



Affordable Housing Trust Fund

Innovation Round Funding Recommendation

Public Hearing

November 8, 2021

Innovation Round Overview



Up to \$300,000 available for projects that preserve or increase affordable housing in Missoula



Non-profit and for-profit organizations



New and in-process projects



Grants and loans



The Unified Application round with Community Development Block Grant (CDBG) and HOME Investment Partnership funds will be released in winter 2022.

Process Overview

- The vision for the Innovation Funding Round was approved by the Affordable Housing Resident Oversight Committee
- Applications accepted from August 23-September 24 at 4pm.
- Engage Missoula was not the application portal
 - Applications were submitted through City Cloud
- A funding workshop was hosted on Wednesday, August 25th
 - Process, timelines and the scoring rubric were reviewed
- The standardized scoring criteria was released as a part of the application
- Technical assistance was provided for all three projects during the open application period

Values



Diversity: A healthy housing market includes options and resources for all Missoulians.



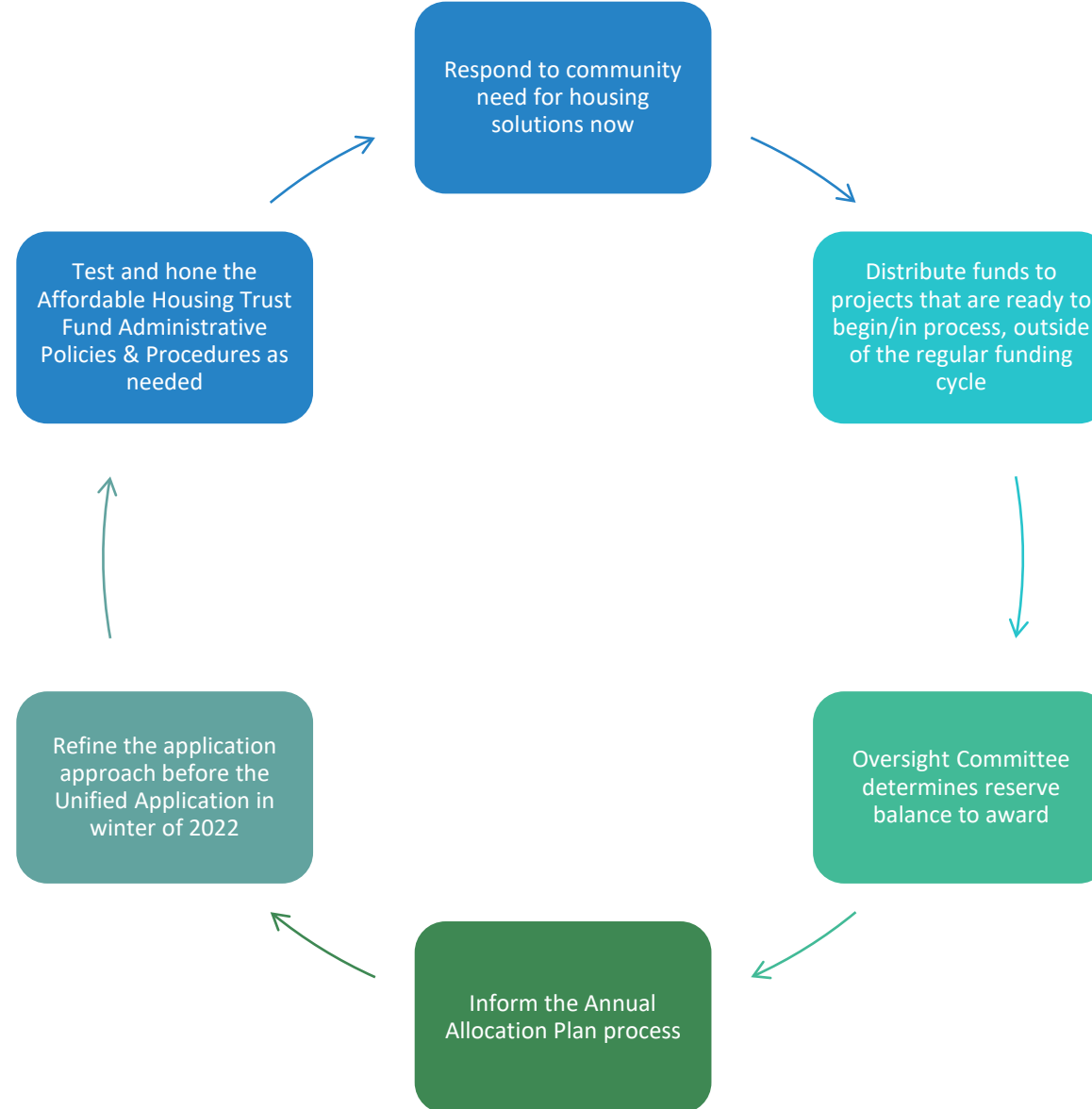
Innovation: A commitment to innovation will ensure that projects are as dynamic as the community it aims to serve.



Collaboration: Missoula's housing policy relies on the collaborative spirit of this community and strong public-private partnerships.



Achievability: They reflect realistic projections of city resources and the opportunities we have at our disposal.



Innovation Round Opportunities

Funding
3 Project Proposals
Allocation Available: \$300,000
Total Funds Requested: \$445,250
Difference: (\$145,250)

Project Proposal Summaries

1. Hogan Senior Living LLC – The Hogan House -- \$119,000

- **Construction:** The Hogan House Project will construct a 36-unit apartment building for residents 55 and older. This request is specifically to fund energy enhancements in the building to reduce utility costs for residents.

2. United Way of Missoula County – Centralized Housing Solutions Fund -- \$26,250

- **Consumer Housing Services Project:** The Centralized Housing Solutions Fund (CHSF) is a flexible financial assistance fund intended to divert households from the houselessness system in Missoula. It is available for households who identify it as a need for resolving their housing crisis through diversion or rapid exit conversations.

3. Habitat for Humanity of Missoula – Acquisition of Small Modular Homes -- \$300,000

- **Homeownership Acquisition/Homeownership Housing Preservation:** Purchase of five (5) modular structures, currently owned by Homeword, to place on an existing owned parcel and yet to be acquired parcels – for homeownership by low, moderate, and median-income earning households (120% Area Median Income and less).

Scoring Process

A scoring committee including Councilmember Mirtha Becerra and seven Community Planning, Development & Innovation staff reviewed applications and used a standardized scoring rubric to evaluate applications

Scoring Criteria:

- Project design
 - Demonstrated knowledge of community need
 - Impact and Outcomes
 - Financial feasibility
 - Timeliness/readiness
-
- Committed match fund (Staff scoring)
 - Completeness of application (Staff scoring)
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- Preventing displacement (Bonus)
 - Innovation (Bonus)
 - Funding Request Type (Bonus)

Scoring Committee Process

- The scoring committee reviewed and scored applications individually using the standardized rubric
- Discussed application impressions, strengths, questions and concerns
- Developed three funding scenarios and voted
 - Explored partial funding
 - Discussed follow-up with applicants regarding concerns and recommending for funding depending on responses
 - All three options included fully funding the United Way's Centralized Housing Solutions Fund
- The scoring committee did not recommend the remaining two projects for funding in this round because they had concerns about
 - Project feasibility
 - Overall project design
 - Impact and outcomes of the investment

Technical Assistance & Follow-up

Applicants not recommended for funding this round received initial email notification and an offer to review application feedback in 1:1 meeting

Encouraged to apply for funding in the Unified Round this winter.

United Way of Missoula County – Centralized Housing Solutions Fund -- \$26,250

- **Consumer Housing Services Project:** The Centralized Housing Solutions Fund (CHSF) is a flexible financial assistance fund intended to divert households from the houselessness system in Missoula. It is available for households who identify it as a need for resolving their housing crisis through diversion or rapid exit conversations.

Funding Recommendation

Rationale

Flexible and proven model

Supports Diversion, an important component of our system

Readiness and being able to implement quickly was positive

Seen as a useful response to COVID-19 and being able to divert people from the experience of homelessness

Impact to Affordable Housing Trust Fund Balance

The \$273,750 not allocated during this award cycle will remain in the balance of the Affordable Housing Trust Fund and will be available for award making in the Unified Application round that will open in the winter of 2022.

Recommended Motion

Approve/deny the funding recommendation made by the staff scoring committee to fund the United Way's Centralized Housing Solutions Fund for \$26,250.