

Exhibit 10-B

PRELIMINARY ARCHITECTURAL REPORT REQUIREMENTS MONTANA CDBG Rehabilitation Program

A. A PAR MUST:

- be prepared by a professional architect licensed to practice in the State of Montana;
- adequately describe existing building conditions (if applicable to the proposed project) and problems and propose a specific course of action for solving the identified problems or meet other identified needs;
- provide sufficient information to adequately assess the need for, feasibility, and general, estimated cost of the proposed project; and
- thoroughly address all of the other issues identified in this PAR outline.

The PAR outline presented here is by no means all-inclusive. The architect should use his or her professional judgment to present sufficient information during preparation of the PAR, taking into account that different projects require varying levels of detail (rehabilitation of an existing building versus construction of a new building) and consideration of the specific course of action for solving the identified problems or meeting identified needs.

- The architect should provide appropriate documentation, wherever possible, to support the analysis of the condition of the property and the final proposal submitted.
- The public should be involved in the selection of the specific course of action for solving the identified problems or needs, especially representatives or members of any groups that are expected to be the principal users of the proposed structure or facility.
- Architects and project representatives can call staff (406/841-2770) to request clarification and guidance regarding this PAR outline.

B. ENVIRONMENTAL CONSIDERATIONS RELATED TO THE PAR

All Montana state and CDBG funded projects are subject to the **Montana Environmental Policy Act (MEPA)** and the **National Environmental Policy Act of 1969 (NEPA)**.

Both laws seek to avoid adverse impacts on the environment by mandating careful consideration of the potential impacts of any development assisted with federal funds or approved by a Montana state agency.

- **NEPA** establishes national policy, goals, and procedures for protecting, restoring, and enhancing environmental quality within the United States as a whole;
- **MEPA** seeks to avoid or mitigate adverse impacts on the natural and human environment by mandating careful consideration of the potential impacts of any development assisted with state funds or approved by a Montana state agency;
- Architects and project representatives should consult the Environmental Checklist, Environmental Assessment, and/or Environmental Review Record that has been completed by the sponsoring unit of general local government.

- In order to avoid delays, all applicants to state or federal infrastructure or housing funding programs should consider potential environmental impacts during project planning. As a result, local officials may be able to avoid or mitigate potential environmental impacts through project design or location decisions by carefully considering potential, adverse environmental consequences of projects and the actions that could be required to mitigate any identified adverse consequences.
- Various funding agencies have different requirements related to the environmental review process, the selection of the preferred alternative, and adoption of the preliminary architectural report. Applicants should contact those agencies that they are considering applying to so that each agency's specific requirements can be met concurrently and avoid any unnecessary delays in project completion.

C. PRELIMINARY ARCHITECTURAL REPORT OUTLINE

I. PROBLEM AND/OR NEED DEFINITION - DESCRIBE AND DOCUMENT THE PROBLEM(S) TO BE SOLVED OR NEED(S) IDENTIFIED.

A. IDENTIFY THE PLANNING AND SERVICE AREA OF THE FACILITY.

Using narrative and drawings, describe the planning and service area. The description should include the following information:

1. **LOCATION** - Indicate legal and natural boundaries, major obstacles, environmental constraints (such as floodplains), etc., using maps, photographs, and sketches of the planning and service area for the structure or facility.
2. **GROWTH AREAS AND PROJECTED POPULATION TRENDS** - Identify specific areas of projected, concentrated population growth and relate these to the forecasted growth in the clientele to be served by the proposed NSP project.

Provide population projections for the project's planning and service area (and for the persons and/or groups the facility will serve) for the projected design period (i.e., the anticipated useful life of the proposed facility).

Base projections for the clientele to be served upon historical records, Census data, or economic projections, citing recognized sources.

B. EVALUATE THE CONDITION OF THE EXISTING FACILITY OR STRUCTURE (IF APPLICABLE TO THE PROPOSED NSP PROJECT). Describe the existing facility or structure, including at least the following information:

1. **HISTORY** - Provide a brief history of the facility or structure, including when the unit was constructed, major improvements implemented in the past, and any past problems.
2. **CONDITION OF FACILITIES** - Describe the present condition and any problems such as code deficiencies, general structural decay, presence of asbestos, mold or moisture, lead based paint, subsidence issues, overcrowding, or handicapped accessibility. Describe the adequacy or capacity of the existing facility(ies) or structure(s) to meet existing and long-term needs.
3. **HEALTH AND SAFETY** - Describe concerns and deficiencies, compliance issues, and relevant regulations such as the International Building Code, (and other codes as listed in "Special Requirements Concerning Code and Standards Enforcement" in Chapter V of the

Application Guidelines), asbestos, lead-based paint, handicapped accessibility, zoning ordinances, and other federal, state, local, or tribal requirements concerning the existing facility.

Attach pertinent correspondence to or from appropriate federal, state, and local regulatory agencies, especially information that provides documentation of health and safety concerns and deficiencies.

II. **FINAL PROPOSAL**

A. **DESCRIPTION OF SELECTED SITE**

1. **IF PROPOSING REHABILITATION OF EXISTING BUILDINGS** - Describe existing buildings within the selected site that could be modified or rehabilitated to accommodate the proposed facility or structure.

Describe the potential benefits and possible deficiencies with the proposed design, building or site, including code compliance issues, floor space, handicapped accessibility, and potential for long-term expansion, as applicable.

2. **IF PROPOSING NEW CONSTRUCTION** - If proposing new construction, describe the selected building site for new construction, any existing structures on the site(s), potential for long-term expansion, proximity to other services, environmental constraints, etc.

- B. REGULATORY COMPLIANCE AND PERMITS.** Describe issues that must be addressed regarding compliance (for either a new building or a rehabilitated building) with appropriate regulations such as the International Building Code and other relevant codes, zoning, asbestos, lead-based paint, special permits, handicapped accessibility (American Disabilities Act and HUD 504 regulations), designated 100-year floodplains, and any other applicable federal, state, local or tribal requirements.

- C. LAND ACQUISITION ISSUES.** Identify sites to be purchased or leased and any easements needed, if applicable.

- D. CONSTRUCTION SITE PROBLEMS OR ISSUES.** Discuss potential concerns such as geological constraints, limited access, underground storage tanks, floodplains, high water table, asbestos, lead-based paint, contaminated soil, noise, odors, or other conditions that may affect cost of construction or long-term operation of the (new or rehabilitated) facility or structure.

E. **COST ESTIMATES FOR THE SELECTED SITE.**

1. **PROJECT COSTS** administrative, financial, engineering, architecture, and anticipated construction costs and
2. **PROJECTED ANNUAL OPERATION AND MAINTENANCE COSTS.** In responding to items 1 and 2 for Housing projects, consult Section C (Financial Analysis, Parts I-VI) of the Uniform Application for Montana Housing Loan, Grant & Tax Credit Programs previously submitted with the NSP application.
3. **OPERATIONAL REQUIREMENTS.** Discuss the expertise required to operate the facility or structure and any unique operational requirements or benefits of the proposed NSP activity and project.