

Exhibit B Threshold Narrative

State of Montana

Filename: ExhibitBThresholdNarrativeMontana.pdf

## General Section

The State of Montana is in compliance with the incorporated requirements of Section III.C.2 of the General Section.

## Eligible Applicant

The State of Montana is identified as an eligible applicant in the Notice of Funding Availability (FR-5800-N-29). All of the MID-URN areas identified are located within the State of Montana.

## Most Impacted and Distressed Target Areas

The State of Montana has identified eight sub-county areas that meet the most impacted and most distressed thresholds for eligibility for funding. These sub-county areas are located within counties in the State of Montana. Their geographies are shown on page 1 of Attachment E – Maps and Drawings (filename AttEMapsDrawings.pdf) and are as follows:

### 1. Census Tracts 9405 & 9406, Big Horn County

Declared Disaster: DR-1996 – 2011 Severe Storms and Flooding

- Most Impacted Threshold Criteria: Housing

These census tracts are identified in Appendix B of the Notice of Funding Availability as census tracts that contain an eligible amount of housing damage. Census Tract 9405 experienced damage to 128 housing units and Census Tract 9406 experienced damage to 120 housing units as a result of the DR-1996 floods.

- Most Distressed Threshold Criteria: Federal Target Area or Economically Fragile Area

These census tracts are entirely located within the Crow Indian Reservation and therefore qualify as a tribal area as defined in Appendix G of the Notice of Funding Availability.

### 2. Census Tracts 2, 9401, and 9402, Blaine County

Declared Disaster: DR-4127 – 2013 Flooding

- Most Impacted Threshold Criteria: Infrastructure

According to FEMA Public Assistance Claims data, \$2,640,964.22 in FEMA Category C to Category G infrastructure damage was identified within Census Tracts 2, 9401, and 9402 as a result of the DR-4127 disaster. A list of these claims is provided within the Dropbox under filename FtBelknapMostImpactedProjWkshts.pdf.

- Most Distressed Threshold Criteria: Federal Target Area or Economically Fragile Area and Area of Environmental Distress

The majority of the area within these census tracts is located within the Fort Belknap Indian Reservation and therefore qualifies as a tribal area according to Appendix G of the Notice of Funding Availability. The remaining portions of the census tracts contain an abandoned tribal landfill that has been designated as a State Brownfield Site. A map of this environmentally distressed site is provided on page 2 of Attachment E – Maps and Drawings (filename AttEMapsDrawings.pdf). A written list of these sites can be found within the Dropbox link under filename MostDistressedEnvironmental.pdf.

3. Census Tract 301, Fergus County

Declared Disaster: DR-1996 – 2011 Severe Storms and Flooding

- Most Impacted Threshold Criteria: Infrastructure

According to FEMA Public Assistance Claims data, \$5,789,593.62 in FEMA Category C to Category G infrastructure damage was identified in rural Fergus County within Census Tract 301 as a result of the DR-1996 disaster. A list of these claims is provided within the Dropbox link under filename FergusCoMostImpactedProjWkshts.pdf.

- Most Distressed Threshold Criteria: Area of Environmental Distress

Census Tract 301 contains a total of seventeen sites designated by the Montana Department of Environmental Quality as State Brownfield Sites. These include the Charles M. Russell Refuge, the Deerfield Colony, the Central Montana Cooperative, the Continental Oil Refinery, the Conoco YPL, the Brewery Flats Facility, the Central Post and Treating Company, Blue Range Mining, Kendall Venture Mine, an ARCO Oil Refinery, the General Mills Denton Elevator, Strunk Mining, the site of the Stockton Oil Tanker Gasoline Spill, a former MDT Maintenance Facility, the Cargill General Mills Lewistown Elevator and the Cargill General Mills Danvers Elevator. A map of these environmentally distressed sites is provided on page 2 of Attachment E – Maps and Drawings (filename AttEMapsDrawings.pdf). A written list of these sites can be found within the Dropbox link under filename MostDistressedEnvironmental.pdf.

4. Helena Valley West Central CDP, Lewis and Clark County

Declared Disaster: DR-1996 – 2011 Severe Storms and Flooding

- Most Impacted Threshold Criteria: Housing

This census designated place was identified in Appendix B of the Notice of Funding Availability as a census area that contains an eligible amount of housing damage. The Helena Valley West Central CDP experienced damage to 110 housing units.

- Most Distressed Threshold Criteria: Area of Environmental Distress

The Helena Valley West Central CDP contains two sites designated by the Montana Department of Environmental Quality as State Brownfield Sites. These include the Scratch Gravel Landfill and the Treasure State Acres Subdivision. A map of these environmentally distressed sites is provided on page 2 of Attachment E – Maps and

Drawings (filename AttEMapsDrawings.pdf). A written list of these sites can be found within the Dropbox link under filename MostDistressedEnvironmental.pdf.

#### 5. Census Tract 1, Musselshell County

Declared Disaster: DR-1996 – 2011 Severe Storms and Flooding

- Most Impacted Threshold Criteria: Infrastructure

According to FEMA Public Assistance Claims data, \$3,670,498.30 in FEMA Category C to Category G infrastructure damage was identified in rural Musselshell County within Census Tract 1 as a result of the DR-1996 disaster. A list of these claims is provided within the Dropbox link under filename MusselshellCoMostImpactedProjWkshts.pdf.

- Most Distressed Threshold Criteria: Area of Environmental Distress

Census Tract 1 contains a total of three sites designated by the Montana Department of Environmental Quality as State Brownfield Sites. These include the Conoco Pipeline, Greytak Airstrip, and the Keg Coulee Injection Station. A map of these environmentally distressed sites is provided on page 2 of Attachment E – Maps and Drawings (filename AttEMapsDrawings.pdf). A written list of these sites can be found within the Dropbox link under filename MostDistressedEnvironmental.pdf.

#### 6. Census Tract 2, Musselshell County

Declared Disaster: DR-1996 – 2011 Severe Storms and Flooding

- Most Impacted Threshold Criteria: Housing

This census tract was identified in Appendix B of the Notice of Funding Availability as a census tract that contains an eligible amount of housing damage. Census Tract 2 experienced serious damage to 44 housing units.

- Most Distressed Threshold Criteria: Area of Environmental Distress.

Census Tract 2 contains a former BLM Landfill that has been designated by the Montana Department of Environmental Quality as a State Brownfield site. A map of this environmentally distressed site is provided on page 2 of Attachment E – Maps and Drawings (filename AttEMapsDrawings.pdf). A written list of these sites can be found within the Dropbox link under filename MostDistressedEnvironmental.pdf.

7. Census Tracts 1005 & 9406, Valley County

Declared Disaster: DR-1996 – 2011 Severe Storms and Flooding

- Most Impacted Threshold Criteria: Housing

These census tracts are identified in Appendix B of the Notice of Funding Availability as census tracts that contain an eligible amount of housing damage. Census Tract 1005 experienced damage to 130 housing units and Census Tract 9406 experienced damage to 116 housing units as a result of the DR-1996 floods.

- Most Distressed Threshold Criteria: Area of Environmental Distress.

Census Tracts 1005 & 9406 contain a total of three sites designated by the Montana Department of Environmental Quality as State Brownfield Sites. These include the Oswego Landfill, the Burlington Northern Glasgow Facility, and the abandoned Glasgow Air Force Base. A map of these environmentally distressed sites is provided on page 2 of Attachment E – Maps and Drawings (filename AttEMapsDrawings.pdf). A written list of these sites can be found within the Dropbox link under filename MostDistressedEnvironmental.pdf.

8. Census Tracts 14.01, 19.01, and 19.02, Yellowstone County

Declared Disaster: DR-1996 – 2011 Severe Storms and Flooding

- Most Impacted Threshold Criteria: Infrastructure

According to FEMA Public Assistance Claims data, \$9,096,544 in FEMA Category C to Category G infrastructure damage was identified in Laurel within Census Tract 14.01 as a result of the DR-1996 disaster. A FEMA Environmental Assessment regarding the damage to the City's water intake is provided within the Dropbox link under filename LaurelEnvAssess.pdf.

- **Most Distressed Threshold Criteria: Area of Environmental Distress**

Census Tract 14.01 contains a total of seven sites designated by the Montana Department of Environmental Quality as State Brownfield Sites. These include the Cenex Laurel Pump Station, Yellowstone Valley Chemical Warehouse, Old City of Laurel Dump, Farmers Union Central Exchange, a ConocoPhillips Pipeline, and the Mossmain Scalehouse. A map of these environmentally distressed sites is provided on page 2 of Attachment E – Maps and Drawings (filename AttEMapsDrawings.pdf). A written list of these sites can be found within the Dropbox link under filename MostDistressedEnvironmental.pdf.

### Eligible Activity

The State of Montana intends to use these funds within identified MID-URN areas by implementing a Resilient Montana program to assist in the development of resilient approaches and implementation of resilient projects at the local level while streamlining resources and capitalizing on collaborative expertise. Funds will also be use in the development of an interactive website that will leverage local, state and federal grants, private and philanthropic sources of funding and technical assistance opportunities to promote resilient projects statewide. As projects are identified, the State of Montana is committed to spending any funds awarded on eligible activities, including the acquisition of real property; public facilities; improvements to

public facilities and privately-owned utilities; code enforcement; clearance, rehabilitation, reconstruction, and/or construction of buildings including housing; architectural barrier removal; loss of rental income; disposition of real property; public services; relocation; planning and capacity building; program administration costs; economic development assistance to for-profit businesses; technical assistance; housing services; and homeownership assistance in accordance with the *HUD Guide to National Objectives and Eligible Activities for State CDBG Programs*.

#### Proposal Incorporates Resilience

As referenced in the Factor 3 narrative beginning on page 64, this proposal will incorporate and promote resilience by increasing statewide communication while identifying and implementing specific activities that increase resilience within qualifying MID-URN sub-county areas.

#### National Objective

All projects and activities identified as a result of this grant application will meet a CDBG National Objective, as discussed in the Factor 3 narrative on page 68, by benefitting persons of low-to-moderate income (either through area benefit, limited clientele, housing, and/or jobs), preventing or eliminating blight, or addressing urgent, unmet community development needs.

#### Overall Benefit

All projects and activities identified as a result of this grant application will meet the CDBG Overall Benefit.

#### Tie-Back

All projects identified in Census Tracts 9405 & 9406, Big Horn County; Census Tract 301, Fergus County; Helena Valley West Central CDP, Lewis and Clark County; Census Tract 1,



Musselshell County; Census Tract 2, Musselshell County; Census Tracts 1005 & 9406, Valley County; and Census Tracts 14.01, 19.01, and 19.02, Yellowstone County will be required to address unmet recovery needs identified during the DR-1996 2011 Severe Storms and Flooding disaster. All projects identified in Census Tracts 2, 9401, and 9402, in Blaine County will be required to address unmet recovery needs identified during the DR-4127 2013 Flooding Disaster.

#### Benefit-Cost Analysis

The proposed program meets the definition of a Covered Project as defined in the Notice of Funding Availability and a Benefit-Cost Analysis in compliance with Appendix H is submitted as Attachment F – Benefit Cost Analysis (filename AttFBenefitCostAnalysis.pdf) to this application. Identified projects within MID-URN communities will be subject to a Benefit-Cost Analysis only if they exceed \$50 million.

#### One Application per Applicant

This application is the only application submitted by the State of Montana.

#### Certifications

An authorized representative for the State of Montana has signed and dated the CDBG-NDR Application Certifications as required and provided in Appendix F of the Notice of Funding Availability; please refer to Attachment C – Certifications (filename AttCAttI.pdf), of this application submittal for further documentation.