



**City of Missoula, Montana
City Council Committee Agenda Item**

Committee: Housing, Redevelopment and Community Programs
Item: Contract for Poverello Center Veterans Transitional Housing
Date: June 2, 2022
Sponsor(s): Tracy Pohndorf
Prepared by: Tracy Pohndorf
Ward(s) Affected:
 Ward 1 Ward 4
 Ward 2 Ward 5
 Ward 3 Ward 6
 All Wards N/A

Action Required:

Approve and authorize the Mayor to sign a subaward of ARPA Fiscal Recovery funds to the Poverello Center.

Recommended Motion(s):

I move the City Council: I move the City Council approve and authorize the Mayor to sign the contract with the Poverello Center awarding \$834,000 for property acquisition for non-congregate transitional housing for Veterans.

Timeline:

Committee discussion: 6/8/22
Council action (or sets hearing): N/A
Public Hearing (if required): N/A
Final Consideration N/A
Deadline: 6/13/22

Background and Alternatives Explored:

Housing Montana Heroes

The Housing Montana Heroes program provides supportive housing to 20 qualifying homeless Veterans and is located in the Poverello Center on West Broadway. The program serves men and women in segregated semi-private rooms, offers prepared meals, and provides commons spaces to recreate and support one another.

The need for a new facility

While the program has successfully served the Veteran population since 2015 with support from the VA, the VA has recently asked any facility within the program to transition to non-congregate living. Relocating to a non-congregate setting prioritizes the unique needs for Veterans and their families as they transition from houselessness to stable housing. A stand-alone apartment complex will allow for highly trauma-informed, wrap-around services to support veterans dealing with PTSD and mental illness. Relocating the Housing Montana Heroes program will also open up 20 spaces at the Poverello Center.

Funding

The Poverello was awarded a \$1 million capital grant from the U.S. Department of Veterans Affairs. The City of Missoula committed \$834,000 to property acquisition for this project as part of the FY22 budget process and Missoula County committed \$833,000 to the project in their current budget. In March 2022, the County submitted an application on behalf of the Poverello Center for \$600,000 to the Montana Department of Commerce for a Community Development Block Grant (CDBG). The project may be eligible for funding from the Missoula Redevelopment Agency, and the Poverello Center is eligible to apply for additional City CDBG and HOME funding through our existing competitive application process.

Property Acquisition

In December of 2021 the Poverello Center purchased the Clark Fork Inn at 1010 W. Broadway for \$1.5 million. Location close to the Poverello Center was ideal. The Poverello Center secured a bridge loan from the Otto Bremer Trust to help with cash flow for the project since the opportunity to buy happened before the pre-contracting process for City and County funding.

Grant compliance

With at least 2 and possibly 3 federal funding streams in the project, City and County grants administration staff began working with the Poverello Center in early 2022 to identify all federal compliance guidelines including environmental, procurement and Uniform Relocation Assistance (URA). URA regulations are complex and time intensive. With guidance from our Region 8 HUD representative, the Poverello Center is following a compliant Relocation Assistance Plan. URA will ensure current tenants will be relocated to different housing before they are displaced by the project.

Current project schedule

May - June 2022: Procurement and Schematic Design

June - Sept 2022: Design Development

Sept - Dec 2022: Construction Documents

Dec 2022 - February 2023: Permitting and begin deconstruction

Feb - March 2023: Site work

Mar - Oct 2023: Construction

Oct - Nov 2023: Commissioning

Financial Implications:

The \$834,000 will come from the City's direct ARPA allocation. This allocation was approved on 8/23/21 as part of the current FY22 budget.

Links to external websites:

Poverello Center <https://www.thepoverellocenter.org/>