City of Missoula, Montana
City Council Committee Agenda Item

Committee:	**Housing, Redevelopment and Community Programs**
Item:	**Montana Department of Commerce contract, NeighborWorks Montana subrecipient agreement**
Date:	August 30, 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 contract from the Montana Department of Commerce awarding the City of Missoula $850,000 in support of a Resident Owned Community (ROC) project in Missoula, and approve and sign a $835,000 subrecipient contract with NeighborWorks Montana to create the ROC.

Recommended Motion(s):
I move the City Council: approve and authorize the Mayor to sign contracts with Montana Department of Commerce awarding $850,000 to the City of Missoula for a Resident Owned Community (ROC) project in Missoula, and with NeighborWorks Montana awarding $835,000 as a subrecipient to create the ROC.

Timeline:

Committee discussion:	9/14/22
Council action (or sets hearing):	NA
Public Hearing (if required):	NA
Final Consideration	9/19/22
Deadline:	9/19/22

Background and Alternatives Explored:
On 12/1/21 Montana Department of Commerce awarded the City of Missoula $850,000 in Community Development Block Grant Coronavirus (CDBG-CV) funding for a proposed NeighborWorks Montana (NWMT) Resident Owned Community (ROC) project. This CARES funding was targeted at preserving housing for people with low- to moderate-incomes, linking displacement from stable housing as a significant risk in increasing exposure to COVID-19 and community spread.

NWMT works with residents of manufactured home communities to help them purchase their communities and operate them as cooperatives. This program preserves existing affordable housing, advances resident leadership, and ensures long-term stability and affordability for homeowners in these communities. There are now 14 ROCs with over 575 households across the state.

A project site was not identified at the time of award, but in June NWMT entered into a buy/sell agreement with the owner of Old Hellgate Village Mobile Home Court at 6125 Mullan Road, Missoula. The creation of this ROC will ensure long term housing security and affordability for approximately 65 tenants.

Financial Implications:
Montana Department of Commerce awards City of Missoula $850,000. City will subcontract with NeighborWorks Montana for $835,000.

Total project cost is $3,027,130 with the following breakdown:

- $850,000 – CDBG-CV ($835K toward purchase price + 15K administrative)
- $1,485,000 – Seller financing
- $692,130 - NWMT

Links to external websites:
NeighborWorks Montana (NWMT) main website is https://www.nwmt.org/ and includes a page about the NWMT ROC network: https://www.nwmt.org/manufactured-housing/current-rocs/.