

# Memorandum

**REPORT TO:** City Commission

**FROM:** Jamie Grabinski, Grants Coordinator  
Brit Fontenot, Economic Development Director  
Aaron Funk, Controller  
Melissa Hodnett, Finance Director

**SUBJECT:** Authorize the Mayor to Sign the HUD Community Development Block Grant Program Year Two Annual Allocation

**MEETING DATE:** October 7, 2025

**AGENDA ITEM TYPE:** Grant

**RECOMMENDATION:** Authorize the Mayor to Sign the HUD Community Development Block Grant Program Year Two Annual Allocation

**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 HUD Community Development Block Grant (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. 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. As such, on July 23, 2024, Commission approved the 2024-2029 Consolidated Housing Plan and the first program year activities beginning October 1, 2024 by Resolution 5604.

On July 15, 2025, the City Commission approved the second program year annual action plan and presented before you today is the program year two agreement for \$347,790. The current cumulative total available for program

year one and program year two activities is \$671,879.05. Both program years identified support for planning and administration, increasing and preserving housing options, providing critical public services, and supporting vulnerable populations.

**UNRESOLVED ISSUES:** None.

**ALTERNATIVES:** As identified by the City Commission.

**FISCAL EFFECTS:** Total expenditures are expected to be \$347,790 for this CDBG program year two agreement. Expenditures will be made in the CDBG Community Development fund and may require a future budget amendment.

Attachments:

[2025 ConAAP Grant Agreement Transmittal Letter - Denver - Bozeman.pdf](#)

[R08 B25MC300004 - CDBG - Bozeman.pdf](#)

Report compiled on: September 23, 2025