Proposed Fire Station Project and Bonds. The Commission has determined that the demand for public safety services has increased and the current City facilities are inadequate to meet the demand. To address these deficiencies in the community, the Commission hereby determines there should be submitted to the qualified electors of the City the question of whether the Commission shall be authorized to sell and issue general obligation bonds of the City in one or more series to obtain funds for the purpose of paying costs of designing, constructing, furnishing, and equipping fire station 4, including paying the costs of new required fire apparatus, and related improvements and costs, and paying costs associated with the sale and issuance of the bonds, which bonds shall bear interest at rates to be determined at the time of sale, payable semiannually over a term not to exceed twenty years for each series of bonds, and subject to redemption as required by law.

1.03. Debt Limitation. The Commission has determined that the issuance of general obligation bonds in the total principal amount of Eighteen Million and No/100 Dollars (\$18,000,000.00) together with the outstanding principal amounts of all other general obligation indebtedness of the City will not cause the City to exceed its general obligation indebtedness limitation, which is currently calculated to be \$443,266,576 (i.e., 2.50% x \$17,730,663,050).

1.04. Mill Levy. In addition, the City Commission has determined that the City's current mill levy authority is inadequate to fund current and future first responder services necessary for a growing community. The Commission has therefore determined that it is in the best interest of the City to seek authority for a permanent mill levy increase to pay costs of additional first responder services, including costs related to additional personnel, and related operation and maintenance costs, as determined by the City, of the City police and fire departments, to include additional police department and fire department personnel, equipment, and related public safety costs and expenses, by presenting to the voters a mill levy question. The Commission intends to phase in the levy over the course of five (5) fiscal years beginning in fiscal year 2026 and culminating with a levy of up to 48 mills in fiscal year 2030 as described in Section 2, below.

Section 2

Calling of the Election.

2.01. General Obligation Bonds. The Commission hereby calls and directs that a special election of the City be held in conjunction with the general state and federal election on November 5, 2024, for the purpose of voting on the following question:

Proposed General Obligation Bonds for Fire Station 4 Project

For the purpose of paying costs of designing, constructing, furnishing, and equipping a fourth fire station and related improvements and costs, and paying costs associated with the sale and issuance of the bonds, shall the City Commission of the City of Bozeman, Montana (the “City”) be authorized to sell and issue general obligation bonds of the City in one or more series in a total principal amount of up to Eighteen Million and No/100 Dollars (\$18,000,000.00) bearing interest at rates to be determined at the time of sale, payable semiannually over a term not to exceed twenty years for each series of bonds?

If this bond proposition passes, it is estimated that property taxes on a home with an assessed market value for tax purposes of \$100,000 would increase by \$7.88 in the first year, of \$300,000 would increase by \$23.64 in the first year, and of \$600,000 would increase by \$47.28 in the first year. An increase in property taxes may lead to an increase in rental costs.

2.02. Mill Levy. The Commission has determined that it is in the best interests of the City to seek authority for a permanent mill levy increase to fund current and future first responder services by presenting to the voters the following question at a special election of the City be held in conjunction with the general state and federal election on November 5, 2024:

Proposed Mill Levy for First Responders

For the purpose of paying costs of additional City of Bozeman, Montana (the “City”) first responders including additional personnel, and operation and maintenance costs of the City police and fire departments, to include related additional police department and fire department equipment, and related public safety costs and expenses, shall the City Commission be authorized to permanently levy up to 48 mills by fiscal year 2030, raising approximately \$11,629,400.00 annually?

The City would phase in the mill levy described above as follows: beginning in fiscal year 2026, the City would levy up to 9 mills, raising approximately \$2,170,800.00 annually; then levy up to 20 mills in fiscal year 2027, raising

approximately \$4,759,300.00 annually; then levy up to 42 mills in fiscal year 2028, raising approximately \$10,215,100.00 annually; then levy up to 45 mills in fiscal year 2029, raising approximately \$10,974,400.00 annually; and then would levy permanently the 48 mills commencing in fiscal year 2030.

If this mill levy proposition passes, when the full 48 mills are assessed in fiscal year 2030, the property taxes on a home with an assessed market value of \$100,000.00 would increase by \$64.80, of \$300,000.00 would increase by \$194.40, and of \$600,000.00 would increase by \$388.80. An increase in property taxes may lead to an increase in rental costs.

Section 3

Assumptions Underlying Tax Impact.

As required by law, each of the bond question and mill levy question contains a tax impact statement. The tax impact statement regarding the bonds assumes that (i) the dollar amount raised by the levy of 1 mill is equal to the current dollar amount of 1 mill as established for the City's fiscal year 2024 based on tax year 2023 valuations; and (ii) the bonds are issued in one series and in the maximum principal amount set forth in the bond ballot question, (iii) the term of the bonds is 20 years, and (iv) the average annual interest rate on the bonds is 5.00%. The tax impact statement regarding the mill levy assumes that the dollar amount raised by the levy of 1 mill is equal to the current dollar amount of 1 mill as established for the City's fiscal year 2024 based on tax year 2023 valuations.

Section 4

Conduct of Election.

All qualified electors of the City shall be entitled to vote at the bond election and mill levy election. The City Clerk is hereby authorized and directed to give notice of the call and details of this special election to the Gallatin County Election Administrator promptly and in any event on or before the date required by the Gallatin County Election Administrator. The Gallatin County Election Administrator is requested to give notice of the close of registration and thereafter prepare printed lists of the qualified electors in the City entitled to vote in the special election and to conduct the special election in the form and manner prescribed by law.

Section 5

Notice of Election.

The City Clerk or the Gallatin County Election Administrator, as appropriate, is hereby authorized and requested to cause notice of the call and holding of the special election to be given by publishing notice at least three times no earlier than 40 days and no later than 10 days before the special election in the *Bozeman Daily Chronicle*, a newspaper of general circulation in Gallatin County. The notice of the special election as published shall read substantially as shown on Exhibit A hereto (which is incorporated by reference and made a part hereof), with such additions or deletions or updates as are determined necessary or desirable.

Section 6

Forms of Ballots.

The ballots shall be printed in substantially the following forms, with such additions or deletions or updates as are determined necessary or desirable:

FORM OF OFFICIAL BALLOT

CITY OF BOZEMAN, MONTANA
GENERAL OBLIGATION BOND ELECTION
FIRE STATION 4 PROJECT

NOVEMBER 5, 2024

INSTRUCTIONS TO VOTERS: Completely fill in the oval using a blue or black ink pen before the words “BONDS—YES” if you wish to vote for the bond issue; if you are opposed to the bond issue, completely fill in the oval using a blue or black ink pen before the words “BONDS—NO.”

For the purpose of paying costs of designing, constructing, furnishing, and equipping a fourth fire station and related improvements and costs, and paying costs associated with the sale and issuance of the bonds, shall the City Commission of the City of Bozeman, Montana (the “City”) be authorized to sell and issue general obligation bonds of the City in one or more series in a total principal amount of up to Eighteen Million and No/100 Dollars (\$18,000,000.00) bearing interest at rates to be determined at the time of sale, payable semiannually over a term not to exceed twenty years for each series of bonds?

If this bond proposition passes, it is estimated that property taxes on a home with an assessed market value for tax purposes of \$100,000 would increase by \$7.88 in the first year, of \$300,000 would increase by \$23.64 in the first year, and of \$600,000 would increase by \$47.28 in the first year. An increase in property taxes may lead to an increase in rental costs.

☐ BONDS—YES

☐ BONDS—NO

FORM OF OFFICIAL BALLOT

CITY OF BOZEMAN, MONTANA
MILL LEVY ELECTION
FIRST RESPONDERS

NOVEMBER 5, 2024

INSTRUCTIONS TO VOTERS: Completely fill in the oval using a blue or black ink pen before the words “MILL LEVY—YES” if you wish to vote for the mill levy; if you are opposed to the mill levy, completely fill in the oval using a blue or black ink pen before the words “MILL LEVY—NO”.

For the purpose of paying costs of additional City of Bozeman, Montana (the “City”) first responders including additional personnel, and operation and maintenance costs of the City police and fire departments, to include related additional police department and fire department equipment, and related public safety costs and expenses, shall the City Commission be authorized to permanently levy up to 48 mills by fiscal year 2030, raising approximately \$11,629,400.00 annually?

The City would phase in the mill levy described above as follows: beginning in fiscal year 2026, the City would levy up to 9 mills, raising approximately \$2,170,800.00 annually; then levy up to 20 mills in fiscal year 2027, raising approximately \$4,759,300.00 annually; then levy up to 42 mills in fiscal year 2028, raising approximately \$10,215,100.00 annually; then levy up to 45 mills in fiscal year 2029, raising approximately \$10,974,400.00 annually; and then would levy permanently the 48 mills commencing in fiscal year 2030.

If this mill levy proposition passes, when the full 48 mills are assessed in fiscal year 2030, the property taxes on a home with an assessed market value of \$100,000.00 would increase by \$64.80, of \$300,000.00 would increase by \$194.40, and of \$600,000.00 would increase by \$388.80. An increase in property taxes may lead to an increase in rental costs.

☐ MILL LEVY—YES

☐ MILL LEVY—NO

Section 7

Notice to County Election Administrator.

A copy of this Resolution will be provided to the Gallatin County Election Administrator as soon as practicable after its adoption and approval in order to inform the Election Administrator of the details of the special election and the pertinent requests and authorizations as to the conduct of the special election.

Section 8

Reimbursement Expenditures.

(a) The United States Department of Treasury has promulgated final regulations governing the use of proceeds of tax-exempt bonds, all or a portion of which are to be used to reimburse the City for project expenditures paid by the City prior to the date of issuance of such bonds. Those regulations (Treasury Regulations, Section 1.150-2) (the “Regulations”) require that the City adopt a statement of official intent to reimburse an original expenditure not later than 60 days after payment of the original expenditure. The Regulations also generally require that the bonds be issued and the reimbursement allocation made from the proceeds of the bonds within 18 months (or three years, if the reimbursement bond issue qualifies for the “small issuer” exception from the arbitrage rebate requirement) after the later of (i) the date the expenditure is paid or (ii) the date the project is placed in service or abandoned, but (unless the issue qualifies for the “small issuer” exception from the arbitrage rebate requirement) in no event more than three years after the date the expenditure is paid. The Regulations generally permit reimbursement of capital expenditures and costs of issuance of the bonds.

(b) Other than (i) expenditures to be paid or reimbursed from sources other than the bonds, (ii) expenditures permitted to be reimbursed under the transitional provision contained in Section 1.150-2(j)(2) of the Regulations, (iii) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iv) expenditures in a “de minimus” amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures for a project within the scope of this resolution have been paid by the City before the date 60 days before the date of adoption of this resolution.

(c) The City reasonably expects to reimburse the expenditures made for costs of such a project out of the proceeds of bonds in an estimated maximum aggregate principal amount of up to \$18,000,000.00 after the date of payment of all or a portion of the costs of such a project. All reimbursed expenditures shall be capital expenditures, a cost of issuance of the bonds or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Regulations.

(d) As of the date hereof, there are no City funds reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to such a project, other than pursuant to the issuance of the bonds. The statement of intent contained in this resolution, therefore, is determined to be consistent with the City's budgetary and financial circumstances as they exist or are reasonably foreseeable on the date hereof.

(e) The Finance Director shall be responsible for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the bonds to reimburse the source of temporary financing used by the City to make prior payment of the costs of the project. Each allocation shall be evidenced by an entry on the official books and records of the City maintained for the bonds or the project and shall specifically identify the actual original expenditure being reimbursed.

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PASSED, ADOPTED, AND APPROVED by the City Commission of the City of Bozeman, Montana, this 23rd day of July, 2024.

TERRY CUNNINGHAM
Mayor

ATTEST:

MICHAEL MAAS
City Clerk

APPROVED AS TO FORM:

GREG SULLIVAN
City Attorney

EXHIBIT A

NOTICE OF GENERAL OBLIGATION BOND ELECTION FOR FIRE STATION 4 PROJECT AND MILL LEVY ELECTION FOR FIRST RESPONDERS

CITY OF BOZEMAN, MONTANA
NOVEMBER 5, 2024

NOTICE IS HEREBY GIVEN by the City Commission (the “Commission”) of the City of Bozeman, Montana (the “City”), that pursuant to a resolution duly adopted at a meeting of the Commission on July 23, 2024, a special election of the registered voters of the City will be held in conjunction with the general state and federal election on November 5, 2024, for the purpose of voting on the following questions:

Proposed General Obligation Bonds for Fire Station 4

For the purpose of paying costs of designing, constructing, furnishing, and equipping a fourth fire station and related improvements and costs, and paying costs associated with the sale and issuance of the bonds, shall the City Commission of the City of Bozeman, Montana (the “City”) be authorized to sell and issue general obligation bonds of the City in one or more series in a total principal amount of up to Eighteen Million and No/100 Dollars (\$18,000,000.00) bearing interest at rates to be determined at the time of sale, payable semiannually over a term not to exceed twenty years for each series of bonds?

If this bond proposition passes, it is estimated that property taxes on a home with an assessed market value for tax purposes of \$100,000 would increase by \$7.88 in the first year, of \$300,000 would increase by \$23.64 in the first year, and of \$600,000 would increase by \$47.28 in the first year. An increase in property taxes may lead to an increase in rental costs.

Proposed Mill Levy for First Responders

For the purpose of paying costs of additional City of Bozeman, Montana (the “City”) first responders including additional personnel, and operation and maintenance costs of the City police and fire departments, to include related additional police department and fire department equipment, and related public safety costs and expenses, shall the City Commission be authorized to permanently levy up to 48 mills by fiscal year 2030, raising approximately \$11,629,400.00 annually?

The City would phase in the mill levy described above as follows: beginning in fiscal year 2026, the City would levy up to 9 mills, raising approximately \$2,170,800.00 annually; then levy up to 20 mills in fiscal year 2027, raising approximately \$4,759,300.00 annually; then levy up to 42 mills in fiscal year 2028, raising approximately \$10,215,100.00 annually; then levy up to 45 mills in fiscal

year 2029, raising approximately \$10,974,400.00 annually; and then would levy permanently the 48 mills commencing in fiscal year 2030.

If this mill levy proposition passes, when the full 48 mills are assessed in fiscal year 2030, the property taxes on a home with an assessed market value of \$100,000.00 would increase by \$64.80, of \$300,000.00 would increase by \$194.40, and of \$600,000.00 would increase by \$388.80. An increase in property taxes may lead to an increase in rental costs.

On Election Day, November 5, 2024, the polls shall be open between the hours of 7:00 a.m. and 8:00 p.m., and the polling places for the special election shall be the polling places for City residents during a general state and federal election, as identified in the written instructions of the County Election Administrator.

Close of registration is October 7, 2024. Absentee ballots may be obtained at the office of the Gallatin County Elections Office, 311 W. Main Street, Room 210, in Bozeman, Montana, from 8:00 a.m. on October 7, 2024 until noon November 4, 2024 and resumes at 7:00 a.m. and goes until 8:00 p.m. on November 5, 2024, Election Day.

Electors who miss the close of registration deadline may register late and vote in the election if the County Election Administrator receives and verifies the electors' voter registration information prior to 8 p.m. on November 5, 2024.

County Election Administrator

Publish: October 5, October 12, and October 19, 2024.

Resolution No. 5620, Resolution Submitting to Qualified Electors at a Special Election to be held on November 5, 2024 the Questions of Issuing General Obligation Bonds in the Total Principal Amount of up to \$18,000,000.00 for Fire Station 4 and Permanently Levying up to 48 Mills to Pay Costs of City of Bozeman First Responder Services

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and appointed City Clerk of the City of Bozeman, Montana (the "City"), hereby certify that the attached resolution is a true copy of Resolution No. _____ entitled: **"A RESOLUTION OF THE CITY COMMISSION SUBMITTING TO THE QUALIFIED ELECTORS OF THE CITY OF BOZEMAN, MONTANA, AT A SPECIAL ELECTION TO BE HELD ON NOVEMBER 5, 2024, THE QUESTIONS OF (I) ISSUING GENERAL OBLIGATION BONDS OF THE CITY IN A TOTAL PRINCIPAL AMOUNT OF UP TO EIGHTEEN MILLION AND NO/100 DOLLARS (\$18,000,000.00) FOR THE PURPOSE OF PAYING COSTS OF DESIGNING, CONSTRUCTING, FURNISHING, AND EQUIPPING FIRE STATION 4 AND RELATED IMPROVEMENTS AND COSTS, AND PAYING COSTS ASSOCIATED WITH THE SALE AND ISSUANCE OF THE BONDS; AND (II) PERMANENTLY LEVYING UP TO 48 MILLS TO PAY COSTS OF THE CITY OF BOZEMAN'S FIRST RESPONDER SERVICES, INCLUDING OPERATION AND MAINTENANCE COSTS OF THE CITY POLICE AND FIRE DEPARTMENTS, TO INCLUDE ADDITIONAL POLICE DEPARTMENT AND FIRE DEPARTMENT PERSONNEL, EQUIPMENT, AND RELATED PUBLIC SAFETY COSTS AND EXPENSES"** (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Commission at a meeting on July 23, 2024, and that the meeting was duly held by the City Commission and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

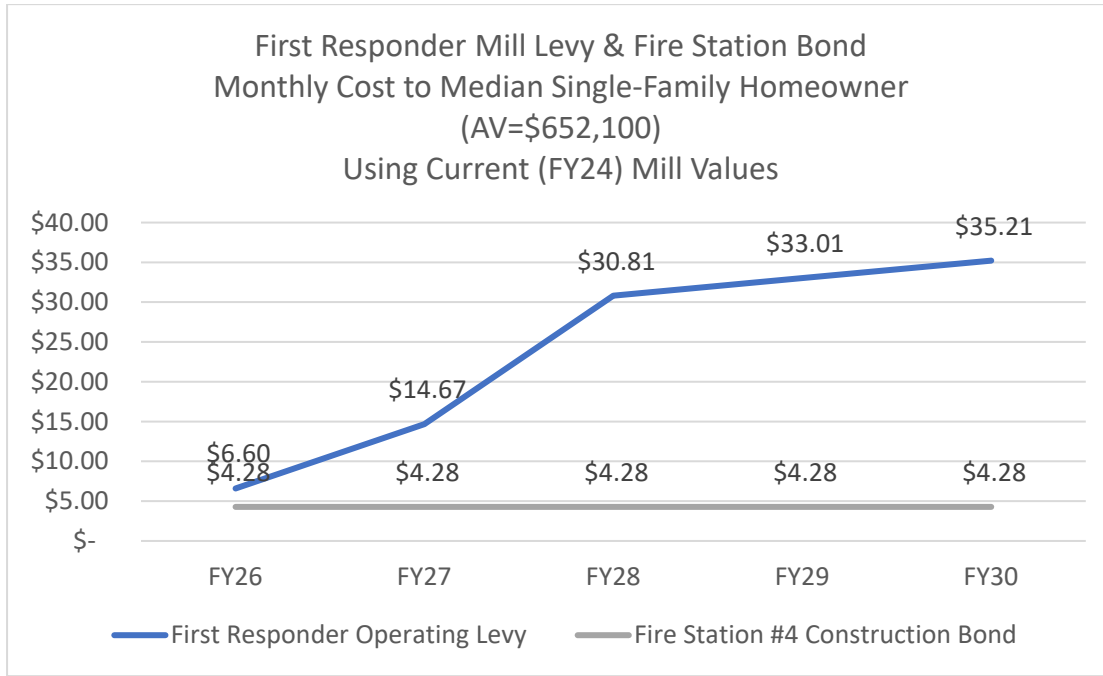
I further certify that, upon vote being taken on the Resolution at said meeting, the following Commission Members voted in favor thereof: _____; voted against the same: _____; abstained from voting thereon: _____; or were absent: _____.

WITNESS my hand officially this 23rd day of July, 2024.

Michael Maas
City Clerk

Attachment A – Estimated Costs of First Responder and Fire Station #4 Bond Levy

Estimated costs for the median single-family based on the City's current mill value are as follows:



Newly taxable value has grown an average of 16% between 2017-2024, with a median of 8%. If we assume a conservative 5% growth in newly taxable value, the estimated costs are as follows:

