

**CITY OF MISSOULA AMERICAN RESCUE PLAN ACT/FISCAL RECOVERY FUNDS
SUBAWARD AGREEMENT
AWARD AGREEMENT NUMBER ARPA 22-01**

This Award Agreement is entered into by The Poverello Center (“SUBRECIPIENT”), a Montana non-profit corporation located at 1110 W. Broadway St., Missoula, MT, and the City of Missoula, Montana, principally located at 435 Ryman Street, Missoula, MT (CITY).

RECITALS

- A. On March 11, 2021, the American Rescue Plan Act was signed into law, and established the Coronavirus State Fiscal Recovery Fund and Coronavirus Local Fiscal Recovery Fund, which together make up the Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”) program. This program is intended to provide support to State, territorial, local, and Tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses.
- B. The City of Missoula is a direct recipient of Fiscal Recovery Funds through ARPA, and has received an allocation of ARPA funds to be administered by the City in accordance to the ARPA Fiscal Recovery Program Objectives.
- C. The City of Missoula awarded ARPA funds to SUBRECIPIENT as part of its Fiscal Year 2022 annual budgeting process.
- D. SUBRECIPIENT has submitted complete pre-contracting requirements for the ARPA program. These materials have been fully reviewed and approved by the Missoula City Council in compliance with public open-meeting requirements.

Now therefore, based on the Recitals above, SUBRECIPIENT and the City agree to the following terms:

1. PURPOSE:

The purpose of this Award Agreement is to provide funding for project activities approved by the City under the American Rescue Plan Act Fiscal Recovery Funds program. The terms, obligations and requirements that SUBRECIPIENT needs to perform in exchange for this award of funding are set forth in this Award Agreement, and upon execution of this Award Agreement, are binding on all parties.

2. APPLICATION INCORPORATED BY REFERENCE:

SUBRECIPIENT’s application for ARPA assistance is incorporated into this Award Agreement by this reference and all representations made in the application are binding

upon SUBRECIPIENT, including non-Federal financial match commitments. If SUBRECIPIENT undertakes activities not represented in the application this Award Agreement may be subject to termination pursuant to the terms of Section 23 of this Award Agreement.

3. ACCEPTANCE OF ARPA PROGRAM REQUIREMENTS:

Any and all compliance requirements for use of SLFRF funds and any and all reporting requirements for expenditures of SLFRF funds apply. As the pass-through entity, the City of Missoula will monitor subrecipient's use of SLFRF award funds, including:

- Determining project eligibility as outlined in Treasury's Final Rule.
- Ensuring subrecipient eligibility of federal funding by requiring current SAM registration.
- Following federal standards as set forth in Uniform Administrative Requirements in the Code of Federal Regulations at 2 CFR, Chapter II, Part 200, as applicable.
- Following quarterly reporting compliance as outlined in award and Treasury's SLFRF Compliance and Reporting Guidance.

Subrecipients receiving a total of \$750,000 in federal funding within a fiscal year are subject to audit pursuant to the Single Audit Act and 2 CFR part 200, subpart F regarding audit requirements.

4. ADMINISTRATION

The City of Missoula (CITY) shall administer this award. Any reference to the City indicates an administrative function to be performed by the City of Missoula staff members.

5. EFFECTIVE DATE AND TIME OF PERFORMANCE:

Contingent on the completion of all items in Section 8 (below), this Award Agreement shall take effect upon execution by all the parties and end on June 30, 2023. SUBRECIPIENT may be able to receive reimbursement for costs expended in furtherance of the approved list of activities contained in SUBRECIPIENT's application for costs incurred between July 1, 2021 and the date of execution of this Award Agreement. Reimbursement for already expended costs is purely a discretionary decision to be made by the City staff members, and shall be evaluated on a case-by-case basis.

6. SCOPE OF ACTIVITIES:

The allocation of ARPA Fiscal Recovery funds awarded to SUBRECIPIENT by the City must be utilized to achieve and/or perform the identified list of activities set forth in SUBRECIPIENT's application for ARPA grant assistance. By accepting the award of ARPA funds, SUBRECIPIENT agrees to perform all activities identified in its ARPA application. The major components of the approved project include, but are not limited to:

The Poverello Center intends to move operation of Housing Montana Heroes, a transitional housing program for Veterans, from the Poverello Center to 1010 West Broadway, current site of Clark Fork Inn Apartments. The project has financial support from the Veterans Administration, as part of an initiative to move programs like Housing Montana Heroes into non-congregate settings. Project components include property acquisition, relocation of current tenants, renovation of current 17 units and the addition of 3 units and office space.

7. AMOUNT OF AWARD AND BUDGET:

- (a) The total amount of ARPA Fiscal Recovery funds awarded to SUBRECIPIENT by the City will not exceed \$834,000.00 for property acquisition related to scope of work in Attachment A. The City will have no obligation to pay for any project activities that exceed this award amount.
- (b) A copy of the project budget is included as Attachment B to this Award Agreement, and by this reference is made a part of this Award Agreement and binding upon SUBRECIPIENT.
- (c) Budget adjustment requests for City ARPA Fiscal Recovery Funds must be approved in advance by the City. For adjustments of the ARPA Fiscal Recovery portion of Attachment B, in an amount not to exceed \$1,000, the City's approval of the Request for Payment form submitted by SUBRECIPIENT will constitute approval of the requested budget adjustment. Budget adjustment requests in excess of \$1,000 must be submitted to the City in writing and are subject to an approval review process by the City.

8. SPECIAL CONDITIONS:

SUBRECIPIENT will not obligate or utilize ARPA Fiscal Recovery or non-ARPA funds for any activities provided for by this Award Agreement until

- Reviewing all federal and non-federal funding, and the respective compliance, supporting the project;
- Identifying most restrictive compliance within all funding guidelines as the overarching compliance guidelines for the project; and
- Achieving required compliance for current stage of project.

9. PROCEDURE FOR DISBURSEMENT OF FUNDS:

- (a) The City will pay to SUBRECIPIENT funds available under this Award Agreement upon approval by the City of SUBRECIPIENT's Request for Payment. The City will reimburse SUBRECIPIENT for approved, eligible and necessary expenses according to the documentation submitted by SUBRECIPIENT to support the expenditures. The City will not reimburse SUBRECIPIENT for any expenses not included in the

approved budget or not clearly and accurately supported by SUBRECIPIENT's records. Any awarded funds not expended by SUBRECIPIENT within 18 months of the date of execution of this Award Agreement will revert to the City and will be used to finance other ARPA projects.

- (b) In the event SUBRECIPIENT is unable to comply with the terms and the conditions of this Award Agreement, any costs incurred will be SUBRECIPIENT's sole responsibility.
- (c) If the City determines that SUBRECIPIENT has failed to satisfactorily carry out its responsibilities under this Award Agreement, the City may revoke SUBRECIPIENT's authority to draw against the awarded funds described in this Award Agreement until the City and SUBRECIPIENT agree on a plan to remedy the deficiency.
- (d) The City reserves the right to withdraw a commitment for any ARPA Fiscal Recovery funds which remain unobligated 18 months after the date of execution of this Award Agreement.

10. NOTICE:

All notices, demands, and consents provided for in this Award Agreement must be given in writing and shall be sent by U.S. Mail, hand-delivered, or emailed to the following:

The City's contact for all administrative and technical matters concerning this Award Agreement is:

Tracy Pohndorf, ARPA Grants Administrator
Community Planning, Development & Innovation
435 Ryman Street
Missoula, MT 59802
(406) 552-6393

SUBRECIPIENT's contact for all administrative and technical matters concerning this Award Agreement is:

Jill Bonny, Executive Director
Poverello Center, Inc.
1110 West Broadway
Missoula, MT 59801
406-207-4019

11. OWNERSHIP AND PUBLICATION OF MATERIALS:

All reports, information, data, and other materials prepared by any contractor or subcontractor pursuant to this Award Agreement are to be the property of SUBRECIPIENT

and the City which have exclusive and unrestricted authority to release, publish or otherwise use, in whole or in part, information relating thereto. No material produced in whole or part under this Award Agreement may be copyrighted or patented in the United States or in any other country without the City's prior written approval.

12. ACCESS TO RECORDS AND PROJECT MONITORING:

- (a) SUBRECIPIENT will maintain adequate and reasonable records of its performance under this Award Agreement and will allow access to these records at any time during normal business hours by the City and its auditors, and the U.S. Department of the Treasury. These records will be kept in SUBRECIPIENT's offices in Missoula, Montana for a period not less than four (4) years as measured from the date of project completion.
- (b) The City may monitor and inspect all phases and aspects of SUBRECIPIENT's performance to determine compliance with the Scope of Work, and other technical and administrative requirements, including the adequacy of SUBRECIPIENT's records and accounts. The City will advise SUBRECIPIENT of any specific areas of concern and provide SUBRECIPIENT opportunity to propose corrective actions acceptable to the City.

13. PROJECT PROGRESS REPORTING AND CLOSEOUT:

- (a) During the term of this Award Agreement, SUBRECIPIENT will submit a Project Progress Report to the City during each quarter for the periods ending September, December, March, and June. This report must describe the status of the project including, at a minimum, the percentage of the project which has been completed, costs incurred, funds remaining and anticipated completion date.. The report must also describe any significant problems encountered and any necessary modification of the project scope that is being requested (Attachment A).
- (b) SUBRECIPIENT will submit the Project Progress Report to the City within 15 days of the close of each quarter. The City will not honor claims for payment until the required quarterly report has been submitted to and approved by the City. Project Progress Reports submitted during a quarter in conjunction with a Request for Payment will satisfy the quarterly progress-reporting requirement.
- (c) In order for the City to closeout this sub-award and remit final payment, SUBRECIPIENT must complete all required reporting.

14. NON-DISCRIMINATION:

All hiring shall be on the basis of merit and qualification and there shall be no discrimination in employment on the basis of race, ancestry, color, physical or mental disability, religion, national origin, sex, age, marital or familial status, creed, ex-offender status, physical condition, political belief, public assistance status or sexual orientation, gender identity or expression, except where these criteria are reasonable bona fide

occupational qualifications.

15. AFFIRMATIVE ACTION POLICY:

Contractors, subcontractors, sub grantees, and other firms doing business with the City of Missoula must be in compliance with the City of Missoula’s Affirmative Action Plan, and Title 49 Montana Codes Annotated, titled “Human Rights” or forfeit the right to continue such business dealings.

The City’s Affirmative Action Policy Statement is:

The Mayor of the City of Missoula is committed to implement affirmative action to provide all persons equal opportunity for employment without regard to race, ancestry, color, handicap, religion, national origin, sex, age, marital status, creed, ex-offender status, physical condition, political beliefs, public assistance status, sexual preference, sexual orientation, gender identity or gender expression. In keeping with this commitment, we are assigning to all department heads and their staff the responsibility of actively facilitating equal opportunity for present employees, applicants, and trainees. This responsibility shall include assurance that employment decisions are based on furthering the principle of equal employment opportunity by imposing only valid requirements for employment and assuring that all personnel actions are administered on the basis of job necessity.

Specific responsibility for development, implementation, monitoring and reporting will be assigned to the City Personnel staff under the supervision of the Mayor’s Administrative Assistant.

It is the policy of the City of Missoula to take affirmative action to eliminate discrimination in personnel policies and procedures that have adverse impact on the “affected class” unless sex, ex-offenders status, and/or physical or mental handicap relates to a bona fide occupational qualification. Equal opportunities shall be provided for all City employees during their terms of employment. All applicants for City employment shall be recruited from the available labor market, and employed on the basis of their qualifications and abilities. The City of Missoula, where practical, shall utilize minority owned enterprises and shall ensure that subcontractors and vendors comply with this policy. Failure of subcontractors and vendors to comply with this policy statement shall jeopardize initial, continued, or renewed funds.

Our commitment is intended to promote equal opportunity in all employment practices and provide a positive program of affirmative action for the City of Missoula, its employees, program participants, trainees and applicants.

16. AVOIDANCE OF CONFLICT OF INTEREST:

In the procurement of supplies, equipment, construction, and services by recipients and by

subrecipients, the conflict of interest provisions in 2 CFR 200.317 and 200.318 shall apply. SUBRECIPIENT must also comply with sections 2-2-121, 2-2-201, and 7-5-4109, MCA, (as applicable) regarding the avoidance of conflict of interest.

17. MODIFICATION OF AWARD AGREEMENT:

This Award Agreement, together with all referenced and incorporated attachments, contains the entire agreement between the parties, and no statements, promises, or inducements made by either party, or agents of either party, which are not contained in or authorized by this written Award Agreement, are valid or binding. This Award Agreement may not be enlarged, modified, or altered except upon mutual written agreement of the parties except for amendments made by the City pursuant to Section 23 of this Award Agreement. SUBRECIPIENT accepts responsibility for the adherence to the terms of this Award Agreement by subcontractor or subrecipient entities and by public or private agents or agencies to which it delegates authority to carry out portions of this Award Agreement.

18. CONSTRUCTION AND VENUE:

This Award Agreement will be construed under and governed by the laws of the State of Montana. In the event of litigation concerning the Award Agreement, venue shall be in the District Court of the Fourth Judicial District in and for the County of Missoula, State of Montana.

19. INDEMNIFICATION:

(a) SUBRECIPIENT waives any and all claims and recourse against the City and its officers, employees and agents including the right of contribution, for loss or damage to persons or property arising from, growing out of, or in any way connected with or incidental to SUBRECIPIENT's or any subrecipient's performance under this Service Agreement.

(b) SUBRECIPIENT agrees to indemnify, hold harmless, protect, defend and save the City, its elected and appointed officials, agents and employees, while acting within the scope of their duties as such, against any and all claims, demands, damages, costs, liability, expenses, including reasonable attorneys' fees, or causes of action of any kind or character, including the cost of defense arising out of the performance or omissions of performance or in any way resulting from the acts or omissions of SUBRECIPIENT and/or its agents, employees, representatives, assigns, subrecipients, and/or subcontractors under this Agreement.

20. WORKERS' COMPENSATION AND LIABILITY INSURANCE COVERAGE:

(a) Workers' Compensation: SUBRECIPIENT must, at their own expense, obtain and keep in force any required workers' compensation insurance. The City of Missoula is not the workers' compensation insurer of SUBRECIPIENTs' employees.

SUBRECIPIENT must have current workers' compensation insurance in place for its employees. The City of Missoula shall have no liability with respect to any and all actions of SUBRECIPIENT's employees, officers or agents. SUBRECIPIENT shall provide the City with a certificate of insurance evidencing SUBRECIPIENT's workers' compensation insurance coverage.

- (b) Liability Insurance: SUBRECIPIENT must, at their own expense, obtain and keep in force general commercial liability insurance to provide insurance against liability for loss, damage, or injury to property or persons that might arise out of SUBRECIPIENT's activities. The City of Missoula shall have no liability with respect to any and all actions of SUBRECIPIENT's officers, employees or agents. SUBRECIPIENT shall provide the City with a certificate of insurance evidencing liability insurance.

21. AWARD AGREEMENT AMENDMENT:

- (a) SUBRECIPIENT may request that this Award Agreement be amended. However, the City will allow an amendment only if SUBRECIPIENT clearly demonstrates that the modification is justified and will enhance the overall impact of the original project. The decision to amend the award agreement based on a request from SUBRECIPIENT is in the sole discretion of the City.
- (b) The City will not approve amendments to the scope of work or the budget that will affect high priority activities or improvements that would materially alter the circumstances under which the award was originally granted.
- (c) If the City determines that the proposed amendment represents a substantial change in the project activities proposed in the original application for ARPA Fiscal Recovery funds, the City will hold a local public hearing on the amendment with reasonable notice.
- (d) No amendment to the Award Agreement will occur unless the amendment is set forth in writing and signed by the City and SUBRECIPIENT.

22. PROPERTY MANAGEMENT:

Title to real property or equipment acquired under a grant or subgrant will vest upon acquisition in SUBRECIPIENT or subgrantee. SUBRECIPIENT or subgrantee will use, manage, and dispose of this property or equipment in accordance with the requirements set out in 2 CFR 200.311 and 200.313.

23. TERMINATION OF AWARD AGREEMENT:

This Award Agreement may be terminated as follows:

- (a) Termination and Modification Due to Loss of Funding. If, for any reason, the federal

financial resources required by the City to fund SUBRECIPIENT's project are withdrawn from the City, the City may unilaterally terminate or modify the terms of this Award Agreement to reflect the loss of funding. If a termination or modification is required, the City will, to the extent permitted by available ARPA funds, compensate SUBRECIPIENT for eligible work elements SUBRECIPIENT has completed and for actual, necessary and eligible expenses incurred by SUBRECIPIENT as of the revised termination date. The City will give SUBRECIPIENT written notice of the effective date of the modification or termination of this Award Agreement and, if a reduction in funding is required, will provide SUBRECIPIENT with a modified project budget.

- (b) Termination Due to Noncompliance with Award Agreement Terms. If the City determines that SUBRECIPIENT has failed to comply with the general terms and conditions of this Award Agreement, the Scope of Work (Attachment A), or any special conditions, and if upon notification of the defect SUBRECIPIENT does not remedy the deficiency within a reasonable period to be specified in the notice, the City may terminate this Award Agreement in whole or in part at any time before the date of completion. The City will promptly notify SUBRECIPIENT in writing of the decision to terminate, the reasons for the termination, and the effective date of the termination.
- (c) Termination Due to Adverse Environmental Impact. This Award Agreement will terminate at the conclusion of the environmental review process if SUBRECIPIENT or the City determines that the project would have a significant adverse impact on the quality of the human environment and that this impact cannot be avoided or sufficiently mitigated by reasonable, cost-effective means.
- (d) Effect of Termination. In the event of termination due to SUBRECIPIENT's failure to comply with the terms of this Award Agreement or the project's adverse environmental impact, any costs incurred will be the responsibility of SUBRECIPIENT. However, at its discretion, the City may approve requests by SUBRECIPIENT for reimbursement of expenses incurred. The City's decision to authorize payment of these costs or to recover expended ARPA funds will be based on a consideration of the extent to which the expenditure of those funds represented a good faith effort of SUBRECIPIENT to comply with the terms of this Award Agreement and on whether any failure to comply with the terms of this Award Agreement was the result of circumstances beyond SUBRECIPIENT's control.

24. WAIVER:

The waiver of any of the terms and conditions of this Award Agreement on any occasion or occasions is not to be deemed as waiver of those terms and conditions on any future occasion.

25. SEVERABILITY:

If any section, subsection, sentence, clause, phrase or word of this Award Agreement is for any reason held to be invalid, illegal, illegal, or unenforceable, such decision shall not affect the validity of the remaining portions of this Award Agreement.

26. ATTORNEY'S FEES:

In the event of a breach of the terms of this Award Agreement, the City and SUBRECIPIENT will each bear their own costs and attorney's fees incurred in the enforcement of the terms of this Award Agreement.

27. SUCCESSORS AND ASSIGNS:

This Award Agreement inures to the benefit of and constitutes a binding obligation on SUBRECIPIENT and their respective successors and assigns. SUBRECIPIENT may not assign this Award Agreement or any of its duties hereunder without the prior written consent of the City.

WITNESS, the parties here have executed this instrument the day and year first above written.

SUBRECIPIENT:
Poverello Center, Inc.

MAYOR
City of Missoula, Montana

Jill Bonny, Executive Director

John Engen

ATTEST:

APPROVED AS TO FORM:

Martha L. Rehbein, CMC, City Clerk

Jim Nugent, City Attorney

Attachment A: Scope of Work

Project Summary

The Poverello Center has purchased the Clark Fork Inn apartments located at 1010 West Broadway and intends to relocate the Housing Montana Heroes program to this location. Currently, the building includes 17 individual apartments. These units will be renovated, and three additional units added. The 20-unit building will provide Veterans with safe, private apartments. These studio units will include kitchens or kitchenettes and bathrooms with toilets, sinks, and a tub and/or shower. Each unit measures between 200-480 square feet. One unit will be fully accessible with lower countertops and appliances. The building also has locations for two offices for 24/7 Veteran Services Team staff, a laundry room, and a shared living space to enhance community connection. The building is located less than a block away from the Poverello Center emergency shelter and a public transportation stop is located directly in front of the complex. It is also close to downtown, the pedestrian trail, Clark Fork River, St Pats/Providence Hospital, shopping and grocery stores.

Private apartments with individual bathrooms and kitchens will reduce risks related to COVID-19, allowing for greater social distancing and responding to the CDC's recommendation that individuals experiencing homelessness should have individual rooms. The separate units will also eliminate some of the stressors for Veterans struggling with mental health diagnoses and Post Traumatic Stress Disorder. It will increase safety for female Veterans, those who identify as LGBTQ+, and Veterans with a small child. Many of the Veterans we serve require in-home care and assistance services. In-home service providers are more likely to conduct home visits in a location where Veterans have a private space opposed to a shared living space. On site case management in a confidential, trauma-informed setting will help participants navigate the housing, health, and food resources available to them. Further, individual apartments will provide an environment closely resembling the home in which each Veteran will eventually reside permanently, which will give them a chance to prepare for living alone.

Relocating Housing Montana Heroes to this non-congregate setting prioritizes the needs of our Veterans and their families as they transition from houselessness to stable housing. While the program has successfully served the Veteran population for the past eight years, a stand-alone apartment complex will allow for highly trauma-informed, wrap-around services to support Veterans in achieving their stabilization and housing goals.

Project Schedule

The Poverello Center began the VA Transitional Housing Expanded Shelter Project with the purchase of the Clark Fork Inn at 1010 W Broadway, on December 8, 2021, with the intention of creating a non-congregate setting for Veterans experiencing homelessness after securing federal funding from the Veterans' Administration (approved 10/1/2021).

The Poverello Center has applied for all eligible federal and local funding to ensure the success of this project (see Attachment B: budget). Since the purchase of the property, the project team has worked to meet all federal and local requirements for funding. As of May 2022, the Poverello Center has attained a Preliminary Architectural Report (PAR), the Environment Review Record (ERR), Phase I of the Environmental Assessment which is a requirement of the National Environmental Policy Act (NEPA), a Historic Property Record which is a requirement of the National Historic Preservation Act (NHPA), and has met public participation requirements. The PAR, Phase I ESA, and Historic Property Record are

attached. We are working to complete Phase II of the Environmental Assessment, continue meeting NHPA requirements, and meet Uniform Relocation Act (URA) requirements (see URA attachment). All requirements not already satisfied will be complete by July 20, 2022.

Once all requirements are met and funding is secure, the Poverello Center will begin the design and construction phase of the project. Poverello Center Board Member and General Contractor Chris Chitty has partnered with the project team to outline a detailed timeline, as shown below.

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

Attachment B: budget

USES OF FUNDS
Project name: HMM Facility Project

<i>Enter Whole Numbers Only</i>	TOTAL PROJECT BUDGET	SOURCE Missoula County CDBG	SOURCE HOME/HTF	SOURCE VA	SOURCE Missoula County	SOURCE City of Missoula ARPA	SOURCE City of Missoula CDBG	SOURCE Missoula Redevelopment	SOURCE Poverello Center Funds	differences (project budget vs sources)
LAND										
Land Value: (the highest value of Land Cost)										\$ -
Demolition	\$ 144,570							\$ 144,570		\$ -
Related Party Profit										\$ -
										\$ -
										\$ -
TOTAL LAND	\$ 144,570	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 144,570	\$ -	\$ -
BLDG./ACQUISITION										
Existing Structure	\$ 1,570,000	\$ 42,558		\$ 234,383	\$ 416,500	\$ 834,000	\$ 42,559			\$ -
Related Party Profit										\$ -
										\$ -
										\$ -
TOTAL BUILDING COSTS	\$ 1,570,000	\$ 42,558	\$ -	\$ 234,383	\$ 416,500	\$ 834,000	\$ 42,559	\$ -	\$ -	\$ -
Project name:										
SITE WORK										
Site Work	\$ 74,250	\$ 18,618		\$ 16,427			\$ 18,536		\$ 20,669	\$ -
Off-Site Improvement	\$ 75,000							\$ 75,000		\$ -
Environmental										\$ -
Related Party Profit										\$ -
										\$ -
										\$ -
TOTAL SITE WORK COSTS	\$ 149,250	\$ 18,618	\$ -	\$ 16,427	\$ -	\$ -	\$ 18,536	\$ 75,000	\$ 20,669	\$ -
CONSTRUCTION AND REHAB										
New Building	\$ 614,150	\$ 239,138		\$ 135,875			\$ 239,137			\$ -
Rehabilitation	\$ 345,610	\$ 134,573		\$ 76,463			\$ 134,574			\$ -
Accessory Structures										\$ -
General Requirements	\$ 50,000			\$ 11,062	\$ 37,506	\$ -			\$ 1,432	\$ -
Contractor Overhead	\$ 100,000			\$ 42,124	\$ 51,641	\$ -			\$ 6,235	\$ -
Contractor Profit	\$ 50,000			\$ 11,062	\$ 35,821	\$ -			\$ 3,117	\$ -
Construction Contingency	\$ 404,979	\$ 19,191		\$ 99,215	\$ 43,701	\$ -	\$ 19,191		\$ 223,681	\$ -
Related Party Profit										\$ -
Materials & Compaction Testing										\$ -
Furniture, Fixtures, Equipment	\$ 80,000			\$ 17,699	\$ 57,313	\$ -			\$ 4,988	\$ -
Permits & Inspection Fees										\$ -
Photovoltaics	\$ 96,380			\$ 21,323					\$ 75,057	\$ -
										\$ -
TOTAL REHAB & CONST. COSTS	\$ 1,741,119	\$ 392,902	\$ -	\$ 414,823	\$ 225,982	\$ -	\$ 392,902	\$ -	\$ 314,510	\$ -
PROFESSIONAL WORK & FEES										
Architect Design	\$ 161,992	\$ 42,497		\$ 35,839			\$ 42,497		\$ 41,159	\$ -
Architect Supervision										\$ -
Architect Additional Scope										\$ -
Attorney, Real Estate										\$ -
Consultant/Agent	\$ 70,000	\$ 10,495		\$ 16,487	\$ 28,159	\$ -	\$ 10,495		\$ 4,364	\$ -
Engineer/Surveyor	\$ 107,994	\$ 500		\$ 23,893	\$ 3,430	\$ -	\$ 18,153		\$ 62,018	\$ -
Construction Mgmt										\$ -
Related Party Profit										\$ -
Project Management	\$ 145,000	\$ 21,740		\$ 52,079	\$ 40,400	\$ -	\$ 21,740		\$ 9,041	\$ -
Environmental/Geotech Testing	\$ 20,000	\$ 2,999		\$ 4,425	\$ 8,331	\$ -	\$ 2,999		\$ 1,246	\$ -
										\$ -
										\$ -
TOTAL PROF. WORK & FEES	\$ 504,986	\$ 78,231	\$ -	\$ 132,723	\$ 80,320	\$ -	\$ 95,884	\$ -	\$ 117,828	\$ -
Project name:										
CONSTRUCTION/ INTERIM										
Hazard & Liability Insurance	\$ 10,000	\$ 1,499		\$ 2,212	\$ 4,166	\$ -	\$ 1,499		\$ 624	\$ -
Credit Report										\$ -
Construction Interest										\$ -
Origination Points										\$ -
Discount Points										\$ -
Inspection Fees	\$ 2,215	\$ 332		\$ 490	\$ 923	\$ -	\$ 332		\$ 138	\$ -
Title & Recording	\$ 350	\$ 52		\$ 77	\$ 146	\$ -	\$ 52		\$ 23	\$ -
Legal Fees	\$ 16,000			\$ 3,540					\$ 12,460	\$ -
Taxes										\$ -
Utilities										\$ -
Permits & Zoning review										\$ -
										\$ -
										\$ -
TOTAL CONST. INTERIM FEES	\$ 28,565	\$ 1,883	\$ -	\$ 6,319	\$ 5,235	\$ -	\$ 1,883	\$ -	\$ 13,245	\$ -
PERMANENT FINANCING FEES										
Credit Report										\$ -
Discount Points										\$ -
Origination Fees										\$ -
Title and Recording										\$ -
Legal Fees										\$ -
Prepaid MIP										\$ -
Perm Loan Interest										\$ -
Conversion Fee/Bond Costs										\$ -
										\$ -
TOTAL FINANCING FEES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project name:										
SOFT COSTS										
Feasibility Appraisal	\$ 8,500	\$ 1,274		\$ 1,881	\$ 695		\$ 1,274		\$ 3,376	\$ -
Site Survey	\$ 3,500	\$ 525		\$ 774	\$ 1,458	\$ -	\$ 525		\$ 218	\$ -
Market Study										\$ -
Environmental Study	\$ 27,000	\$ 4,009		\$ 15,973	\$ 1,247	\$ -	\$ 4,007		\$ 1,764	\$ -
Tax Credit Fees										\$ -
Cost Certification										\$ -
HOME Project Specific Costs										\$ -
Relocation Costs	\$ 283,000			\$ 112,611	\$ 67,883	\$ -	\$ 42,430		\$ 60,076	\$ -

Relocation Tenant Counseling	\$ 30,000			\$ 16,637	\$ 11,492	\$ -			\$ 1,871	\$ -
Capital Needs Assessment										\$ -
Permits & related fees										\$ -
Management Consulting										\$ -
Management and Oversight	\$ 166,161	\$ 60,000	\$ -	\$ 43,024	\$ 22,188	\$ -	\$ -		\$ 40,949	\$ -
TOTAL SOFT COSTS	\$ 518,161	\$ 65,808	\$ -	\$ 190,900	\$ 104,963	\$ -	\$ 48,236	\$ -	\$ 108,254	\$ -
SYNDICATION COSTS										\$ -
Organizational (Partnership)										\$ -
Bridge Loan Fees & Expenses	\$ 20,000			\$ 4,425					\$ 15,575	\$ -
Tax Opinion										\$ -
Syndication fees										\$ -
Investor Due Diligence										\$ -
										\$ -
TOTAL SYNDICATION COSTS	\$ 20,000	\$ -	\$ -	\$ 4,425	\$ -	\$ -	\$ -	\$ -	\$ 15,575	\$ -
DEVELOPER'S FEES										\$ -
Developer's Overhead										\$ -
Developer's Fees										\$ -
HTC Dev Consultant Fee										\$ -
Developers Fee-Acquisition										\$ -
TOTAL DEVELOPER'S FEES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project name:										\$ -
PROJECT RESERVES										\$ -
Rent-Up Reserve										\$ -
Operating Reserve										\$ -
Replacement Reserve	\$ 100,000								\$ 100,000	\$ -
Pre-funded R for R										\$ -
Escrow										\$ -
										\$ -
TOTAL PROJECT RESERVES	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -
TOTAL PROJECT COSTS	\$ 4,776,651	\$ 600,000	\$ -	\$ 1,000,000	\$ 833,000	\$ 834,000	\$ 600,000	\$ 219,570	\$ 690,081	\$ -
TOTAL SOURCES OF FUNDS	\$ 4,776,651									

If your project includes space for supportive services component please complete the following breakout

Supportive Services Costs	
Residential Costs	\$ 4,776,651
Total Project Costs	\$ 4,776,651

The line item narrative on the next tab must justify budget amounts and assumptions with either third party documentation or past experience with project in similar markets. At a minimum, the proposed budget in the Uniform Application must adhere to the following:

- Sources of Funds (Part I) equal Uses of Funds (Part II)
- Columns and rows add correctly

Budget Narrative

Engineering estimate was established by comparison to most recent projects completed within each of the respective offices. Separate square footage numbers were gathered for Civil, Structural, Architectural, Mechanical, Electrical and Plumbing. These were compared to Schedule of Values from recent bid documents within the Architects office for quality assurance. A reasonable adjustment for increase in construction cost noted from contractors was applied to account for current climate noticed since time of bids.

LAND - \$144,570

Demolition - \$144,570

Demolition/deconstruction of the North wing will be 100%. Partial demolition of the West wing will be minimal for installation of new work in renovation. Deviation of Uniapp from Architect/Engineer estimate, accounts for demolition, reconstruction & remediation work for entire project within the Land/Demolition line item.

BUILDING/ACQUISITION - \$1,570,000

Existing Structure - \$1,570,000

The Poverello Center purchased 1010 W Broadway for \$1,570,000. No other land or building acquisition is anticipated for this project. A section of the existing building will be deconstructed.

SITE WORK - \$149,250

Site Work - \$74,250

The proposed solution includes site work to address deteriorated asphalt and grading issues in the parking area. It also includes flatwork for accessible routes, drywell repairs and parking improvements.

Off-site Improvement - \$75,000

The proposed solution includes bringing public water to the site. The project currently has an on site well, which will be replaced with municipal water service. Funding from the Missoula Redevelopment Agency will be requested to

CONSTRUCTION - \$1,741,119

New Construction – \$614,150

The north wing will include new construction, to include two levels and 7 one-bedroom units, totalling approximately 6,000 SF. This does not include FF&E.

Rehabilitation - \$345,610

Rehabilitation activities will include renovating the existing structure to a level 3 alteration (~3,638 SF). Construction activities for the renovation include but are not limited to accessibility upgrades and new fire separation (fire partitions in accordance with Section 708) walls between the dwelling/sleeping units as well as thermal envelope improvements.

General Requirements – \$50,000

This was calculated based on 10-12 month construction schedule in partial phased approach. It is included in the general square footage costs.

Contractor Overhead – \$100,00

This cost is based on general practice witnessed on recent projects within Missoula County.

Contractor Profit – \$50,000

This cost is based on general practice witnessed on recent projects within Missoula County.

Construction Contingency – \$404,979

The contingency included in the PAR is relatively high (30%) due to scope of demolition and amount of site work. Contingency may be reduced once site work and demolition is complete and the project is ready for new work.

Furniture, Fixtures, Equipment - \$80,000

The new facility will be fully equipped with permanent furnishings and fixtures for 20 one-bedroom units, office and community space and a laundry room.

Photovoltaics - \$96,380

The new facility is being planned to minimize environmental footprint. This could include solar hot water, electric PV panels, or some other alternative source to offset utility costs.

PROFESSIONAL WORK & FEES - \$504,986

Architect Design – \$161,992

Fees represent architecture design and project management during construction phases. These fees are roughly 10% of construction costs and are captured in the 20% design fee in the PAR (split with engineering).

Attorney, Real Estate – NA

Consultant/Agent - \$70,000

These costs include funding for consultants to assist with public communication about the project as well as funding consultant support to the project building committee.

Engineer/Surveyor – \$107,994

Fees representing engineering team infrastructure design and construction management, to include civil engineering and any drawings required for addressing materials discovered in Phase II ESA. These fees are roughly 10% of construction costs and are captured in the 20% design fee in the PAR (split with architecture).

Project Management - \$145,000

These funds will support hired consultants for overall project management, owners representation, and support with labor/Davis-Bacon compliance.

Environmental/Geotech Testing - \$20,000

Geotechnical Investigation is needed for obtaining information on the physical properties of soil earthworks and foundations for potential repair of distress to earthworks and structures caused by subsurface conditions.

CONSTRUCTION/INTERIM FEES - \$28,565

Hazard & Liability Insurance – \$10,000

These funds will support builders liability insurance (\$7,000) and general liability insurance for the property (\$3,000).

Construction Interest – NA

Origination Points – NA

Inspection / Appraisal – \$2,215

The Poverello Center had an appraisal done on the property that is attached to this application. This line item represents the actual cost of that appraisal.

Title & Recording – \$350

This expense is the actual cost of title and recording that was incurred when the property was purchased.

Legal Fees – \$16,000

issues that might arise. The Poverello Center's lawyer charges \$100 an hour so this budget allows for 160 hours of legal fees if needed.

Taxes – NA

PERMANENT FINANCING FEES

Title & Recording – NA

Legal Fees – NA

Appraisal – NA

SOFT COSTS - \$518,161

Feasibility Appraisal - \$8,500

The Poverello Center had an appraisal done on the property that is attached to this application. This line item represents the actual cost of that appraisal.

Site Survey- \$3,500

The Poverello Center contracted to have a site survey completed. This line item is the actual cost of that contract.

Market Study – NA

Environmental Study – \$27,000

Missoula County utilized its EPA Brownfields funding to support the costs of a Phase I Environmental Site Assessment. \$20,000 is being budgeted for a Phase II ESA (in the event the City of Missoula Brownfields Program or Region 8 EPA Targeted Brownfields Assessment support is not available).

Tax Credit Fees – NA

Relocation Costs - \$283,000

is budgeting approximately \$17,700 per unit to relocate current tenants. This includes relocation costs as well as cost differential payments for new units. The actual cost per unit will vary depending on the unique situation of each individuals; the budget reflects a high-cost outcome. The Poverello Center has consulted the Denver HUD URA expert for advice on determining a budgeted amount for relocation costs.

Relocation Tenant Counseling - \$30,000

There are tenants currently living at 1010 W Broadway who will need to relocate. The Poverello Center will hire a consultant to work directly with these tenants to find new housing in compliance with URA obligations.

HOME Project Specific Soft Costs – NA

Management & Oversight - \$166,161

Veteran Transitional Housing Capital project across several positions. These include the following: Executive Director (0.25 FTE) - Overall Strategic Management & Oversight, Development Director (0.25 FTE) - Fundraising and Grants Management, Operations Director (0.25 FTE) - Financial Management, Administrative Assistant (0.15 FTE) - Project and Administrative Coordination, Development Coordinator (0.25 FTE) - Fundraising Support and Grants Management, Program Director (0.15 FTE) - Program and Project Integration, Communication Coordinator (0.15 FTE) - Community Outreach and Communication, Facilities Manager (0.15 FTE) - Construction Project Support, Development Assistant (0.25 FTE) - Fundraising and Grants Support (0.15 FTE), totalling \$106,161.

These funds will also cover some direct office related expenses associated with the capital project as well as accounting and auditing expenses for the project. More than \$750,000 in federal funds will be used on this project. This will trigger additional audit obligations for this project. These funds will also be used to pay contract fees for accounting and bookkeeping services related to the capital project.

It is estimated the Missoula County Grants Administrator will dedicate an average of 20.8 hours per week (.52 FTE) to grant administration for the duration of the project for a total cost of \$60,000 (20.8 hours per week for fourteen months at \$47.88 per hour salary and fringe). All other grant administration expenses (supplies, postage, mileage, etc.) will be covered by Missoula County annual operating funds.

SYNDICATION COSTS - \$20,000

Organization (Partnership) – NA

Bridge Loan Fees & Expenses - \$20,000

The Poverello secured a bridge loan to cover the costs of the property acquisition, until secured grant funding was available. These costs are anticipated to cover loan interest and other associated fees. See the Loan Promissory Note attached to the Uniform Application.

Tax Opinion – NA

Other (Syndication Fees) – NA

DEVELOPER'S FEES

Developer's Fees – NA

PROJECT RESERVES - \$100,000

Rent-Up Reserves – NA

Operating Reserves – NA

Replacement Reserves - \$100,000

The Poverello Center is planning to raise a \$100,000 facilities replacement reserve that includes \$2000 per apartment and \$40,000 for all offices and common spaces.