

Affordable Housing Development Agreement

Land Use and Planning

December 2nd, 2020

South 4th East and Ronald Avenue Development

- Current Item Before You:
 - Approve an Affordable Housing Development Agreement
- Previous Items Before You:
 - Right-of-Way Vacation, Approved January 27, 2020
 - Application to Rezone, Approved January 27, 2020

South 4th East and Ronald Avenue Development

- The Developer intends to remove the existing structures and redevelop the site with multi-dwelling homes (condos for sale and for rent) with underground parking.
- As a condition to close and vacate public right of way the Developer is required to address housing affordability by including a voucher preference for new multi-family rental units or by constructing permanently affordable homeownership units for a minimum of 20 percent of the total dwelling units for purchase.

Resolution 8410

- Right-of-Way Improvements to South 4th Street East
- Right-of-Way Improvements within Portions of Ronald Avenue
- Harvesting of Native Grasses
- Relocation Contributing Historical Structures or Deconstruction per Standards
- Creation of Permanent Affordable Housing
- Restriction of Short-Term Rentals
- Prohibition of Commercial Uses

Create Permanently Affordable Housing

- The Developer shall . . .
 - Create a Sales and Marketing Plan
 - Ensure Homes are Sold to Households Earning up to 120% Area Median Income
 - File an Approved Legal Mechanism with the Missoula County Clerk and Recorder to Preserve Affordability
 - Ensure Homes Serve as Primary Residences through Covenants
- The City or it's Agent shall . . .
 - Set Pricing at First Point of Sale and Subsequent Points of Sale
 - Screen Potential Buyers at all Points of Sale
 - Enter into a Contract with all Homebuyers to Protect Affordability
 - Complete Annual Compliance Monitoring

Create Permanently Affordable Housing

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|--|----|
| Market Rate Homes (Condos for Sale) | 28 |
| Dedicated Affordable Homes (Condos for Sale) | 7 |
| Market Rate Rental Homes (Condos for Rent) | 13 |

| | | |
|----------------------|-----------|-----------|
| Unit Type | Studio | 1 Bedroom |
| *Maximum Sales Price | \$215,121 | \$243,138 |

Create Permanently Affordable Housing

- A Place to Call Home: Meeting Missoula's Housing Needs (2019)
 - Values:
 - Diversity
 - Innovation
 - Collaboration
 - Achievability
 - Strategies:
 - Incentivize Affordable Housing Development
 - Expand Affordable Homeownership Options



Recommended Motion

Authorize the Mayor to execute an affordable housing development agreement with Pupaw LLC/Cade LLC to construct permanently affordable homes for purchase for households earning under 120% area median income.