



Funding Recommendations for the Unified Application Process

Housing, Redevelopment &
Community Programs

May 11, 2022

Introductions

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Community Development Funds Unified Application Overview



Standard application process for three funding sources: HUD HOME Investment Partnership, HUD CDBG, and the City's Affordable Housing Trust Fund



Non-profit and for-profit organizations

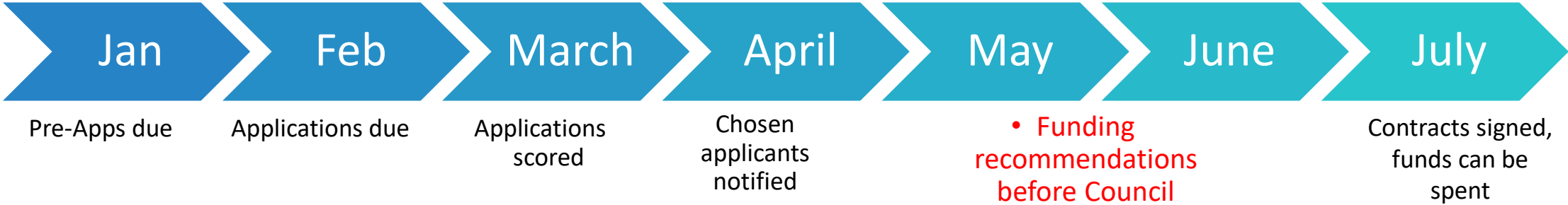


New and in-process projects



Grants and loans

Unified Application Timeline



Area Median Income (AMI)

If you line up every household in a region from the one making the least to the one making the most, the household in the middle would be the median household.



Area Median Income is the household income for the middle household in the region.

Missoula's 2022 AMI for a family of 4:
\$80,200

The annual median wage a Missoulian would have to make to purchase a median-priced home in 2020 with 5% down:

\$96,000/year

(Missoula Organization of Realtors)

Community Development Funds

AHTF

City Funds

Purpose: to better provide housing at a wide range of entry points, and to ensure that all Missoulians can obtain safe & decent homes.

Can be used for a variety of housing-related activities.

Up to 80% AMI for Rentals
Up to 120% AMI for Homeownership
No income limit for Consumer Housing Services

HOME

Federal Funds

Purpose: to provide decent, affordable housing to low-moderate income households.

Can be used for a homeowner rehab, homebuyer assistance, rental development, and rental subsidy.

80% AMI and below

CDBG

Federal Funds

Purpose: to provide decent housing & a suitable living environment, and to expand economic opportunities.

Can be used for a variety of different activities.

Mostly 80% AMI and below

Funding Requests

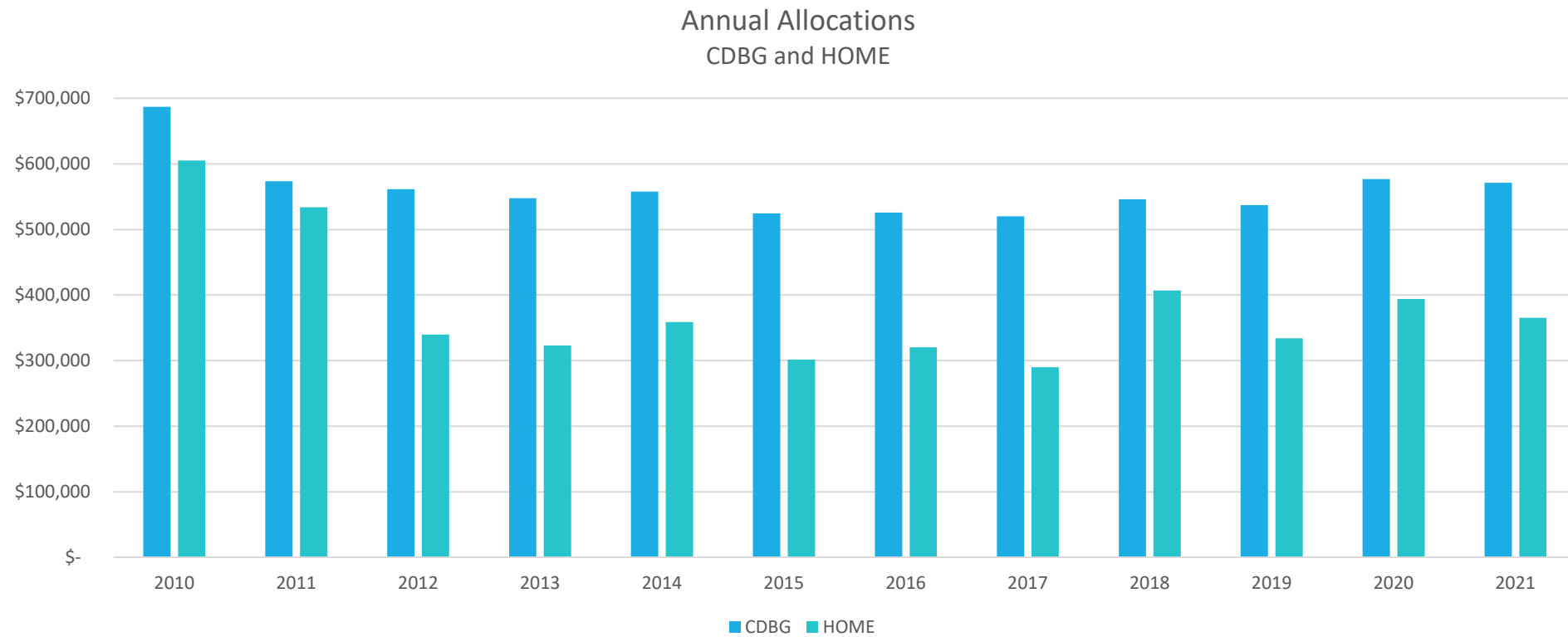
AHTF
Available: \$1,046,200
Total Projects: 6
Total Funds Requested: \$1,417,928
Difference: (\$371,728)

HOME*
Available: \$600,000
Total Projects: 3
Total Funds Requested: \$854,821
Difference: (\$254,821)

CDBG*
Available: \$1,037,000
Total Projects: 2
Total Funds Requested: \$924,000
Difference: \$113,000

*HOME & CDBG Available Funding is based off last year's estimates. PY22 estimates will arrive this month.

A note on CDBG/HOME allocations...



Scoring Process

A scoring committee including Councilmember Mirtha Becerra, Councilmember Kristen Jordan and six 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)
- *Preventing displacement (Staff scored bonus)*
- *Innovation (Staff scored bonus)*
- *Funding Request Type (Staff scored bonus)*

8 Applications Recommended for Funding



Trust Fund:

- 4 projects
- \$1,046,200



HOME:

- 3 projects
- \$854,821

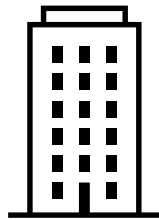


CDBG:

- 1 projects
- \$324,000

Overview of Funding Recommendations

2022 AHTF Funding Recommendations



NMCDC – Wolf Street (\$340,000)

Purchase land under two apartment buildings and adjacent house for conversion to CLT or housing co-op



Habitat For Humanity – Acquisition & Placement of Modular Homes (\$190,250)

Purchase, placement and associated costs of two modular structures onto Habitat owned parcel

Funded in April due to time restraints

2022 AHTF Funding Recommendations



Homeward – Homeownership Center Programs (\$15,000)

Financial and housing education and counseling programs

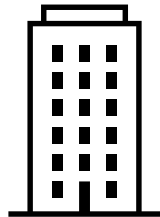


Ravara Development – Scott Street CLT (\$500,950)

Construction of 78 affordable Community Land Trust homes

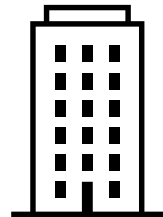
***Will be presented
separately at a later date**

2022 HOME Funding Recommendations



Homeword – Trinity Apartments (\$360,000)

Trinity is a 202-unit affordable housing development. Requesting additional funds to cover costs.



Blue Line – Villagio (\$475,771)

The project is a 200-unit affordable housing development. Requesting additional funds to cover costs.

Homeword -- Community Housing Development Organization (CHDO) Operating Expenses (\$19,050)

2022 CDBG Funding Recommendations



NMCDC – Burlington Street (\$324,000)

Purchase 1 home and 2 adjacent lots for conversion to CLT



HOME – Administration & Planning (\$36,000)*

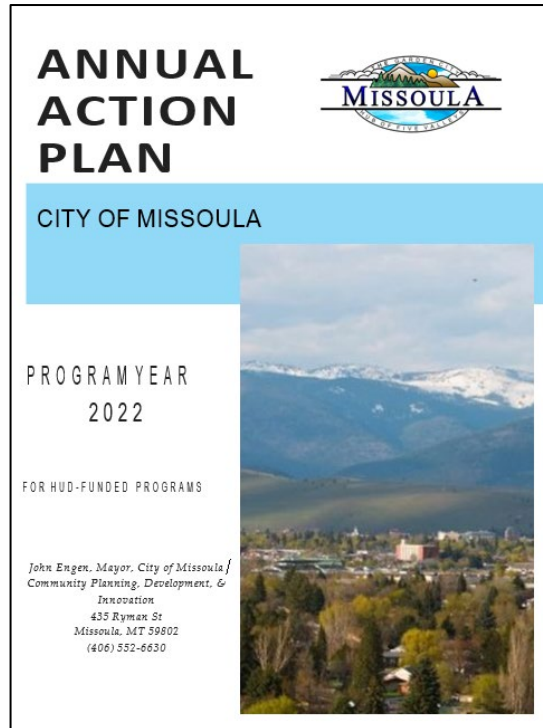
CDBG – Administration & Planning (\$114,000)*

*HOME & CDBG funding is based off last year's estimates. PY22 estimates will arrive this month.

2022 Anticipated Project Outcomes

- ✓ **202 New Rental Units** will be developed for individuals and families in a mix of 1-, 2-, 3- and 4-bedroom homes for residents qualifying between 30% and 70% of the Area Median Income.
- ✓ **200 New Rental Units** will be developed for individuals and families in a mix of 93 two-bedroom units, 101 three-bedroom units and six four-bedroom units. Thirty-two units will be for residents earning at or below 50% AMI.
- ✓ **At least 39 New Units** will be developed for individuals and families in community land trust.
- ✓ **1,050 Individuals** will benefit from public services focused on financial and renter education/counseling.
- ✓ **11 Individuals** will have a chance at homeownership, and those homes will remain permanently affordable.

Open for Public Comment!



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Recommended Motion

The committee moves to set a public hearing on Monday, May 23, 2022, to consider a Resolution granting approval of the City of Missoula Unified Application Round Year 2022, awarding Affordable Housing Trust Fund (AHTF), HOME Investment Partnerships Program (HOME), and Community Development Block Grant (CDBG) funds to certain organizations, directing staff to negotiate contracts and agreements, and authorizing the Mayor to sign the contracts and agreements with said organizations.