



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

**Committee:** Housing, Redevelopment and Community Programs

**Item:** Substantial Amendment for the Program Year 2025 CDBG/HOME Action Plan

**Date:** January 7, 2026

**Sponsor(s):** Lisa Bower, Kendra Lisum

**Department or Function:** CPDI, CD

**Prepared by:** Kendra Lisum

**Ward(s) Affected:**

<input type="checkbox"/> Ward 1	<input type="checkbox"/> Ward 4
<input type="checkbox"/> Ward 2	<input type="checkbox"/> Ward 5
<input type="checkbox"/> Ward 3	<input type="checkbox"/> Ward 6
<input checked="" type="checkbox"/> All Wards	<input type="checkbox"/> N/A

**Action Required:**  
Approval of Resolution.

**Timeline and Recommended Motions:**

Committee discussion: 1/7/2026  
 City Council Meeting: 1/26/2026  
 Recommended motion: Approve a Resolution granting the approval of an amendment to the City of Missoula’s HOME Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) Action Plan, providing additional funds to the Lenox Flats rehabilitation project, and providing funds for the acquisition of a 6-unit affordable housing property for placement into a community land trust, directing staff to negotiate contracts and agreements, and authorizing the Mayor to sign the contracts and agreements with said organizations.

Deadline: 1/29/2026

**Background and Alternatives Explored:**

The Community Development Division administered a competitive award cycle, the Unified Application Funding Round, from December 2024 through May 2025. The cycle included available funding from the U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnership and Community Development Block Grant programs, as well as an allocation from the Affordable Housing Trust Fund. Through this process, two CDBG projects and one HOME project were selected for funding.

Today, we are presenting an amendment to the Program Year 2025 Action Plan that reflects two changes to HOME fund allocations: (1) increasing HOME funding for the Lenox Flats rental housing rehabilitation project to support additional rehabilitation work, and (2) adding a new HOME-funded project to acquire a six-unit affordable housing property for placement into a community land trust.

CD staff members will recommend and ask the Mayor and Missoula City Council to approve the following awards:

<b>HOME Funds</b>		
Homeward	Lenox Flats	An additional \$50,000 (total award \$250,000)
Front Step	Spruce Street CLT Acquisition	\$350,000

The 2025 Program Year runs from 7/1/25 through 6/30/26.

**Financial Implications:**

These awards draw from the federal CDBG and HOME allocations available for Program Year 2025 from the Department of Housing and Urban Development (HUD) and may include prior year resources and program income. PY25 allocations were **\$520,234 in CDBG** and **\$334,594 in HOME**.

**Links to external websites:**

<https://www.engagemissoula.com/hud-funded-programs>