

MONTANA



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NeighborWorks Montana was founded in 2000 with the mission to create opportunities for families and individuals to live in affordable homes in strong communities. NeighborWorks Montana has been a ROC USA Certified Technical Assistance Provider since April of 2010. NeighborWorks Montana helps residents negotiate for the purchase of their manufactured home community; secure financing to acquire their community; make needed infrastructure improvements; build resident leadership and management capacity; and operate their community using a cooperative democratic approach. There are more than 900 manufactured home communities in Montana with more than 18,000 homes. NeighborWorks Montana has helped residents of seven Montana manufactured home communities, preserving 297 homes.



ROC USA is a social venture working to make quality resident ownership viable nationwide and to expand economic opportunities for homeowners in manufactured (mobile) home communities. We envision a country in which the owners of efficient and affordable homes are economically secure in healthy and socially vibrant resident-owned communities (ROCs). We preserve and improve affordable communities, build financial assets and economic security for homeowners; foster healthy, mutually supportive communities and leaders; and innovate with local, regional and national solutions to address common ROC challenges and opportunities. Through 2015, ROC USA and our network of Certified Technical Assistance Providers have helped 179 communities in 14 states become resident-owned. The more than 10,700 homeowners in those ROCs can now take advantage of an increasing array of services and discounts at myROCUSA.org as the benefits of scale continue to grow.

Securing Resources for Community Improvements in Your Resident-Owned Community (ROC)

Introduction

During ROC USA's latest Strategic Planning process, Members of Resident-Owned Communities (ROCs) asked for help finding resources for health and safety improvements in their communities.

Their input was one of eight priorities adopted by ROC USA's Board of Directors in the July 2015 — June 2018 Strategic Plan, which states:

Priority 2: Increase the accessibility and affordability of public and private capital (grants and loans) for infrastructure improvements.

We at ROC USA began working on the goal before the plan was finalized thanks to timely support from the AARP Foundation. We are very thankful for AARP Foundation's support for the research, writing and publication of this Guide. This would not have been possible without their assistance.



About this Guide

There are two types of Guides: This one includes resource and planning information for community improvements. A second Guide describes resources that are available for home improvements.

We did this because improving communities physically includes both the infrastructure that your resident corporation owns and controls — the water, sewer and road systems that make up the Manufactured (Mobile) Home Community — and the homes you and your neighbors own.

One of the chief benefits of resident ownership is that long-term investments in physical assets is a rational choice because the community is secure for the long term. Your resident corporation has permanently preserved it as a Manufactured Home Community (MHC) through resident ownership. Long-term investments in community infrastructure and homes are now secure.



Availability

The Guides are state-specific and are available for each of the 14 states in which a ROC USA Network Affiliate — a Certified Technical Assistance Provider — has supported a resident purchase. In Montana, the Network is affiliated with NeighborRorks-Montana.

ROC USA® Network serves 181 ROCs in 14 states.

Logos for ROC affiliates are shown around the map:

- ROC Northwest** Olympia, WA
- NeighborWorks MONTANA** Great Falls, MT
- NCF** Northcountry Cooperative Foundation Minneapolis, MN
- ROC-NH** creating opportunity and value for manufactured home owners Concord, NH
- PathStone** Connecting You to Opportunities Rochester, NY
- Casa OF OREGON** Sherwood, OR
- UROC** Salt Lake City, UT
- COOPERATIVE DEVELOPMENT INSTITUTE** Shelburne Falls, MA

States served by ROC USA Network

Both Guides are available in print and online at www.myROCUSA.org. You may request a printed copy on myROCUSA.org or by phone at 603-513-2791.



Updates

The information in the Resources section of the Guide will be updated as ROC Members work on projects and programs change over time. Please see myROCUSA.org for updates and lessons learned.

Please share your experiences online so others can benefit from what you're learning as you develop projects and work with various resources.

No ROC is an island. We are Better Together.

Size and Scope

The community improvement resource Guide is geared to large projects like connecting to public water or sewer, relocating wells or replacing a large number of septic systems. These projects are inherently complicated and will take many meetings and up to several years to complete. We thought a printed Guide would best help you and your committee or Board work through large projects. Not everything is here in print. Look for additional planning tools and ideas online at myROCUSA.org, too.

Smaller projects like replacing mailboxes, rehabbing a community center or starting a community garden are more routine for ROCs but also important. For those types projects, please visit myROCUSA.org for ideas, links and even a ROC Grant program from ROC USA and ROC Association.



Case Studies

The Guide includes case studies that highlight two large and successful community improvement projects in Montana and New Hampshire. The common themes highlight some key elements of a successful large-scale ROC improvement project, such as:

- It takes two to four years (or longer) to organize a large-scale improvement project.
- The process begins with a widely held vision and set of goals, including “must haves” and “nice to haves.”
- Successful ROCs develop a pretty well-defined basic plan and include an engineer’s cost estimates.
- The resident ownership model used — a permanently preserved community — is vital to attracting resources.

Role of Replacement Reserves

First and foremost, your Capital Improvements Plan (CIP) — the resident corporation’s plan for what needs to be repaired or replaced, including when it needs to be done and how much it will cost — ought to be directly tied to your monthly Replacement Reserve deposit. In other words, you need to be saving for future improvements every month. Members need to be educated as to the plan and the reason for it being in your Annual Budget. It is a priority.

That said, there are emergency and health and safety needs in low- and moderate-income communities that might require more immediate solutions than a Replacement Reserve account can fund. Also, the problem might be best solved by a larger-scale solution than what the Replacement Reserve alone can fund. In those cases, with a lot of planning and hard work, some of the costs might be financed through loans and/or grants, allowing your resident corporation to make more improvements at once. Your Replacement Reserve represents an important source of funds whether it is the only source of funds or as a part of several sources that you use to complete a project.

Of course, everyone wants “free” money — or grants — and you might have success securing some for your project. However, many projects are completed with loans and it is likely your project will be one of them. It may be tied to a refinancing of your community or as subordinate or junior financing to your existing loan.



Getting Started

At a very early stage, the Board needs to consider delegating the project to a regular or ad-hoc committee of the Board. From there, the chair needs to start building the team's knowledge by reading and talking to your TA provider and/or a ROC leader who's done similar work.

If you have a large project need, the best way to start is with a feasibility study by a third-party professional who has expertise in civil engineering and project financing. This may be a combination of an engineer and a nonprofit affordable housing consultant, including your ROC's Technical Assistance (TA) provider.

TA providers have a strong commitment to ROCs' successes and likely have knowledge of the resources in your state. Ask for their assistance. If it turns into project, they will need to work through a contract with your ROC because these services are in addition to their TA services contract. Don't let that stop you; you will need assistance through this process.



Use of Tiers to Organize Information

In the Resources section of the Guide, you will likely see two tiers of programs. The tiers are based upon your ROC's eligibility for the particular loan or grant program:

- **Tier One** includes programs that we know from direct experience or, at least, have a high degree of confidence based upon research, will work for your ROC. Your ROC can apply directly.
- **Tier Two** programs require a third-party sponsor, either your town or county or a nonprofit organization to apply on behalf of your ROC.

We have not included programs that clearly do not work today although we welcome the opportunity to win program approvals so ROCs are eligible for more programs in the future. Please let us know via myROCUSA.org if we can be of assistance in talking with an agency.

Making your case: Why your ROC deserves support.

Every state and every program has its own requirements and language and so it's important to read about each program and reflect the language in your discussions with agency/program staffs and applications.

Educating Agencies

Even for programs listed here, there is strong likelihood that the agency staff you'll be speaking with have never worked with a ROC before. Remember that outside New Hampshire, where resident ownership is over 30 years old, you're a pioneer. Your work and actions will play a critical role in the development of home and community improvement resources for future groups in your state.

Two words are paramount to educating agency staffs and seeking new resources: cooperation and persistence. You will need agency staff to work with you and that takes a cooperative, problem-solving tone and approach. People respond well to people who are trying to do the right thing for the good of their community; that inspires us all! And, remember, this is a marathon, not a sprint.

Please always post your progress on myROCUSA.org. Someone might have faced a similar challenge before and have tips for success. Or, you could be that voice of experience for ROCs tackling similar projects down the road.

Determining Low- and Very Low-Income

One common if not universal feature of government funding is determining the "percentage of very low- and low-income households being served." The U.S. Department of Housing and Urban Development (HUD) issues updates to the Area Median Income (AMI) by income classification and family size. The median income is different than the average: It's the income level at which half of people's income is below and half of people's income is above the median. Low-income is defined as a household earning less than 80% of the AMI for that region by family size. Very low-income is defined as a household that earns less than 50% of AMI.

You might need to do a confidential income survey in order to determine the numbers for your ROC. Certified Technical Assistance Providers can be asked to receive the surveys and tabulate the results for you to give homeowners the assurance that someone in the community isn't looking at their information.



Permanently Preserved

It's important to understand the underlying community preservation model and principles under which your community operates. Being able to explain how your community serves the region as a source of affordable homeownership is really important.

We have placed a sample letter of inquiry on myROCUSA.org that you can download and customize for your purposes. There are a few critical elements to communicate, including:

1. Your resident corporation is a “limited-equity” or “fixed membership interest” resident corporation. That is, your membership interest — or share value — is fixed at the price you paid for it. It does not appreciate over time. If Members paid \$500 for their Memberships, then they only get \$500 back (if approved) when they sell their homes and move out of the community. You are not profiting from your membership.
2. The community is permanently preserved as a Manufactured Home Community (MHC). That is, the resident corporation cannot sell the community to an investor and pocket a windfall profit for its members. The IRS insisted on this when ROC USA was applying for its tax-exempt status and it has the benefit of making your community eligible for some public programs. This limitation is most commonly contained in the state law in which your resident corporation is incorporated. Or, in a few instances, the commitment is contained in a deed restriction or through a nonprofit Class B shareholder.
3. Your bylaws contain a commitment to providing a waiting list priority for low-income (gross income under 80% of Area Median Income) applicants.
4. Homes in most ROCs are not limited in terms of resale, the homeowner sets the price at market value and sells it to a qualified buyer who is approved for residency by the resident corporation in the same way any community owner approves new residents. In a few instances, ROCs have accepted home resale restrictions in exchange for grants and low-interest loans used to purchase and/or improve the community. So-called resale restrictions fall into two basic categories: A) Those that limit the sales price of the home; and, B) Those that limit sales to low- or very low-income buyers, thus affecting the price at which someone can sell.

It's important to know what your affordable housing elements are before you start speaking with program administrators. If you need help or practice talking about these elements, feel free to call your TA provider or ROC USA Network, or go online to myROCUSA.org and writing it down and ask your peers for feedback.

These elements will help you meet program requirements and satisfy providers of low- and no-cost financial resources that investments of public and nonprofit resources in your community will benefit low- and moderate-income households for many years to come.

Stewardship

Program administrators are weary of isolated projects that are not connected to a nonprofit or agency that is supporting the organization long-term. Most will want to see what's sometimes called a steward. They will want to see that your community has access to training and support to make it a safe organization for their investment of precious government or nonprofit resources.

First and foremost, your ROC's democratic principles and process and the resulting Board of Directors, committee and Membership, is your first form of stewardship. This cannot be overlooked. You're a locally owned community in the now over 30-year tradition of resident ownership.

Second, your ROC also has three nonprofit organizations providing support services that are clear forms of stewardship. Those three organizations are:



1. Regional nonprofit organizations serve as Technical Assistance (TA) providers and are certified by ROC USA Network. Many ROCs have Services Contracts with a Certified TA Provider (or, “CTAP”) and can contract with a CTAP if they don’t have a current contract. All CTAPs provide training and coaching services specifically to ROCs. Some CTAPs are also able to offer a wide range of support services, including regional conferences, leadership institutes, and infill development services. There are currently eight such nonprofit CTAPs in Network as of 2015. Each serves a specific geography. Montana is served by:



NeighborWorks-Montana
Kaia Peterson
406-531-3449
kpeterson@nwmt.org
nwmt.org

2. Your ROC is also a Member of ROC Association, a national association of more than 175 ROCs that have a historic tie to a CTAP in ROC USA Network. Your ROC votes and elects one of three ROC leaders to ROC USA’s national Board of Directors. Your elected representatives have a direct voice in what ROC USA provides for stewardship services. (Learn more in the ROC Association section on myROCUSA.org.)
3. The third organization standing with you is the nonprofit ROC USA. ROC USA, in concert with your CTAP, provides national services to meet needs that are common to all ROCs. National services include:
 - The annual national Community Leadership Institute (that’s free to ROC leaders);
 - Free access to the ROC Members only site called myROCUSA.org, which houses technical information for managing ROCs, educational programs, peer linkages, special programs, and the ever-growing list of discounts.
 - National marketing program for websites and collateral material so you can market your ROC to potential homebuyers.
 - Community financing through a subsidiary certified Community Development Financial Institution called ROC USA Capital.

To see more completely what ROC USA is doing, go to myROCUSA.org for a copy of the current Strategic Plan that was developed with the help of ROC leaders from across the 14-state ROC USA footprint.



Homeownership Versus Rental

One thing to be prepared for in most if not all affordable housing programs is the two basic types of housing programs. There are those that support rental housing (e.g. apartments) and those that support homeownership. Generally, ROCs fall into homeownership for obvious reasons — you’re a homeowner. However, consider that members lease (or “rent”) the site from the resident corporation and you can see how sometimes it can look like rental housing.

You know you’re working with the right agency or program person when they apply the right definition (either rental or homeownership) that makes your ROC eligible for the program! It can be looked at both ways. Be prepared by knowing what the program is designed to do.



Summary

Large-scale community improvement projects are possible through a combination of your ROC's reserves and accessing loans and, at times, grants. It starts with a good idea about what your resident corporation's Members want to accomplish and generally how much it will cost. You might need an engineer to assist with the initial project estimate.

From there, you will begin to look at resources available to your resident corporation. Your CTAP can play an important role in helping you analyze programs and budgets to accomplish your goal. The Guide provides you with known resources in your state. Some programs might require you to work with the town or county.

The Case Studies are large and complicated projects of the sort that some ROCs have successfully completed in concert with their TA provider.

The Members-only section of myROCUSA.org provides updates to the Guide and will generate peer-to-peer exchanges about what works and what's being learned as we go. Please contribute your experience so others benefit from your lessons learned. **We are Better Together.**



Case Studies

Trailer Terrace Community, Great Falls, Montana

Funding Sources:

Community Development Block Grant (CDBG) Implementation Grant (through Cascade County under the housing priority)

Treasure State Endowment Program (TSEP)

State Renewable Resource Grant & Loan Program (RRGL)

U.S. Army Corps of Engineers Western Resources Development Administration (WRDA) Grant

Department of Environmental Quality State Drinking Water Revolving Loan Fund

Department of Natural Resources and Conservation (DNRC) Planning Grant

Contact:

Sheila Rice, NeighborWorks Montana, SRice@nwgf.org, 406-761-5861

NeighborWorks Montana is a ROC USA Certified Technical Assistance Provider (CTAP) that has assisted homeowners in seven manufactured (“mobile”) home communities preserve nearly 300 homes through resident ownership. Many communities in Montana and elsewhere have deferred maintenance needs and with increasing regulation for water quality and sewer infrastructure, there is pressure on community owners to update systems.

Trailer Terrace, a 90-home manufactured home community, is located south of Great Falls, Montana, in the center of the state. Eighty-five percent of households are of low-and moderate-income. Built in two phases in the 1960s, the community had two wells and an open lagoon wastewater treatment facility. The wells had naturally occurring arsenic that rendered the water non-potable, meaning all drinking water had to be purchased. The lagoon system was far outmoded by today’s standards; wastewater was leaking into the groundwater and it was so undersized that the entire sewage collection system was effectively a drain field.

Over a four-year period, NeighborWorks Montana worked with the residents of Trailer Terrace to secure grants and loans to drill a new well, replace the lagoon system, and replace much of the aging water distribution and wastewater collection system. The state Department of Natural Resources and Conservation (DNRC) provided a \$30,000 planning grant

to determine the extent of the work required. To facilitate grant and loan procurement, Trailer Terrace residents formed a Water and Sewer District (a quasi-governmental agency with an elected board) to operate the new water and sewer systems. South Wind Water and Sewer District was created with a vote of the residents in the footprint of the district (that being the same footprint as Trailer Terrace). Once approved by the Cascade County Commission, the district was able to elect a five-member board and apply for grants and loans. As required by state law, the board contracts with a licensed operator to maintain the system.

The district raised \$2.8 million in grants and \$500,000 in loans for infrastructure improvements. The Treasure State Endowment Program (TSEP), a trust fund built with coal tax revenues, provided a \$750,000 grant. Community Development Block Grant (CDBG) funds through Cascade County contributed \$450,000, while the state-funded Renewable Resources Grant and Loan fund granted \$100,000. The Western Resources Development Administration (WRDA) under the U.S. Army Corps of Engineers contributed \$1 million and an additional \$1 million came from the State Drinking Water Revolving Loan Fund (\$500,000 as a grant and \$500,000 as a loan). The \$3.3 million infrastructure project resulted in a cost of just \$30 per month per household.

Oak Hill Acres Cooperative, Hinsdale, New Hampshire

Funding Sources:

Community Development Block Grant (CDBG) Planning Grant and Implementation Grant (under housing and public facilities priorities)

U.S. Department of Agriculture Rural Development Water and Wastewater Disposal Program Preliminary Planning Grant, Construction Grant, and Construction Loan

Contact:

Angela Romeo, ROC-NH, aromeo@rocnh.org, 603-224-6669

Oak Hill Acres Cooperative, located in Hinsdale, New Hampshire, was in desperate need of infrastructure upgrades and repairs. Years of minimal maintenance before the park was purchased by the Cooperative had left the park with failing septic systems, water system and drainage problems, and other infrastructure issues.

The Cooperative, with the assistance of the Town of Hinsdale, applied for a Community Development Block Grant (CDBG) Planning Grant from the state of New Hampshire in 2010. The grant funded a study to document water and wastewater issues in the community and recommend

improvements to raise the system from “failure” or “near failure” as defined by the State. An additional planning grant from the U.S. Department of Agriculture — Rural Development (USDA-RD) funded a Preliminary Engineering Report (PER), Environmental Report (ER), and the other work required for further funding.

The studies determined that the existing septic system was more than 40 years old; over twice the expected normal life of such systems. The drinking water system was found to be leaking due to mechanical failure, putting nearby roadways and home foundations in harm’s way due to erosion.



Once the studies were complete, the Cooperative and the Town applied for a CDBG Implementation Grant to improve the water and wastewater systems by connecting the community to the Town’s municipal system. CDBG requires that grant funds assist households of low-and moderate-income; Oak Hill Acres is a community of 47 households of which 39 of are of low-and moderate-income. The grant provided \$475,000 of the \$1.275 million overall project.

Match funds help applicants compete for CDBG under the state’s scoring system. A loan commitment from the New Hampshire Community Loan Fund (NHCLF) helped the ROC score well. However, the loan was later replaced by funding from USDA-RD, which provided \$390,000 as a loan and \$410,000 as a grant (total of \$800,000). CDBG and USDA grants and loans equaled the project cost of \$1.275 million.

Partners for the project include sponsorship by the Town of Hinsdale (municipalities and some counties are eligible entities under CDBG), the New Hampshire Community Loan Fund as project manager, and the Southwest Region Planning Commission (SWRPC) as grant administrator.

Resources

The following are resources likely available for the ROCs in your area:

SPONSOR:	USDA Rural Development
PROGRAM:	Community Facilities Direct Loan and Grant Programs
FUNDING TYPE:	Loan/Grant
FUNDING TERMS:	max 40 years
PURPOSE:	Community facilities; streets
ELIGIBILITY:	MHC Nonprofit Public Agency
LIMITATIONS:	Rural; Low-income
CONTACT INFO:	Local MT Offices: 406-585-2580 www.rd.usda.gov/contact-us/state-offices/mt USDA Rural Development

NOTE: For links to these programs website(s), please visit myROCUSA.org/guides

SPONSOR:	USDA Rural Development
PROGRAM:	Water & Waste Disposal Loan and Grant Programs
FUNDING TYPE:	Loan/Grant
FUNDING TERMS:	max 40 years
APPLICATION:	Rolling
PURPOSE:	Drinking water systems, sanitary sewage disposal, sanitary solid waste disposal, and storm water drainage.
ELIGIBILITY:	MHC Nonprofit Public Agency
LIMITATIONS:	Rural; Low-income
CONTACT INFO:	Local MT Offices: 406-585-2580 www.rd.usda.gov/contact-us/state-offices/mt USDA Rural Development



Tier 1 – MHCs Eligible to Apply Directly

SPONSOR:	USDA Rural Development
PROGRAM:	Water & Waste Disposal Predevelopment Planning Grant
FUNDING TYPE:	Grant
FUNDING AMOUNT:	Up to \$30,000
APPLICATION:	Rolling
PURPOSE:	Predevelopment feasibility studies, design assistance, and technical assistance on proposed water and waste disposal projects
ELIGIBILITY:	MHC Nonprofit Public Agency
LIMITATIONS:	Rural (less than 10,000)
CONTACT INFO:	Local MT Offices: 406-585-2580 www.rd.usda.gov/contact-us/state-offices/mt USDA Rural Development

SPONSOR:	National Rural Water Association
PROGRAM:	Rural Water Loan Fund
FUNDING TYPE:	Loan
INTEREST RATE:	3%
FUNDING TERMS:	Up to 10 years
FUNDING AMOUNT:	Up to \$100,000
APPLICATION:	Rolling
PURPOSE:	Short-term water system repair costs, small capital projects, or pre-development costs
ELIGIBILITY:	MHC Nonprofit Public Agency
LIMITATIONS:	Rural (less than 10,000)
SPECIAL REQ'S:	Eligible entities include municipalities, counties, special purpose districts, nonprofit corporations and cooperatives.
CONTACT INFO:	Gloria York National Rural Water Association 800-332-8715; 580-252-0629 gloria@nrwa.org ; nrwarwlf@nrwa.org 2915 S. 13th Street Duncan OK 73533



Tier 1 – MHCs Eligible to Apply Directly

SPONSOR:	Rural Community Assistance Partnership (RCAP) / Midwest Assistance Program's Montana Section
PROGRAM:	Loan Fund
FUNDING TYPE:	Loan
INTEREST RATE:	varies
FUNDING TERMS:	Up to 10 years
FUNDING AMOUNT:	Up to \$100,000
APPLICATION:	Rolling
PURPOSE:	Predevelopment, short-term capital improvements due to emergency, correct deficiencies or modify existing facilities to provide services.
ELIGIBILITY:	MHC Nonprofit Public Agency
LIMITATIONS:	Rural
CONTACT INFO:	Midwest Assistance Program's Montana Section Callie McIntosh; kmcintosh@map-inc.org Erinn Zindt; ezindt@map-inc.org 406-945-1269; 406-580-4812 PO Box 356 Bozeman MT 59771-0356

NOTE: For links to these programs website(s), please visit myROCUSA.org/guides

SPONSOR:	Department of Environmental Quality
PROGRAM:	Drinking Water Revolving Fund Loan Fund
FUNDING TYPE:	Loan
INTEREST RATE:	3%
FUNDING TERMS:	20-30 years
APPLICATION:	Rolling
PURPOSE:	Projects that facilitate compliance with the national primary drinking water regulations; further public health protection objectives of the federal act.
ELIGIBILITY:	MHC Nonprofit Public Agency
SPECIAL REQ'S:	Municipalities, public or private community water systems, nonprofit non-community water systems. However, the loan needs to be collateralized.
CONTACT INFO:	Mark Smith Department of Environmental Quality 406-444-5325 marks@mt.gov 1520 E. 6th Avenue PO Box 200901 Helena MT 59620-0901

Tier 1 – MHCs Eligible to Apply Directly

SPONSOR:	Rural Community Assistance Corporation's (RCAC)
PROGRAM:	Business Loan
FUNDING TYPE:	Loan
FUNDING TERMS:	10-30 years
FUNDING AMOUNT:	Up to \$5,000,000
APPLICATION:	Not Applicable
PURPOSE:	Long term loans for expansion and equipment. This is broadly defined and can include infrastructure.
ELIGIBILITY:	MHC
LIMITATIONS:	Rural (less than 50,000)
SPECIAL REQ'S:	Rural areas in Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming. MHCs are likely eligible but may need to form a corporation. One job must be created or retained.
CONTACT INFO:	Chuck Miller Rural Community Assistance Corporation's (RCAC) 360-253-7683 cmiller@rcac.org 3120 Freeboard Drive, Suite 201 W. Sacramento CA 95691

SPONSOR:	Rural Community Assistance Corporation's (RCAC)
PROGRAM:	Environmental Infrastructure Loan Program
FUNDING TYPE:	Loan
APPLICATION:	Rolling
PURPOSE:	Water, wastewater, solid waste, sanitary facilities. Provides funds to small rural communities to determine feasibility and pay pre-development costs prior to receiving government funding. Works with USDA and other lenders.
ELIGIBILITY:	MHC Nonprofit Public Agency
LIMITATIONS:	Rural (less than 50,000)
SPECIAL REQ'S:	Rural areas in Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming. In general, nonprofits are eligible, but they are willing to entertain an MHC applicant as long as the improvements are in a rural area.
CONTACT INFO:	Chuck Miller Rural Community Assistance Corporation's (RCAC) 360-253-7683 cmiller@rcac.org 3120 Freeboard Drive, Suite 201 W. Sacramento CA 95691

Tier 1 – MHCs Eligible to Apply Directly

SPONSOR:	ROC USA Capital
PROGRAM:	Construction/Permanent Loans to resident-owned communities.
FUNDING TYPE:	Loan
INTEREST RATE:	Varies based on market
FUNDING TERMS:	Up to 2 years interest only, then amortizing on 30 year schedule for another 8 year (and 10 years total).
FUNDING AMOUNT:	\$100,000 and up
APPLICATION:	Rolling
PURPOSE:	All Infrastructure. Lender can also assess if other nonprofit lenders are more appropriate sources.
ELIGIBILITY:	MHC
LIMITATIONS:	ROCs with first mortgage from ROC USA Capital or through refinance of existing first mortgage.
SPECIAL REQ'S:	Must be working with a ROC USA Network Certified TA Provider and be lower-income.
CONTACT INFO:	Michael Sloss ROC USA Capital 603-724-8370 msloss@rocusa.org 6 Loudon Road Suite 501 Concord NH 03301

NOTE: For links to these programs website(s), please visit myROCUSA.org/guides



Tier 2 – MHCs can Access Funds Through Third Party

SPONSOR:	Montana Department of Commerce - Non-Entitlement Communities
PROGRAM:	Community Development Block Grant (CDBG) - Non-Entitlement Communities
FUNDING TYPE:	Grant
FUNDING AMOUNT:	Up to \$450,000
APPLICATION:	One round per year (spring).
PURPOSE:	Infrastructure - sewer, water, streets; housing rehabilitation, infrastructure in support of affordable housing, planning.
ELIGIBILITY:	Public Agency
LIMITATIONS:	Rural (less than 50,000); Low-income
SPECIAL REQ'S:	Must be sponsored by a municipality. Large cities receive entitlement funds; small towns (generally under 50,000) compete at state level.
CONTACT INFO:	Montana Department of Commerce 406-841-2770 DOCCDBG@mt.gov 301 S Park Ave Helena MT 59601

SPONSOR:	Entitlement Communities
PROGRAM:	Community Development Block Grant (CDBG) - Entitlement Communities
FUNDING TYPE:	Grant
PURPOSE:	Infrastructure - sewer, water, streets; housing rehabilitation, infrastructure in support of affordable housing, planning.
ELIGIBILITY:	Public Agency
LIMITATIONS:	Urban (greater than 50,000 municipal or 200,000 county); Low-income
SPECIAL REQ'S:	Billings, Great Falls, Missoula.
CONTACT INFO:	Contacts: www.portal.hud.gov/hudportal/HUD?src=/states/montana/community/cdbg



Tier 2 – MHCs can Access Funds Through Third Party

SPONSOR:	Department of Environmental Quality
PROGRAM:	Water Pollution Control State Revolving Fund
FUNDING TYPE:	Loan
INTEREST RATE:	3%
FUNDING TERMS:	Up to 30 years
APPLICATION:	Rolling
PURPOSE:	Water pollution control projects.
ELIGIBILITY:	Public Agency
SPECIAL REQ'S:	Eligible entities are public entities that can incur debt. MHCs can become a water/sewer district and be eligible for direct funding. There is a possibility for "principle forgiveness" at the discretion of the state.
CONTACT INFO:	Paul LaVigne Department of Environmental Quality 406-444-5321 plavigne@mt.gov 1520 E. 6th Avenue PO Box 200901 Helena MT 59620-0901

SPONSOR:	Department of Natural Resources and Conservation
PROGRAM:	Renewable Resource Grant & Loan Program (RRGL) and Planning Grants
FUNDING TYPE:	Loan/Grant
FUNDING AMOUNT:	Up to \$125,000 (RR grant); \$75,000 (Planning); \$2,500 to small for-profit water systems.
APPLICATION:	RRGL one round per year (Spring), Planning rolling
PURPOSE:	Projects that conserve, manage, develop or protect Montana's renewable resources (includes drinking water, wastewater, solid waste improvement).
ELIGIBILITY:	Public Agency
SPECIAL REQ'S:	Eligible applicants: political subdivisions of state, local, and tribal government including state agencies and universities, counties, incorporated cities/towns, conservation districts, irrigation districts, water/sewer/solid waste districts and tribes.
CONTACT INFO:	Department of Natural Resources and Conservation 406-444-6668 1625 Eleventh Avenue PO Box 201601 Helena MT 59620-1601

NOTE: For links to these programs website(s), please visit myROCUSA.org/guides

Tier 2 – MHCs can Access Funds Through Third Party

SPONSOR:	Department of Commerce
PROGRAM:	Treasure State Endowment Program (TSEP) Construction and Planning Grants
FUNDING TYPE:	Grant
FUNDING AMOUNT:	Planning, up to \$15,000; Construction, up to \$750,000
APPLICATION:	TSEP spring, even numbered years; Planning rolling
PURPOSE:	Drinking water systems, wastewater treatment facilities, sanitary/storm sewer systems, solid waste, bridges
ELIGIBILITY:	Public Agency
SPECIAL REQ'S:	Eligible applicants are municipalities, county/multi-county water, sewer, solid waste districts.
CONTACT INFO:	Becky Anseth Treasure State Endowment Program (TSEP) 406-841-2865 DOCTSEP@mt.gov 301 S Park Ave Helena MT 59601

NOTE: For links to these programs website(s), please visit myROCUSA.org/guides

SPONSOR:	Department of Commerce/Montana Board of Investments
PROGRAM:	INTERCAP Loan Program
FUNDING TYPE:	Loan
INTEREST RATE:	1%
FUNDING TERMS:	max 15 years
APPLICATION:	Rolling
PURPOSE:	Sidewalks, roads, curbs, gutters, water/sewer, street lighting.
ELIGIBILITY:	Public Agency
SPECIAL REQ'S:	Eligible applicants are municipalities, water/sewer districts, special/rural improvement districts.
CONTACT INFO:	Julie Flynn Department of Commerce 406-444-0257 JFlynn2@mt.gov PO Box 200126 Helena MT 59620-0126



Tier 2 – MHCs can Access Funds Through Third Party

SPONSOR:	Department of Commerce
PROGRAM:	Noncompetitive Housing Projects
FUNDING TYPE:	Grant
APPLICATION:	Rolling
PURPOSE:	Critical health and safety improvements.
ELIGIBILITY:	Nonprofit
LIMITATIONS:	Rural; Low-income
SPECIAL REQ'S:	These funds are dispersed to area nonprofits (Community Housing Development Organization, CHODO) and in turn granted to housing developments. In general, CHODO's apply for funds when they have a specific development in mind. The funds are CDBG funds for non-entitlement communities (under 50,000 population)
CONTACT INFO:	Montana Department of Commerce 406-841-2770 DOCCDBG@mt.gov 301 S Park Ave Helena MT 59601

SPONSOR:	Water, Wastewater and Solid Waste Action Coordinating Team (W2ASACT)
PROGRAM:	Technical Resource
PURPOSE:	A group of professionals from state, federal, and nonprofit organizations that finance, regulate, or provide technical assistance for community water and wastewater systems, decided to start meeting in order to coordinate and enhance their efforts. W2ASACT meets several times a year.
CONTACT INFO:	406-444-2074 www.dnrc.mt.gov/divisions/cardd/wasact



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Ultimately, it's your use of the Guide and your completion of community improvement projects that your community needs and wants — your resilience and success as an organization and a MHC in your local market — that is the appreciation we all seek. So, use it, make it happen, and share your experiences on myROCUSA.org.

We thank you.

Authors: Paul Bradley, ROC USA and Mary O'Hara, ROC USA Network

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ROC USA, visit www.ROCUSA.org and www.myROCUSA.org.





Community Improvement Resource Guide

A Guide for ROC Members and Leaders

MONTANA



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