

City of Missoula,
Montana

2019-2023 Consolidated Plan for HUD- Funded Programs

For Federal Fiscal Years 2019-2023

Draft Released: May 29, 2019

Public Comments: June 3 – July 2, 2019

City Council Public Hearing: July 8, 2019

City Council Final Adoptions: July 8, 2019

Submission Date: July 10, 2019

Approval Date: July 31, 2019

John Engen, Mayor

Office of Housing & Community Development

435 Ryman St., Missoula, MT 59802

(406) 552-6399



Table of Contents

Executive Summary	4
The Process	8
PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)	8
PR-10 Consultation - 91.100, 91.200(b), 91.215(l)	9
PR-15 Citizen Participation	18
Needs Assessment	23
NA-05 Overview	23
NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)	25
NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)	37
NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)	40
NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)	43
NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)	45
NA-35 Public Housing – 91.205(b)	47
NA-40 Homeless Needs Assessment – 91.205(c)	55
NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)	59
NA-50 Non-Housing Community Development Needs – 91.215 (f)	63
Housing Market Analysis	66
MA-05 Overview	66
MA-10 Number of Housing Units – 91.210(a)&(b)(2)	68
MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)	81
MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)	89
MA-25 Public and Assisted Housing – 91.210(b)	99
MA-30 Homeless Facilities and Services – 91.210(c)	105
MA-35 Special Needs Facilities and Services – 91.210(d)	113
MA-40 Barriers to Affordable Housing – 91.210(e)	122
MA-45 Non-Housing Community Development Assets – 91.215 (f)	125
MA-50 Needs and Market Analysis Discussion	135
Strategic Plan	147
SP-05 Overview	147
SP-10 Geographic Priorities – 91.215 (a)(1)	148
SP-25 Priority Needs - 91.215(a)(2)	149

SP-30 Influence of Market Conditions – 91.215 (b)	153
SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)	155
SP-40 Institutional Delivery Structure – 91.215(k).....	161
SP-45 Goals Summary – 91.215(a)(4).....	166
SP-50 Public Housing Accessibility and Involvement – 91.215(c)	171
SP-55 Barriers to affordable housing – 91.215(h).....	172
SP-60 Homelessness Strategy – 91.215(d).....	174
SP-65 Lead based paint Hazards – 91.215(i)	176
SP-70 Anti-Poverty Strategy – 91.215(j).....	178
SP-80 Monitoring – 91.230	179
Annual Goals and Objectives (Annual Action Plan).....	181
AP-15 Expected Resources – 91.220(c)(1,2)	182
AP-20 Annual Goals and Objectives.....	188
AP-35 Projects – 91.220(d).....	191
AP-38 Project Summary	193
AP-50 Geographic Distribution – 91.220(f).....	198
AP-55 Affordable Housing – 91.220(g).....	199
AP-60 Public Housing – 91.220(h).....	201
AP-65 Homeless and Other Special Needs Activities – 91.220(i).....	203
AP-75 Barriers to affordable housing – 91.220(j)	207
AP-85 Other Actions – 91.220(k).....	209
AP-90 Program Specific Requirements – 91.220(l)(1,2,4).....	212
Appendices.....	215

Executive Summary

Introduction

The City of Missoula receives U.S. Department of Housing and Urban Development (HUD) funds annually. As such, the City is required to prepare a Consolidated Plan and an Annual Action Plan. HUD has provided the format for the Consolidated Plan and data for the majority of the tables. Missoula became an Entitlement City for CDBG in 1999 and a Participating Jurisdiction (PJ) for HOME in 2003, designations that mean that HUD provides funding for those programs directly to the City, and does not require the City to compete for the funds with other state jurisdictions. Missoula is one of three cities in Montana that are a CDBG Entitlement City and HOME Participating Jurisdiction, alongside Billings and Great Falls. Missoula County still competes on a statewide basis for HOME and CDBG funds.

Missoula often uses HOME and CDBG funds jointly to develop projects by leveraging resources to improve the supply of affordable housing, public improvements, and public services to Missoula's low- and moderate-income (LMI) residents.

This Consolidated Plan relied heavily on a range of data sources in order to understand community need, the Missoula housing market, and develop priority goals. There are several tables, charts, and figures contained here based on those data. For tracking purposes, any item titled "Table" was pre-populated by the U.S. Department of Housing & Urban Development (HUD)'s Integrated Disbursement & Information System (IDIS). Any items titled "Figure" were developed by the Office of Housing & Community Development (HCD) and its partners to supplement the information from IDIS.

Summary of the objectives and outcomes identified in the Plan Needs Assessment

Overview

For the 2019-2023 Program Years, the City has identified four (4) goals and corresponding outcomes through extensive community outreach, data analysis, and alignment with other municipal and county planning efforts.

Goal #1 - Rental Housing

The City will work to increase and preserve the supply of safe, healthy, affordable rental units for extremely low, low, and moderate-income households in Missoula. We will focus on addressing known challenges to the construction of new rental housing stock and the preservation of existing stock. Outcomes will include an increase in the number of affordable rental units available, as well as the improvement of the quality of rental housing in Missoula.

Goal #2 - Homeownership

The City will work to increase homeownership opportunities and preserve existing affordable homeownership stock (including mobile home parks and manufactured housing) that is safe and healthy for low, moderate, and middle-income households in Missoula. Outcomes of this goal area will include the improvement of the

number and variety of homeownership opportunities in Missoula as well the preservation and maintenance of existing affordable homeownership housing stock in Missoula.

Goal #3 - Homelessness

The City will work to expand Missoula's capacity to address homelessness, making it rare, brief, and one time only for those experiencing homelessness in the community. To do this, we plan to invest in capital or public service projects that build systemic capacity in the Missoula Coordinated Entry System. Outcomes for this goal area will include public services targeted to those experiencing homelessness, such as overnight shelter, transitional housing, and supportive services to help individuals navigate the resources available to them.

Goal #4 - Planning & Administration

The Office of Housing & Community Development will plan annually to ensure we are successfully meeting the first three goals identified in this plan. Ensuring that planning for our HUD-funded programs align and complement other community planning efforts and city housing policy are top priorities over the next five years. Additionally, we will work to establish additional, flexible funding sources to support our housing and community development goals. The Outcomes associated with this goal area will include more efficient systems and processes in the Department administration of funds.

Evaluation of past performance

The City has completed 20 years of administering the CDBG Entitlement program and 16 years as a Participating Jurisdiction for the HOME Investment Partnerships program as of the release of this Plan. Over the course of those years, the administration of these federal funds has shifted from being contracted to Missoula County Grants and Community Programs staff, back to City of Missoula staff in 2016 with the opening of the Office of Housing & Community Development (HCD) at the City.

The Office of Housing & Community Development was created by the Mayor of Missoula to address an increasing need to focus and strategize to address housing challenges in the city. In the past several years, Missoula has seen remarkable growth in its economy and population. Missoula is a community with incredible people and an attractive quality of life. The very nature of our community and our collectively-held values are what make Missoula a great place to live. This growth and vitality, however, has brought challenges. Home prices have steadily increased in recent years, outpacing wage growth and causing many Missoulians to find it challenging to afford safe and healthy homes. From young families to retirees, more than half of Missoulians can't afford to participate in the increasingly expensive housing market. Surveying in 2017 revealed a widespread perception of affordability problems in the City, with 92.6% rating housing as either expensive or very expensive. But there was also strong support for public interventions. A massive majority (92%) either strongly agreed, agreed, or were neutral with respect to the idea of local governments providing development incentives and new funding for the creation of homes Missoulians can afford. As is detailed in the Needs Assessment and Market Analysis chapters of this plan, much of our housing stock is dated or in need of rehabilitation.

As a result of these challenges, HCD has shifted the focus of these federal grants programs since its inception in 2016 to be more targeted on making an impact on the number and quality of affordable homes in Missoula and working to end homelessness in the community. This has meant focusing Annual Action Plans and Consolidated Plans on fewer goals. This strategy intends to more highly leverage these federal grants programs and make greater impact in the areas that the community sees the most need. HCD has also focused over the past few years on building partnerships with both nonprofit and for-profit organizations with the goal of leveraging the resources and unique strengths of these partners to help us reach our collective goals. This Consolidated Plan is a continuation of that more focused strategy. Over the next five years, we hope to end homelessness in the community and alleviate the pressures on the housing market to ensure that all Missoulians can afford their homes.

Summary of citizen participation process and consultation process

A Citizen Participation Plan guides all City of Missoula Office of Housing & Community Development citizen participation processes. It includes policies and procedures related to public notice, increasing citizen participation, and how citizen feedback should be used. The Citizen Participation Plan is attached to this Consolidated Plan. Below is a summary of outreach performed in the development of this Plan.

Community Needs Assessment Survey:

The City of Missoula and Missoula County administered a joint Community Needs Assessment survey in October 2018 to survey the community about their top priorities related to CDBG and HOME funds. In total, 393 individuals responded to the survey. The survey was available online and was distributed via HCD email lists including the At Risk Housing Coalition list. Additionally HCD staff canvassed downtown and central city neighborhoods with an iPad soliciting responses to the survey.

Community Needs Assessment Meeting:

On November 15, 2018 the City and County held a joint community meeting where we reviewed the preliminary results of the online survey and asked for further feedback from those able to attend the meeting. In total, 32 community members attended the meeting.

Market Analysis Meetings:

In January 2019 HCD held three sets of meetings with community partners to solicit their feedback and tap their expertise for the development of the Market Analysis chapter. The first focus group included homeless service providers in Missoula. The second included housing developers, both non-profit and for-profit. The third meeting was with a cohort of City GIS staff clued in to various planning and mapping efforts.

Affirmatively Furthering Fair Housing/Analysis of Impediments to Fair Housing:

The Analysis of Impediments (AI) is a statewide effort in Montana shared between entitlement communities, the state of Montana (Montana Department of Commerce) and disseminated by the U.S. Department of Housing and Urban Development (HUD). This document looks at data, goals, and needs of the participating entitlement communities in the context of fair housing. This document is about identifying and analyzing impediments to fair (i.e. non-discriminatory, affordable) housing for community members and making steps toward reducing those obstacles. The AI aims to improve local planning and fair housing availability.

The entitlement cities working on this document are Billings, Great Falls, and Missoula in collaboration with the Montana Department of Commerce (in Helena, for state support). The AmeriCorps VISTA program is also involved in the creation and revision of this document. Several VISTA members contributed to different parts of the AI in their respective entitlement community. This process began in early 2018 and one VISTA member is currently revising and adding to the document. The entitlement communities and the State convene quarterly, but discuss and revise the document over email and telephone in between meetings. These meetings include discussion of how the document will be completed going forward: what each community must do, the timeline, and ownership of tasks.

The creation of the AI has included a state-wide survey of housing needs. The document is planned to be completed by late-summer 2019.

Summary of public comments

A summary of public comments and the City's response to them is included in the Appendices.

Summary of comments or views not accepted and the reasons for not accepting them

There were no public comments received that were not accepted and incorporated into the Consolidated Plan in some form.

Summary

Missoula is a vibrant community that uses many resources beyond financial allocations to address its needs in the realm of housing and community development. Increasing pressure in the housing market in recent years has resulted in a tight rental market and very high median home prices. In response, the Office of Housing & Community Development has moved towards a more targeted strategy aimed at leveraging community partnerships to end homelessness in the community and alleviate the pressures on the housing market to ensure that all Missoulians can afford their homes. This Consolidated Plan represents the next phase in this strategy and aligns closely with the City's first comprehensive Housing Policy, released in 2019 entitled "A Place to Call Home: Meeting Missoula's Housing Needs." This Plan and the city's housing policy will be implemented in concert with one another to support Missoula's most vulnerable populations meet their housing needs.

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Table 1 – Responsible Agencies

Agency Role	Name	Department/Agency
Lead Agency	MISSOULA	
CDBG Administrator	MISSOULA	Missoula Office of Housing & Community Development
HOPWA Administrator	N/A	N/A
HOME Administrator	MISSOULA	Missoula Office of Housing & Community Development
HOPWA-C Administrator	N/A	N/A

Narrative

The City of Missoula Office of Housing & Community Development administers the Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) programs for the City of Missoula, Montana. The City has administered the CDBG Entitlement Program since 1999 and the HOME program since 2003.

HOME and CDBG funds are awarded to the City from the U.S. Department of Housing & Urban Development (HUD) annual budget based on a Federal Fiscal Year (FFY). The FFY19 runs from October 1, 2018 through September 30, 2019. Program Years (PY) are adopted by each local jurisdiction and are often different from the FFY. The City of Missoula Program Year 2019 runs from July 1, 2019 through June 30, 2020. The City of Missoula Program Year runs concurrent with the City of Missoula Fiscal Year.

Consolidated Plan Public Contact Information

For information about Missoula's 2019-2023 Consolidated Plan for HUD-Funded Programs:

Go To: <http://www.ci.missoula.mt.us/2086/Housing-Community-Development>
Call: (406) 552-6396
Mail/Visit: Office of Housing & Community Development
400 Ryman St. (physical address)
435 Ryman St. (mailing address)
Missoula, MT 59802

PR-10 Consultation - 91.100, 91.200(b), 91.215(l)

Introduction

In developing the Consolidated Plan, the City's Office of Housing & Community Development (HCD) collaborates with a number of City departments (including the Mayor's Office, City Attorney, Development Services, Public Works, Parks & Recreation, City/County Health Department, Partnership Health Center, Fire Department, and City Finance) and the Missoula Housing Authority, non-profit and for-profit housing developers, lenders, real estate professionals, economic development specialists, community-based human service providers and private citizens. Information was collected from the U.S. Census, demographic and mapping data, the local REALTOR® database, individual interviews, and an array of previously-developed planning documents describing housing and community development services and needs. We appreciate the time and support of all of our partner agencies and departments in the creation of this plan.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

Housing & Community Development staff regularly attend meetings within both City and County government and participate actively in the meetings and events sponsored by our nonprofit and for-profit partners. HCD staff have been working to build these relationships since 2016 when the office opened. An important aspect of that relationship has been coordinating efforts within the areas of housing, public improvements, economic development and public services. HCD staff also coordinates and administers Missoula's At-Risk Housing Coalition (ARHC) as well as the Coordinated Entry System.

Housing & Community Development maintains an email and mailing list of individuals and entities that are interested in the planning process and the award and administration of the City's HOME and CDBG programs, and other community development activities. This list includes representatives of Missoula's Public Housing Agency, nonprofit, and for-profit assisted housing providers, and representatives of the community's private and governmental health, mental health, and service agencies; many are listed in the table below. Regular updates and information action items are sent to the lists, especially at times when public comment is being solicited. HCD also distributes information via the At-Risk Housing Coalition frequently.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The Missoula Continuum of Care Coalition is titled the At-risk Housing Coalition (ARHC). ARHC is an ongoing formal task force comprised of representatives from health and human service agencies and governmental departments. ARHC was formed in 1993 to initiate a community-wide effort to prevent and address homelessness. In 2004, ARHC formalized as a coalition requiring membership and adherence to agreements and protocols. ARHC works on issues surrounding low-income housing and homelessness in Missoula and coordinates the local effort to plan and provide comprehensive services through a continuum of care.

ARHC meets bi-monthly and sub-committees meet both monthly and bi-monthly. Members perform the Annual Homeless Point-in-Time Survey and Housing Inventory. They plan, review and endorse local projects for HUD Continuum of Care funding and represent Missoula on the Montana Continuum of Care Board of Directors. Members of ARHC committees also work on distinct projects, such as the annual Project Community Connect, annual Point-in-Time Survey and Housing Inventory, Missoula's Coordinated Entry System, and program planning and coordination.

ARHC membership includes representation from local government (City and County), health care, mental health and substance abuse service providers, law enforcement/corrections agencies, affordable housing developers, the Missoula Housing Authority, the district homeless school liaison, victim service providers, street outreach teams, veteran service providers, homeless shelter director and staff members, leadership of a local interfaith collaborative, faith-based service providers and university students (e.g., social work, psychology, public administration).

In 2017 the Coordinated Entry System introduced a By-Name List intended to give the Continuum of Care a robust set of data points that can be used in addition to the annual Point-in-Time Count.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

The District XI Human Resource Council (HRC) is the local recipient of Emergency Solution Grant (ESG) funds. In 2012 and 2013, the HRC hosted meetings where local Continuum of Care (CoC) members discussed the needs of Missoula's homeless individuals, and worked with the HRC to prioritize the use of Missoula's ESG funds. The representatives determined that a portion of Emergency Solution Grant (ESG) funds would be used for a Rapid Re-housing program. Representatives also produced a universal "intake form" used by staff at social service agencies. Local providers advised on the electronic, universal intake form. With input from the CoC, the HRC designated the 2-1-1 Information and Referral phone system as the virtual point of entry for homeless persons. In February 2017, the CoC re-designed our Coordinated Entry System, which includes additional Access Points, a new assessment tool, and additional components, such as diversion, case conferencing and the By-Name-List.

The Missoula CoC is an active participant in the State CoC, and works closely with the State to develop performance standards, evaluate program outcomes, and to develop policies and procedures for the administration of the Homeless Management Information System (HMIS). Highlights of the oversight and collaborative implementation activities are:

- Performance standards are provided by both the HEARTH Act and HUD, and the MT CoC incorporates them into grantee scoring criteria and performance review processes.
- The MT CoC Board reviews scoring measures each year to stay current with federal changes and provides recommended performance measures to the CoC membership at its annual membership meeting for final approval.
- CoC membership adopts scoring measures.

- Performance data tables are constructed from HMIS three-times a year by CoC staff and reported by program type to the following grantees: permanent supportive housing, transitional housing, Emergency Solutions Grant, and Reallocation-Rapid Rehousing. Grantees participate in performance review sessions to evaluate progress and, if standards are not being met, each group is responsible for developing remediation activities. Each program group provides input or recommendations on future performance measures to the MT CoC board.
- Staff (DPHHS & CoC) and user groups provide input to board. MT CoC staff and the Montana Department of Public Health and Human Services-ESG program managers also provide input to the MT CoC Board.
- Board considers changes and makes recommendations to the membership. The Montana CoC Board is responsible for providing, governing and operating a HMIS and the MT CoC bylaws provide for a HMIS Oversight Committee to conduct ongoing supervision. This active committee created an ad hoc group, appointed by the Board, to undertake a comprehensive review of the existing system including its future governance, management, funding, and vendor selection. In February of this year, the State CoC Board Coordinator, along with the recently hired Bloom Consulting, facilitated and convened critical homeless and housing partners from around the state of Montana to begin the process of researching and selecting a new HMIS provider. The move to the new ServicePoint through Pathways MISI system is in process and will officially go live September 4th.

A Policies and Procedures Manual was developed by the HMIS grantee and vendor using HUD provided documents and future HMIS users in focus groups and beta testing and will be reviewed annually to ensure compliance with national HMIS standards.

Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2 – Agencies, Groups, Organizations Who Participated

1	Agency/Group/Organization	MISSOULA HOUSING AUTHORITY
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Attended community needs assessment meetings, consolidated planning focus groups, and provided direct consultation through interviews and data sharing.

2	Agency/Group/Organization	HOMEWORD
	Agency/Group/Organization Type	Housing Services - Housing Services - Education
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Attended community needs assessment meetings, consolidated planning focus groups, and provided direct consultation through interviews and data verification.
3	Agency/Group/Organization	District XI Human Resource Council
	Agency/Group/Organization Type	Services - Housing Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Attended community needs assessment meetings, consolidated planning focus groups, and provided direct consultation through interviews and data verification.
4	Agency/Group/Organization	NORTH MISSOULA COMMUNITY DEVELOPMENT CORPORATION
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Attended community needs assessment meetings, consolidated planning focus groups, and provided direct consultation through interviews and data verification.
5	Agency/Group/Organization	Open AID Alliance
	Agency/Group/Organization Type	Services-Persons with HIV/AIDS Services - Homeless Services - Health

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Attended consolidated planning focus groups and provided direct consultation through interviews and data verification.
6	Agency/Group/Organization	YWCA of Missoula
	Agency/Group/Organization Type	Services - Housing Services - Children Services - Victims of Domestic Violence Services - Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Attended community needs assessment meetings, consolidated planning focus groups, and provided direct consultation through interviews and data verification.
7	Agency/Group/Organization	POVERELLO CENTER
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Attended community needs assessment meetings, consolidated planning focus groups, and provided direct consultation through interviews and data verification.

8	Agency/Group/Organization	Opportunity Resources, Inc.
	Agency/Group/Organization Type	Services - Housing Services - Persons with Disabilities Services - Employment
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Attended consolidated planning focus groups and provided direct consultation through interviews and data verification.
9	Agency/Group/Organization	Women's Opportunity Resource Development, Inc.
	Agency/Group/Organization Type	Services - Housing Services - Children Services - Education
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Attended community needs assessment meetings, consolidated planning focus groups, and provided direct consultation through interviews and data verification.
10	Agency/Group/Organization	Missoula Organization of Realtors
	Agency/Group/Organization Type	Regional organization Business Leaders
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted on market analysis data and projections.
11	Agency/Group/Organization	MISSOULA FOOD BANK
	Agency/Group/Organization Type	Services - Children Services - Elderly Persons Services - Persons with Disabilities Services - Persons with HIV/AIDS Services - Health

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Attended Listening Sessions and provided information on housing needs of clients they serve.
12	Agency/Group/Organization	Summit Independent Living Center
	Agency/Group/Organization Type	Housing Services - Housing Services - Elderly Persons Services - Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Attended Listening Sessions and provided information on housing needs of clients they serve.
13	Agency/Group/Organization	Missoula Aging Services
	Agency/Group/Organization Type	Services - Elderly Persons Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Attended Listening Sessions and provided information on housing needs of clients they serve.
14	Agency/Group/Organization	ASUM Renter Center
	Agency/Group/Organization Type	Housing Services - Housing Services - Education
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Attended Listening Sessions and provided information on housing needs of clients they serve.

Identify any Agency Types not consulted and provide rationale for not consulting

Based on consistent feedback in our Community Needs Assessment surveys and community meetings, as well as gaps and needs analyses performed in recent years, a clear prioritization of housing and homeless services has arisen. Based on these priorities, HCD has chosen to focus outreach and consultation in those service areas. This has resulted in less robust consultation in service areas prioritized in previous plans such as criminal justice, arts, mental health and healthcare, and economic development.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Table 3 – Other Local / Regional / Federal Planning Efforts

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Montana Continuum of Care Coalition	The statewide Continuum of Care provides funding for many of the activities provided locally to bring services and housing to homeless individuals and families.
10 Year Plan to End Homelessness	City of Missoula Housing & Community Development	The City's Reaching Home Coordinator oversees the Plan to End Homelessness through the coordination of programs and strategies to provide housing and services to homeless individuals and families.
Our Missoula Growth Policy	City of Missoula Development Services	Drafting of the Growth Policy Plan is under the purview of the City's Development Services Department. HCD consults closely with Development Services to ensure Consolidated Plan goals and strategies align with other City policies dealing with development within the City and the urban fringe.
Urban Fringe Development Area Project (UFDA)	City of Missoula Development Services	The UFDA project uses maps and documents provide the public and decision makers with detailed community demographic profile, growth pattern information and a database of information important to the discussion of growth. This project contributes greatly to Growth Policy amendments and City Housing Policy. HCD also uses the UFDA data and maps to help understand the need and opportunities for housing in Missoula.
Pedestrian Facilities Master Plan	City of Missoula Transportation Division	HCD consults closely with the Transportation Division to ensure Consolidated Plan goals and strategies align with other City policies dealing with development of infrastructure within the City.
State Consolidated Plan and Annual Action Plans	State of Montana, Department of Commerce	The City and the State of Montana's HOME and CDBG programs collaborate on jointly funded projects. The City testifies at public comment sessions on the States plans and participates in planning meetings to help develop those plans.
Missoula County Jail Diversion Master Plan	Missoula County Sheriff's Office	The JDMP proposes short and long-term policy and procedure changes to reduce the number of nonviolent arrestees and offenders in the Missoula County Detention Facility (MCDF.

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))

The City values its partnership with the local, state, and federal governmental entities in developing the Consolidated Plan. Within the City, HCD works with other City agencies, including Development Services, the City-County Health Department, Missoula Housing Authority, Missoula Redevelopment Agency, Missoula Economic Partnership, and Partnership Health Center, in assessing needs, coordinating planning efforts, and providing services.

This partnership also includes associations with other local governmental agencies, such as Missoula County and quasi-governmental Neighborhood Councils; the State of Montana, which administers State HOME and CDBG and the statewide Continuum of Care program; and our federal partners, including the U.S. Department of Housing and Urban Development and the Environmental Protection Agency. At every level of the Consolidated Plan process, from holding public meetings to soliciting public comment to planning, writing and implementing the Consolidated Plan itself, relevant agency requirements are at the forefront of what is done and how it is accomplished.

Narrative (optional)

N/A

PR-15 Citizen Participation

Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

A Citizen Participation Plan guides all City of Missoula Office of Housing & Community Development citizen participation processes. It includes policies and procedures related to public notice, increasing citizen participation, and how citizen feedback should be used. The Citizen Participation Plan is attached to this Consolidated Plan. Below is a summary of outreach performed in the development of this Plan.

Community Needs Assessment Survey:

The City of Missoula and Missoula County administered a joint Community Needs Assessment survey in October 2018 to survey the community about their top priorities related to CDBG and HOME funds. In total, 393 individuals responded to the survey. The survey was available online and was distributed via HCD email lists including the At-Risk Housing Coalition list. Additionally, HCD staff canvassed downtown and central city neighborhoods with an iPad soliciting responses to the survey.

Community Needs Assessment Meeting:

On November 15, 2018 the City and County held a joint community meeting where we reviewed the preliminary results of the online survey and asked for further feedback from those able to attend the meeting. In total, 32 community members attended the meeting.

Market Analysis Meetings:

In January 2019 HCD held three sets of meetings with community partners to solicit their feedback and tap their expertise for the development of the Market Analysis chapter. The first focus group included homeless service providers in Missoula. The second included housing developers, both non-profit and for-profit. The third meeting was with a cohort of City GIS staff clued in to various planning and mapping efforts.

Affirmatively Furthering Fair Housing/Analysis of Impediments to Fair Housing:

The Analysis of Impediments (AI) is a statewide effort in Montana shared between entitlement communities, the state of Montana (Montana Department of Commerce) and disseminated by the U.S. Department of Housing and Urban Development (HUD). This document looks at data, goals, and needs of the participating entitlement communities in the context of fair housing. This document is about identifying and analyzing impediments to fair (i.e. non-discriminatory, affordable) housing for community members and making steps toward reducing those obstacles. The AI aims to improve local planning and fair housing availability.

The entitlement cities working on this document are Billings, Great Falls, and Missoula in collaboration with the Montana Department of Commerce (in Helena, for state support). The AmeriCorps VISTA program is also involved in the creation and revision of this document. Several VISTA members contributed to different parts of the AI in their respective entitlement community. This process began in early 2018 and one VISTA member is currently revising and adding to the document. The entitlement communities and the State convene quarterly, but discuss and revise the document over email and telephone in between meetings. These

meetings include discussion of how the document will be completed going forward: what each community must do, the timeline, and ownership of tasks.

The creation of the AI has included a state-wide survey of housing needs. The document is planned to be completed by late-summer 2019.

Citizen Participation Outreach

Table 4 – Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Internet Outreach	Non-targeted/ broad community	To communicate about issues (e.g., soliciting input, inviting attendance, etc.) with regard to the PY2019 Community Needs Assessment Survey and November 2018 Community Needs Assessment Meeting an email listserv was updated and maintained, and then used to send out a number of email correspondences to the local community.	N/A	N/A	
2	Press Release	Non-targeted/ broad community	To advertise the Community Needs Assessment survey, a press release was sent to all local press advertising the survey's online link and advertising the meeting date.	N/A	N/A	
3	Newspaper Ad	Non-targeted/ broad community	To advertise the Community Needs Assessment Meeting, legal ads and display ads were published in the local newspaper of general distribution, the Missoulian, on Sunday, November 4, 2018 and Sunday, November 11, 2018.	N/A	N/A	
4	Internet Outreach	Non-targeted/ broad community	To advertise the Community Needs Assessment survey, links to the survey were posted on the Housing and Community Development webpage and	N/A	N/A	

			other city webpages as well as on City social media.			
5	In-person Outreach	Non-targeted/ broad community	To increase awareness and responses to the online Community Needs Assessment Survey, a member of the Housing & Community Development team canvassed the University of Montana, Downtown Missoula, and Missoula Public Library with an iPad, asking people he encountered to respond to the survey.	See Community Needs Assessment Survey summary in Attachments.	No comments were rejected.	
6	Internet Outreach	Non-targeted/ broad community	An online Community Needs Assessment survey was live from October 1, 2018 through October 22, 2018. A total of 393 community members responded to the survey online. Most respondents were ages 25-64, with the highest proportion being 35-44 years old. Respondents had a relatively even income distribution, and 7% of respondents made less than \$25,000 per year.	Over 30% of respondents identified increasing affordable housing as their top priority; 17.7% said that improved infrastructure was a top priority, and 15.9% said that public facilities should be a top priority. In the realm of housing, the most popular initiatives to improve housing were "development subsidies to construct housing that is affordable for low- and moderate-income households" and "down payment assistance for low- and moderate-income homebuyers."	No comments were rejected.	
7	Public Meeting	Non-targeted/ broad community	The Community Needs Assessment meeting was held on November 15, 2018. Local non-profit agency personnel, City Council members, and the general public were invited to help identify specific or general areas of community need. The meeting also launched the five-year Consolidated Plan process. Over 30 community members attended the meeting. Those in attendance identified community needs and potential projects in the	The most common Housing needs identified included: Increase Housing Production, Decrease Cost of Housing, Rental Assistance, Housing Retention Specialist, Policy Changes, Renter/Homebuyer Education, Housing Vouchers, Downpayment Assistance, Local Funding for Housing, and Permanent Supportive Housing. The top Infrastructure needs identified were: Streets, Internet Access, Sidewalks, Public Transit, Utilities, Services, Lighting, and Equity analysis. The top Public Service needs identified were:	No comments were rejected.	

			following areas: Housing; Economic Development; Public Improvements; and Public Services.	Homeless Services, Substance Use Services, Child Care, Mental Health, Disability Services, and Financial Counseling. The top Economic Development needs identified were: Workforce Training, Childcare, Micro-Loans to Business, Raise Wages, Internet Access, and Workforce Housing.		
8	Public Meeting	Nonprofit Service Providers	In January 2019 HCD held three sets of meetings with community partners to solicit their feedback and tap their expertise for the development of the Market Analysis chapter. The first focus group included homeless service providers in Missoula (6 attendees). The second included housing developers, both non-profit and for-profit (8 attendees). The third meeting was with a cohort of City GIS staff clued in to various planning and mapping efforts (5 attendees).	Each group provided substantive feedback on draft chapters of the market analysis and the planned methodology for finalizing the chapter and mapping needs. This feedback was incorporated into that chapter of this document.	No comments were rejected.	

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The City of Missoula receives U.S. Department of Housing and Urban Development (HUD) funds annually. As such, the City is required to prepare a Consolidated Plan and an Annual Action Plan. HUD has provided the format for the Consolidated Plan and data for the majority of the tables. HUD utilized the 2009-2013 Comprehensive Housing Affordability Strategy (CHAS) data as well as 2009-2013 American Community Survey data to produce the tables utilized in this section of the plan. The needs projected for the next five years were based on a combination of the analysis of the data provided in the pre-populated tables and through additional data and sources used to augment HUD's data with more recent information.

The Needs Assessment is intended to provide a clear picture of the City's needs related to affordable housing, special needs housing, community development, and homelessness. The overall intent of the Needs Assessment is to identify high priority needs that may be addressed by the Consolidated Plan. The Needs Assessment provides clarity on the groups most in need of housing assistance, the current gaps in affordable housing, and the future changes and challenges the City of Missoula will face in the coming years in regard to housing and community development.

Key Takeaways:

- Non-family and Other households experience cost burden and severe cost burden at higher rates compared to small related, large related, and elderly households.
- The populations requiring the most housing assistance in Missoula are non-family households between 0-50% AMI.
- Renters experience significant levels of cost burden and severe cost burden compared to home owners.
- Cost burden is the most common housing problem experienced by both renters and home owners in Missoula.
- American Indians/Alaskan Natives and Black/African Americans experience disproportionately greater needs compared to other minority groups, especially when their AMI falls between 0-30%.
- The City needs to double its capacity of housing first services to address the homeless population to reach its goal of making homelessness rare, brief, and non-recurring.
- As of 2018, there were 1,816 families on the waiting list for MHA Section 8 Vouchers and 2,086 families on the waiting list for public housing.
- One-bedroom homes are in the highest demand under public housing (48% of families).
- Only 80% of Missoula voucher holders are predicted to find housing.
- Missoula has the largest number of individuals who have been homeless for six months or more in Montana.

-
- Between 2000 and 2035, Missoula County will experience a 55% increase in the 65 and older population, making the elderly population a key consideration in housing and community assistance strategies moving forward.
 - Mental health and substance abuse are two of the key indicators of chronic homelessness and frequent emergency service utilization within the city.
 - Public meetings and the Community Needs Assessment Survey revealed that housing cost, mental health services, homeless services, and street and road improvements were main priorities for Missoula community members as of November 2018.

The Needs Assessment provides further detail and information about the Missoula populations in the greatest need of housing assistance, the areas in which the city has gaps in service, and the demographic makeup of the City of Missoula. Over the last 20 years there has been more evidence than ever before that housing is a vital social determinant of health and one of the most efficient ways to improve a wide range of health outcomes (Center for Community Change, 2013). The conclusions drawn from the Needs Assessment will assist the Office of Housing and Community Development in appropriately allocating funds to the populations with the most need.

NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

Summary of Housing Needs

Table 5 – Housing Needs Assessment Demographics

Demographics	Base Year: 2000	Most Recent Year: 2013	% Change
Population	57,063	67,710	19%
Households	25,229	29,076	15%
Median Income	\$30,366.00	\$40,682.00	34%

Data Source: 2000 Census (Base Year), 2009-2013 ACS (Most Recent Year)

Number of Households Table

Table 6 – Total Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	4,325	4,025	5,580	2,545	12,600
Small Family Households	1,000	900	1,495	990	6,065
Large Family Households	50	85	170	65	810
Household contains at least one person 62-74 years of age	260	420	575	325	2,270
Household contains at least one person age 75 or older	200	610	665	220	960
Households with one or more children 6 years old or younger	490	385	560	305	1,330

Data Source: 2009-2013 CHAS

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

Table 7 – Housing Problems Table

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	75	85	60	50	270	10	0	0	0	10

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	10	0	50	0	60	0	0	0	15	15
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	100	55	25	0	180	0	0	105	0	105
Housing cost burden greater than 50% of income (and none of the above problems)	2,775	1,265	215	0	4,255	420	375	400	105	1,300
Housing cost burden greater than 30% of income (and none of the above problems)	260	1,285	1,710	195	3,450	25	315	460	400	1,200
Zero/negative Income (and none of the above problems)	205	0	0	0	205	65	0	0	0	65

Data Source: 2009-2013 CHAS

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

Table 8 – Housing Problems 2

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	2,960	1,400	350	50	4,760	435	375	505	120	1,435
Having none of four housing problems	600	1,650	3,465	1,295	7,010	65	600	1,260	1,080	3,005
Household has negative income, but none of the other housing problems	205	0	0	0	205	65	0	0	0	65

Data Source: 2009-2013 CHAS

3. Cost Burden > 30%

Table 9 – Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	725	620	555	1,900	95	155	325	575
Large Related	0	70	0	70	45	0	70	115
Elderly	255	350	250	855	70	294	255	619
Other	2,195	1,615	1,220	5,030	240	245	245	730
Total need by income	3,175	2,655	2,025	7,855	450	694	895	2,039

Data Source: 2009-2013 CHAS

4. Cost Burden > 50%

Table 10 – Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	625	210	25	860	75	80	200	355
Large Related	0	30	0	30	45	0	35	80
Elderly	225	160	50	435	60	129	50	239
Other	2,065	880	140	3,085	240	165	150	555
Total need by income	2,915	1,280	215	4,410	420	374	435	1,229

Data Source: 2009-2013 CHAS

5. Crowding (More than one person per room)

Table 11 – Crowding Information – 1/2

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	110	55	25	0	190	0	0	105	15	120
Multiple, unrelated family households	0	0	0	0	0	0	0	0	0	0
Other, non-family households	10	35	50	0	95	0	0	0	0	0
Total need by income	120	90	75	0	285	0	0	105	15	120

Data Source: 2009-2013 CHAS

Table 12 – Crowding Information – 2/2

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present								

Data Source: 2009-2013 CHAS (data unavailable)

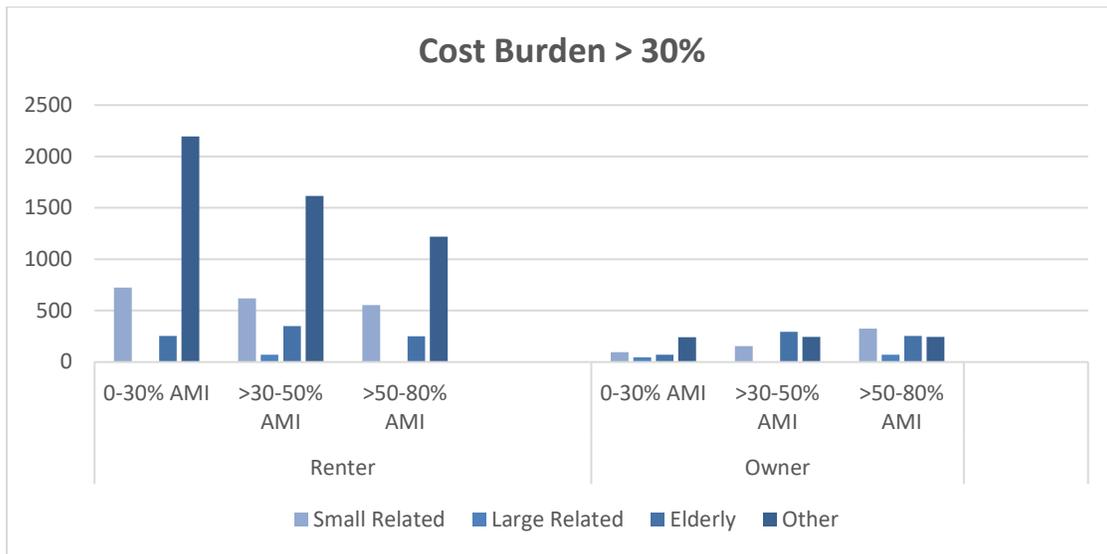
Describe the number and type of single person households in need of housing assistance.

In 2013, there were a total of 29,076 households in the City of Missoula. Compared to the 2000 Census, the number of households in Missoula increased by 15%. Between 2000 and 2013 the population of the city increased by 19%. In 2013, 17,455 people (60% of the total population) were either living in non-family households, were living alone in a private dwelling, or in a private dwelling with a group of two or more people not constituting a census family. Representing over half of Missoula’s household population, non-family households make up a significant portion of those in need of housing assistance within the city.

According to the tables above, there were a total of 9,894 renters and owners earning between 0-80% of the Area Median Income (AMI) and experiencing housing cost burden. Of the four household types (small related, large related, elderly, and other), a large majority of those experiencing cost burden were Other households (58% of all renters and owners experiencing cost burden). There were a total of 5,639 renters and owners earning between 0-80% AMI and experiencing extreme housing cost burden. Other households experienced extreme housing cost burden at a highest rate, making up 65% of the all households experiencing extreme housing cost burden.

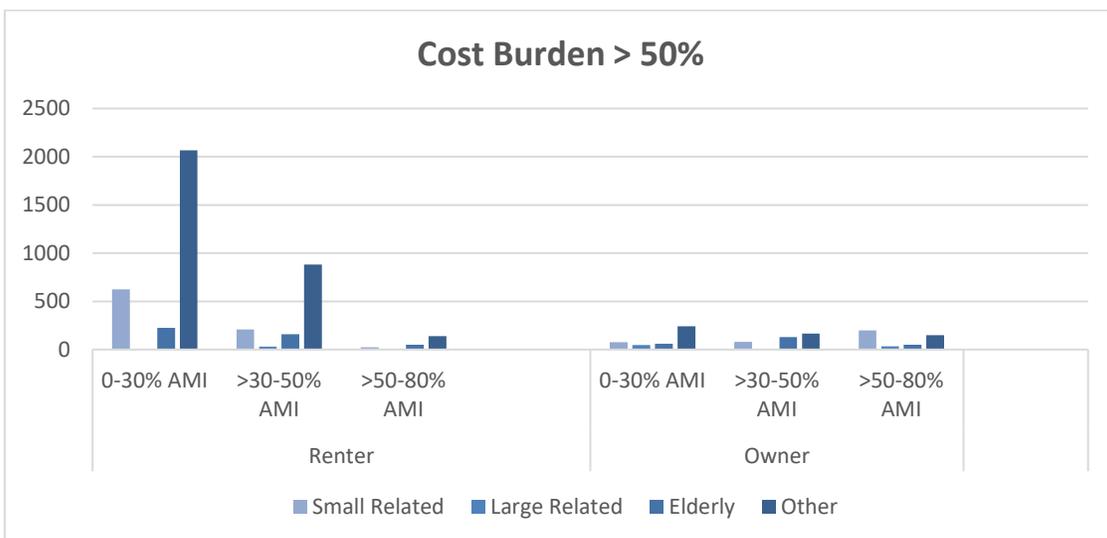
Other households earning between 0-30% AMI are more likely to experience cost burden or severe cost burden. As seen in the chart below, the largest portion of households experiencing cost burden and severe cost burden are those in Other households with AMIs between 0-30%; Other households earning 0-30% AMI represent 24% of all those experiencing cost burden and 41% of those experiencing severe cost burden. Of the Other household population, the largest portion of those impacted by cost burden and severe cost burden are renters; 87% of Other households experience cost burden as renters while 85% of Other households experience severe cost burden as renters. Based on this data, renters in non-family and Other households have the most significant needs and require the most assistance for housing within the Missoula community.

Figure 1 – Housing Cost Burden > 30% By Household Type



Data Source: 2009-2013 CHAS

Figure 2 – Housing Cost Burden > 50% By Household Type



Data Source: 2009-2013 CHAS

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

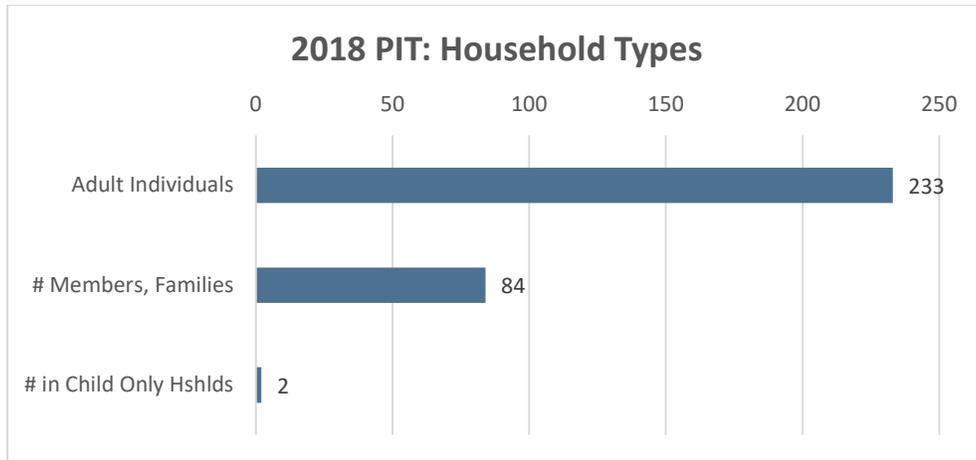
The Missoula Housing Authority (MHA) places specific attention on homeless populations that have been subject to domestic violence, disability, and have served as veterans. According to Montana Homeless Point-in-Time Survey, in 2018 the City of Missoula had a homeless population of 319 individuals, 23% of the State of Montana's homeless population. Of this population, 109 individuals, or 34%, experienced a disabling condition. The Missoula Housing Authority supports Shelter Plus Care, a program focused on assisting homeless individuals or households where a member of the household has a disabling condition. MHA targets the following disabilities: severe mental illness, recovery from chronic substance abuse, dual diagnosis, and HIV/AIDS. To assist the disabled homeless population of Missoula, Shelter Plus Care requires the individual or household to pay 30% of the recipient's monthly adjusted income towards rent, while MHA pays for the remaining total.

In 2018, the City of Missoula had a total of 58 homeless veterans, the largest number of homeless veterans in Montana. The Poverello Center of Missoula operates two transitional housing programs for veterans: The Valor House and Housing Montana Heroes. Valor House of Missoula is a transitional housing organization for homeless veterans that focuses its resources toward homeless veterans who were not dishonorably discharged. This long-term transitional housing program provides 17 former service members with small apartments and the opportunity to transition out of homelessness and into a stable and healthy future over a two-year period. The Valor House offers food assistance and provides common spaces to recreate, cook meals, and support one another. Housing Montana Heroes provides supportive housing to 20 qualifying homeless veterans. This program serves men and women in segregated semi-private rooms, offers prepared meals, and provides commons spaces to recreate and support one another.

Of those who responded to the Point-in-Time Survey in 2018, 19% stated that they left their last place of permanent residence due to domestic violence. The YWCA is the City of Missoula's primary provider of both domestic violence services and emergency housing and rapid rehousing for homeless families and has been tracking the intersection of domestic violence and homelessness for many years. They are currently developing a programmatic model to serve both domestic violence victims and homeless families. To address the need for rapid rehousing beds, the YWCA has increased the number households served to 82 (five one-bed units, 72 two-bed units, and five three-bed units). The YWCA Transitional Housing of Missoula assists homeless survivors of domestic violence, with or without children in an 18-month program. Additionally, the program helps families work toward self-sufficiency and independence.

According to the 2018 Point-in-Time Survey, 31 households (total of 84 family members) and 233 individuals experienced homelessness in Missoula. Of the 319 experiencing homelessness in Missoula, 46 individuals and two families met the definition of chronic homelessness. District School Liaisons work to identify at-risk and homeless families and youth in Missoula County Schools. In 2018, Missoula had a total of 45 homeless children, 17-years-old and younger. Of this population, the largest group were between the ages of 0-4 years old (47%).

Figure 3 – 2018 Point-in-Time Count by Household Type

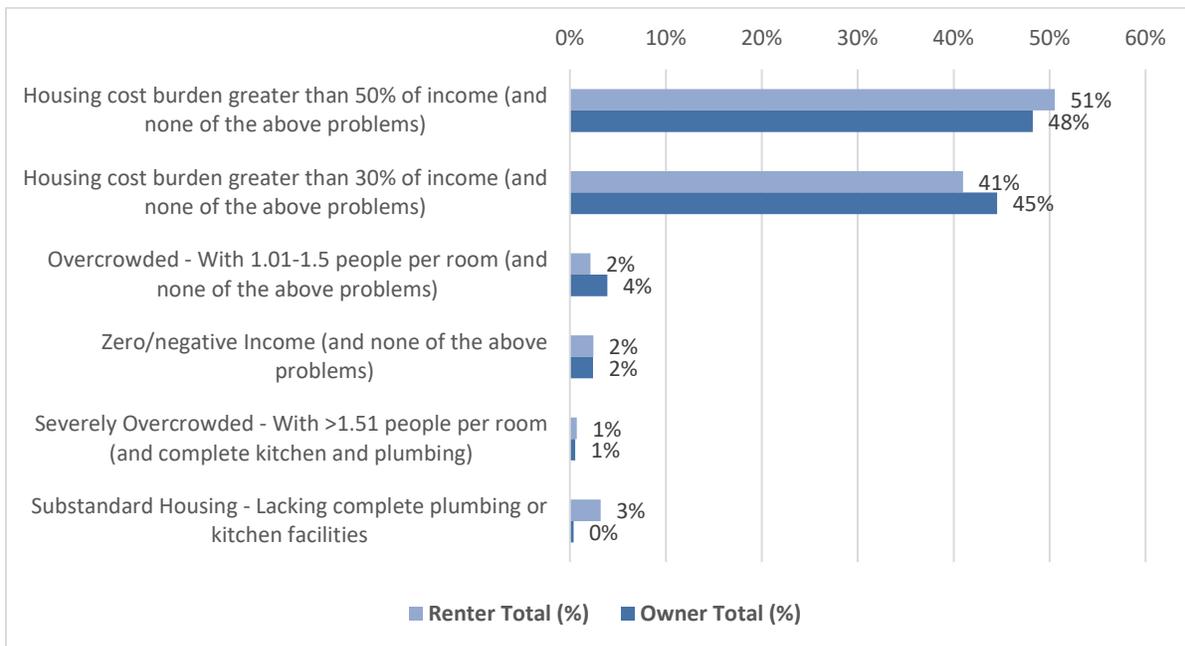


Data Source: 2018 Missoula Point-in-Time Count

What are the most common housing problems?

Cost burden is the most common housing problem experienced by both renters and owners in Missoula. Of the total households in the city, 19% have a housing cost burden greater than 50% of income while 16% of households have a cost burden greater than 30% of income. Looking at both renters and owners, renters are experiencing the most significant cost burdens. Renters represent 77% of those experiencing severe cost burden (housing cost burden greater than 50% of income) and 74% of those experiencing cost burden (housing cost burden greater than 30% of income). Of the 8,420 Missoula renters suffering from one of the housing needs listed in Table 7, 92% of them were identified as experiencing either housing cost burden or severe housing cost burden.

Figure 4 – Missoula Housing Problems by Renter and Owner



Data Source: 2009-2013 CHAS

Are any populations/household types more affected than others by these problems?

The following household types are more affected than others by cost burden and severe cost burden:

- 64% of **Other renter households** in the 0-80% AMI are affected by a cost burden;
- 70% of **Other renter households** in the 0-80% AMI are affected by a severe cost burden;
- 24% of **Small Related renter households** in the 0-80% AMI are affected by a cost burden;
- Of the total renters experiencing severe cost burden, 66% fall under the **0-30% AMI category**;
- Of the total renters experiencing cost burden, 40% fall under the **0-30% AMI category**.

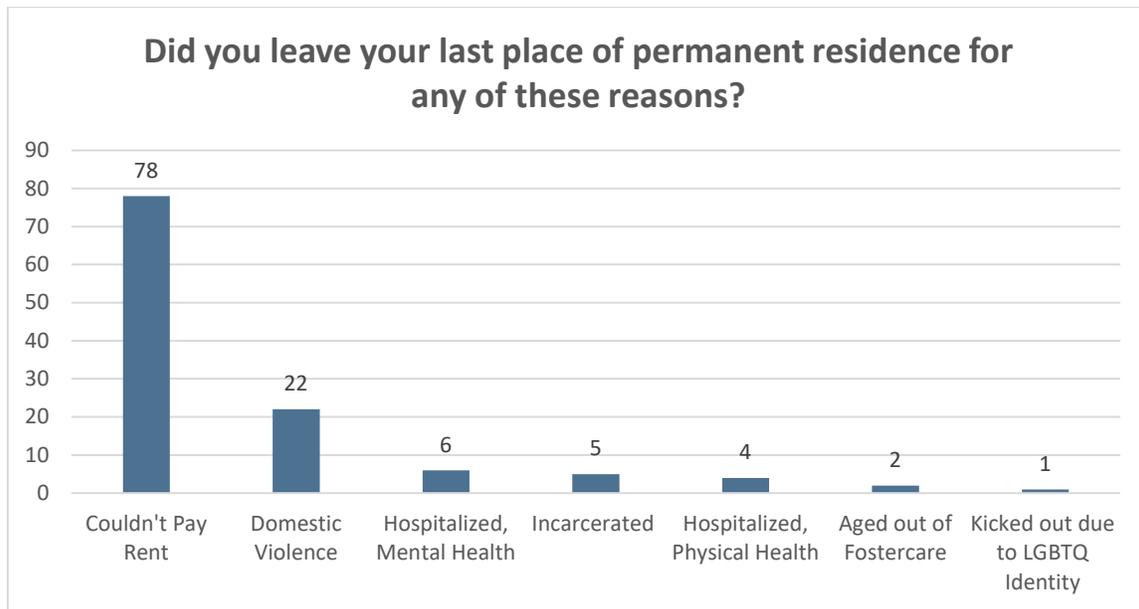
Renters and individuals in the Other category have the largest populations experiencing cost burden and severe cost burden. In addition, cost burden and severe cost burden are most prevalent for those who fall under the 0-30% of AMI category. Analyzing this data, the populations experiencing the most need in the City of Missoula are non-family households with between 0-50% AMI.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

In the 2018 Point-in-Time Survey, individuals were asked: “Which of the following options would help you obtain/maintain stable housing (check all that apply)?” The largest responses given were: employment, skills training, education, etc.; saving money and paying rent with a roommate or by yourself; and applying for rental and deposit assistance. Echoing the work of the Missoula Needs Assessment 2010, many of the individuals experiencing housing instability are suffering from a lack of employment and the financial means to afford a place to live.

In addition, a separate questionnaire given during the 2018 Missoula Point-in-Time Survey collected data on why homeless individuals left their last place of permanent residence. The most common responses were an inability to pay rent and experiencing domestic violence.

Figure 5 – 2018 Point-in-Time Respondents’ Reasons for Leaving Residence



Data Source: 2018 Missoula Point-in-Time Count

In 2018, according to the Point-in-Time Survey, there were 319 people in Missoula experiencing homelessness. When asked where they slept, 56% indicated they stayed in an emergency shelter, 24% in a temporary housing shelter, and 20% were unsheltered. While the PIT captures valuable information, the City has undergone significant effort to employ the Missoula Coordinated Entry System to gain a more accurate representation of those in need of housing assistance. As recent as July 20, 2018, the City of Missoula recorded 685 people on its ‘active-list’ and 623 on its ‘inactive-list,’ more than double the number collected through the PIT Survey.

As of 2018, the City of Missoula has 397 permanent housing interventions in the form of rental subsidies and vouchers, both portable and site based. Even with emergency shelter and transitional housing beds, Missoula requires at least 45 additional beds to provide crisis housing to individual adults, families, and veterans experiencing homelessness. Moreover, after the PIT Survey, a population of 319 people were without housing. In order to reach the goal of making homelessness rare, brief, and non-recurring, the City needs to reach a total of 716 permanent housing interventions, or nearly double the current capacity.

Rapid Re-housing (RRH) programs in Missoula provide individuals and families with funds for damage deposits and the first month’s rent. The households served via ESG RRH are very low income and are subsisting on Social Security Supplemental Security Income (SSI/DI) or low wage jobs. Follow-up surveys conducted by the Human Resource Council for ESG RRH clients indicate that a portion of the households need either micro grants for things like transportation, insurance, and utility bills, or will need homeless prevention assistance to keep them housed in a situation where they use their own disposable income to cover emergencies like car repair or missed work due to illness. The fluctuating availability of these forms of assistance serves to further de-stabilize the individual or family as they near the end of their ESG RRH assistance funds.

The Homelessness and Housing Instability in Missoula Needs Assessment 2010 points to job loss, inability to pay rent or mortgage, low wages, illness or medical problems not related to substance abuse, disability, and divorce or separation as the top reasons for housing instability and eventual homelessness in Missoula. Additionally, local social service providers report that housing instability for low-income individuals and families with children is linked to poverty, unemployment, underemployment, domestic violence, a decline in public assistance, lack of affordable health care, unforeseen medical emergencies, mental illness, substance abuse, and chemical addiction. Families and individuals who are at-risk of becoming homeless often live in substandard housing, have poor credit history, poor landlord references, and high utility bills or an outstanding balance with a utility company.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

The Montana Point-in-Time Survey is an annual, unduplicated count on a single night of the people, both sheltered and unsheltered populations, in the community who are experiencing homelessness. This data is used to help communities plan services and programs to appropriately address local needs, measure progress in decreasing homelessness, and identify strengths and gaps in the community's current homelessness assistance system. While the PIT provides the City with valuable information on the homeless population, it does not encompass the entire homeless population or those at risk of becoming homeless and there is currently no perfect tool to do so. The City of Missoula's work on a Coordinated Entry System (CES) of homeless individuals highlights the groups of people overlooked during the annual Point-in-Time Survey. While the PIT recorded 319 people in Missoula experiencing homelessness, the CES recorded 685 people on its active list and 623 on its inactive list. Both data tools give beneficial images of the homeless and the at-risk populations within Missoula, however, definitive numbers on these populations are difficult to measure.

HUD defines an individual or family at risk of becoming homeless as those who have an annual income below 30% of median family income for the area, do not have sufficient resources or support networks immediately available to prevent them from moving to an emergency shelter, and has one of the following conditions:

- (A) Has moved because of economic reasons 2 or more times during the 60 days immediately preceding the application for assistance; OR
- (B) Is living in the home of another because of economic hardship; OR
- (C) Has been notified that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance; OR
- (D) Lives in a hotel or motel and the cost is not paid for by charitable organizations or by Federal, State, or local government programs for low-income individuals; OR
- (E) Lives in an SRO or efficiency apartment unit in which there reside more than 2 persons or lives in a larger housing unit in which there reside more than one and a half persons per room; OR
- (F) Is exiting a publicly funded institution or system of care; OR
- (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved Con Plan (U.S. Department of Housing and Urban Development, 2012).

As the cost of living for both renters and homeowners continues to increase over time, the number of individuals and families spending significant portions of their income on housing also increases. With a poverty rate of 19%, and with over 47% of Missoula County renters and 25% of Missoula homeowners spending more than 30% of their income on housing in 2016, the financial burden of maintaining safe, adequate housing is a concern. As the prices of housing continues to follow its projected growth, the number of individuals financially burdened and at-risk of homelessness is also likely to increase.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

According to the Montana Regional MLS, in 2017, median family income in Missoula ranged between \$46,125 and \$65,875 for a single-person home to a four-person home. In 2017, the median home price in Missoula was \$268,250. With a 5% down payment, the median family income needed to purchase a median priced home would be \$84,038, while a 20% down payment would require a \$57,196 median income (Missoula Organization of Realtors, 2018). With only 43% of Missoula residents meeting HUD average median family income (HAMFI) in 2013, there is significant concern associated with affordable housing in the City. According to the 2013 American Community Survey, the median household income in Missoula was \$40,682.00. Twenty-nine percent of all households fell at or below 50% HAMFI, while 48% of households fell below 80% of HAMFI, or a median income of approximately \$32,500.

In 2016, Missoula's unemployment rate was low at 4.2%, compared to the national average of 4.7% (Missoula Organization of Realtors, 2018). However, in 2016, 19% of Missoula County's population was living in poverty (DataUSA, 2016). Despite the low unemployment rate, renters in Missoula, are still facing significant financial burdens in regard to the cost of housing. In 2016, 47% of Missoula County renters spent more than 30% of their income on housing.

Missoula's low rental vacancy rate of 3% (2016) has also created challenges for the low-income population to find adequate housing at affordable rental costs. While the vacancy rates remain low, rental prices in Missoula continue to increase. In 2017, the average cost of rent increased in every category (studio apartments through 4+ bedroom households) from 2016.

To address the need for housing assistance, the Missoula Housing Authority provides vouchers to low-income families and individuals by paying a portion of the family's rent. There are 774 available Section 8 vouchers that subsidize rent to private landlords for eligible participants, helping to make private market housing affordable for low-income families and individuals. However, the demand for this type of rental assistance is high. In September 2017, 1,637 households were on the Section 8 waiting list, nearly the same as 2016.

In the last 10 years, 301 units of new affordable housing have been built in Missoula County; at an average of approximately 30 units per year, it falls severely short of the needed production. The preservation of affordable housing units is a major concern for the City of Missoula. In 2017, 257 affordable housing units were preserved through Homeward's purchase of Creekside Apartments and MHA's purchase of Wildflower Apartments. With the purchase, the City avoids losing a decade of development efforts.

Discussion

None.

NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

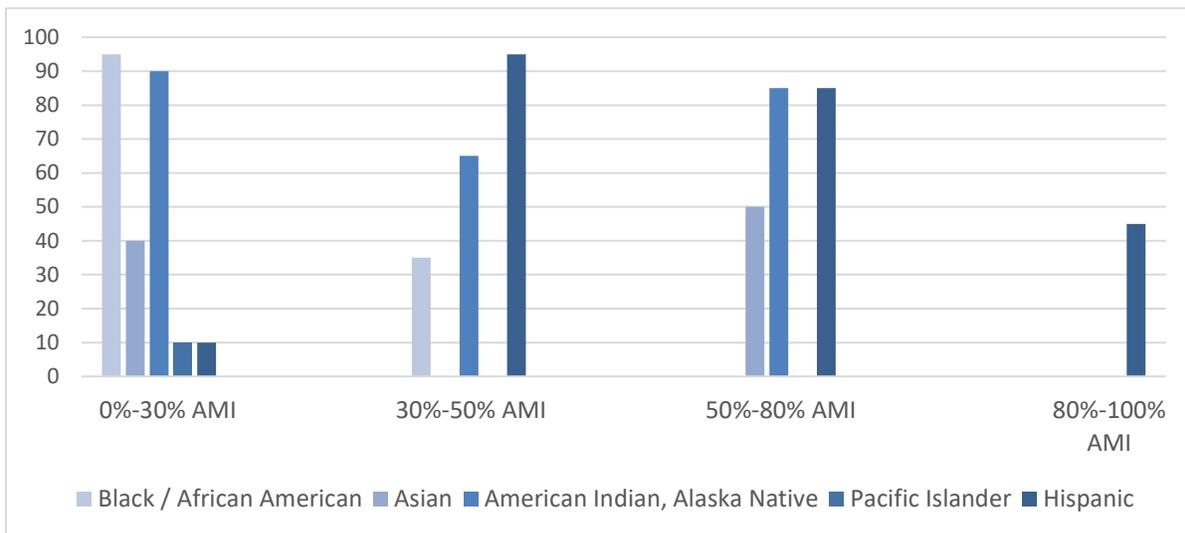
Introduction

Missoula’s population is not diverse, with 91% of the population identifying as White. The next largest population is of Hispanic or Latino descent, 4%, followed by American Indian and Alaska Natives at 2%. The “Disproportionately Greater Need” tables below show the housing problems by area median income (AMI), and by racial or ethnic group within those categories, who have one or more housing problem(s). HUD defines housing problems as: lacking complete kitchen facilities, lacking complete plumbing facilities, more than one person per room, or a cost burden when housing costs are greater than 30% of the household income.

For all households between 80-100% of area median income, Hispanics are the only ethnic group that have a disproportionately greater need compared to the jurisdiction as a whole. At the 80% AMI level or below, racial and ethnic minorities are disproportionately represented in several income groupings. Black/African American populations show a greater percentage of housing problems when income levels fall between 0-30% AMI. American Indian/Alaskan Natives have increased housing problems with incomes between both 0-30% of AMI and 50-80% of AMI. Hispanic populations show the greatest percentage of housing problems if they are at income levels between 30-50% AMI. Asian populations have increased housing problems when income levels fall between 50-80% AMI and 0-30% AMI.

Of those with disproportionately greater housing needs, 36% of the population earns between 0-30% of the area median income while 30% earn between 30-50% AMI. White individuals make up the largest portion of both groups, 89% and 92% respectively.

Figure 6 – Disproportionate Representation of Ethnic Groups: Housing Problems



Data Source: 2009-2013 CHAS

0%-30% of Area Median Income

Table 13 – Disproportionally Greater Need 0-30% AMI

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,680	380	270
White	3,280	310	245
Black / African American	95	0	0
Asian	40	0	25
American Indian, Alaska Native	90	45	0
Pacific Islander	10	0	0
Hispanic	10	0	0

Data Source: 2009-2013 CHAS

*The four housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

30%-50% of Area Median Income

Table 14 – Disproportionally Greater Need 30-50% AMI

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,375	650	0
White	3,105	530	0
Black / African American	35	0	0
Asian	0	40	0
American Indian, Alaska Native	65	35	0
Pacific Islander	0	0	0
Hispanic	95	40	0

Data Source: 2009-2013 CHAS

*The four housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

50%-80% of Area Median Income

Table 15 – Disproportionally Greater Need 50-80% AMI

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,020	2,555	0
White	2,765	2,220	0
Black / African American	0	0	0
Asian	50	0	0
American Indian, Alaska Native	85	145	0
Pacific Islander	0	0	0
Hispanic	85	125	0

Data Source: 2009-2013 CHAS

*The four housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

80%-100% of Area Median Income

Table 16 – Disproportionally Greater Need 80-100% AMI

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	765	1,780	0
White	715	1,635	0
Black / African American	0	0	0
Asian	0	0	0
American Indian, Alaska Native	0	70	0
Pacific Islander	0	0	0
Hispanic	45	40	0

Data Source: 2009-2013 CHAS

*The four housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

Discussion

Of the minority groups, American Indians and Alaskan Natives are the most disproportionately represented throughout all minority groups with area median incomes between 0-80% AMI. Within the 0-30% AMI group, Black/African Americans have the largest number of individuals having one or more housing problem(s), followed closely by American Indians and Alaskan Natives. While the population of Missoula is largely White, it is important to note the ethnic groups that are disproportionately represented to provide housing opportunities equitably.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

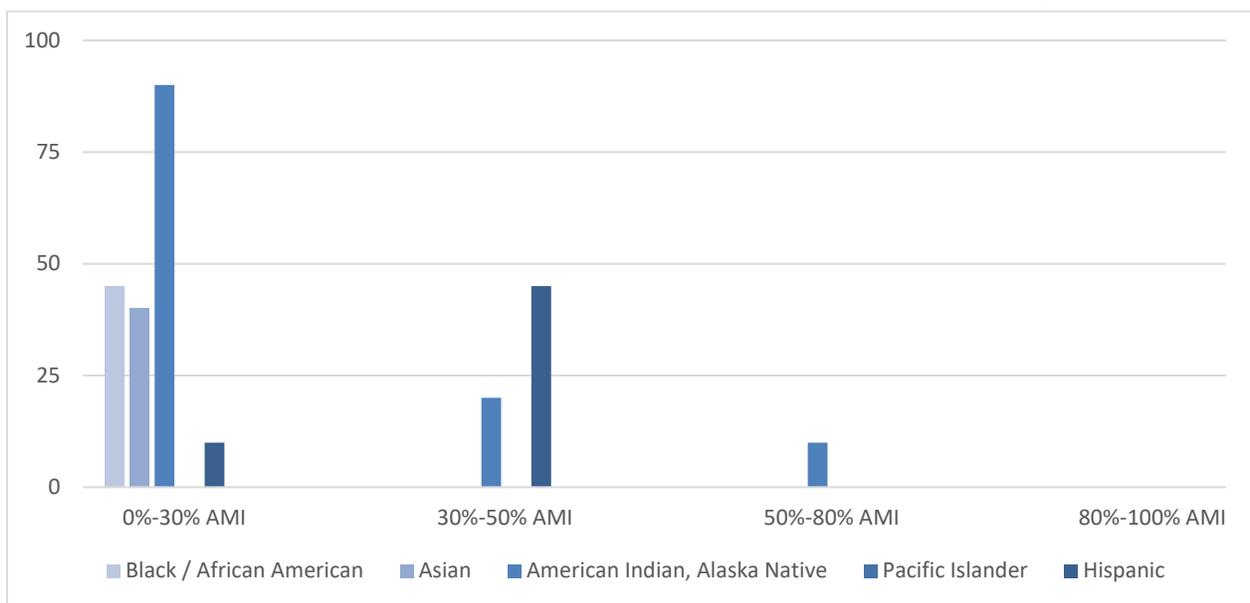
Introduction

As mentioned in Section NA-15 above, Missoula’s population is not racially diverse, with 91% of the population identifying as White. The next largest population is of Hispanic or Latino descent, 4%, followed by both Asian and American Indian/Alaska Natives at 2%.; all other groups represent less than 1% of the population.

The “Severe Housing Problems” tables below show the severe housing problems by area median income (AMI), and by racial or ethnic group within those categories, who have one or more housing problems. HUD defines severe housing problems as: lacking complete kitchen facilities, lacking complete plumbing facilities, more than 1.5 persons per room, or a cost burden when housing costs are greater than 50% of the household income.

For all households up to 100% of AMI combined, there is no disproportionately greater need among any racial or ethnic groups. Black/African American populations show a greater percentage of severe housing problems when income levels fall between 0-30% AMI. American Indian/Alaskan Natives have an increase in severe housing problems when they are at income levels between 0-30% AMI. Hispanic populations show a greater percentage of housing problems if they are at income levels between 30-50% AMI. Asian populations have increased housing problems when income levels fall between 0-30% AMI. In a significantly white population, people of color display higher percentages of severe housing problems, suggesting a disproportionately greater need for housing assistance.

Figure 7 – Disproportionate Representation: Ethnic Groups and Severe Housing Problems



Data Source: 2009-2013 CHAS

0%-30% of Area Median Income

Table 17 – Severe Housing Problems 0-30% AMI

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,395	665	270
White	3,075	515	245
Black / African American	45	50	0
Asian	40	0	25
American Indian, Alaska Native	90	45	0
Pacific Islander	0	10	0
Hispanic	10	0	0

Data Source: 2009-2013 CHAS

*The four severe housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

30%-50% of Area Median Income

Table 18 – Severe Housing Problems 30-50% AMI

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,775	2,250	0
White	1,670	1,970	0
Black / African American	0	35	0
Asian	0	40	0
American Indian, Alaska Native	20	85	0
Pacific Islander	0	0	0
Hispanic	45	100	0

Data Source: 2009-2013 CHAS

*The four severe housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

50%-80% of Area Median Income

Table 19 – Severe Housing Problems 50-80% AMI

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	855	4,725	0
White	835	4,150	0
Black / African American	0	0	0
Asian	0	50	0
American Indian, Alaska Native	10	220	0
Pacific Islander	0	0	0
Hispanic	0	210	0

Data Source: 2009-2013 CHAS

*The four severe housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

Table 20 – Severe Housing Problems 80-100% AMI

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	170	2,375	0
White	165	2,185	0
Black / African American	0	0	0
Asian	0	0	0
American Indian, Alaska Native	0	70	0
Pacific Islander	0	0	0
Hispanic	0	85	0

Data Source: 2009-2013 CHAS

*The four severe housing problems are: 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

Discussion

When considering severe housing needs, American Indians and Alaskan Natives are the most disproportionately represented throughout all minority groups between 0-80% of AMI. The 0-30% of AMI category, specifically, has the largest number of ethnic groups with disproportionately greater needs. While the population of Missoula is largely White, it is important to note the ethnic groups that are disproportionately represented to provide equitable housing opportunities.

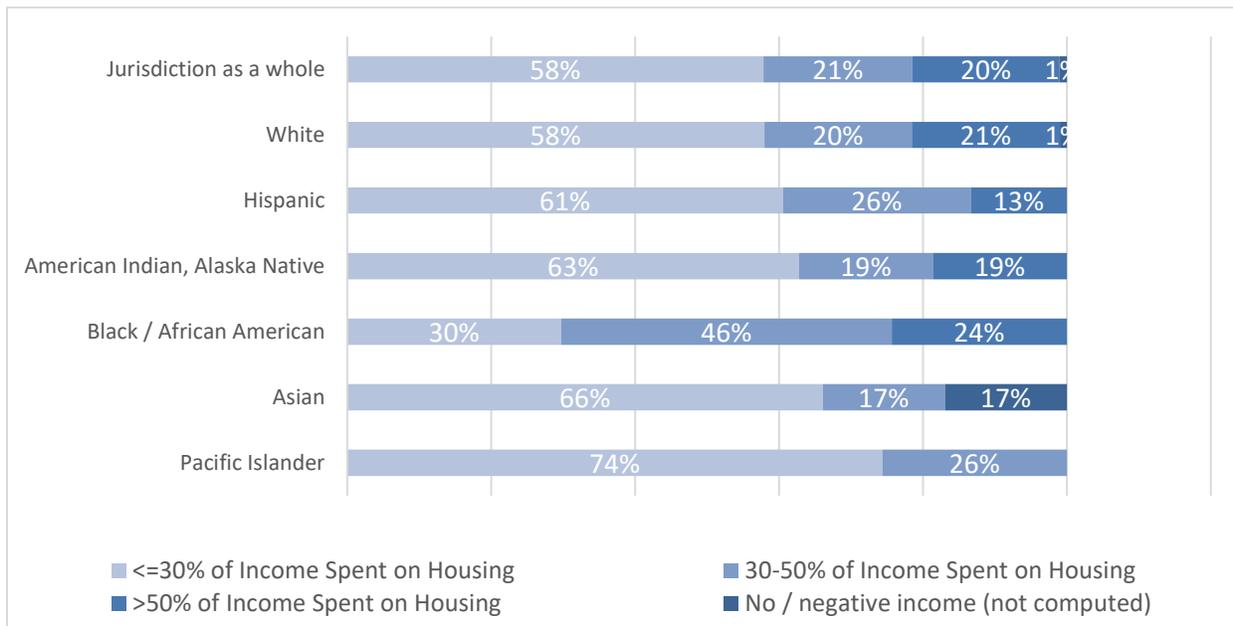
NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction:

HUD typically presumes that a household can pay up to 30% of their income for housing costs. Any percentage above 30% but below 50% is considered a housing cost burden, and if a household is paying 50% or more than their household income on housing, then that household is experiencing a severe housing cost burden. As shown in Table 21 and in the chart below, about 58% of Missoula households are not cost burdened, spending 30% or less of their income on housing. The remaining 42% of Missoula households are cost-burdened: 21% are cost burdened and pay between 30-50% of their income on housing, 20% are severely cost burdened and pay more than 50% of their income on housing, and 1% has either no or negative income. Of the minority populations, Black/African American residents experience the most significant housing cost burden in relation to the percent of their income spent on housing. Seventy percent of Black/African Americans in Missoula spend either 30-50% or more than 50% of their income on housing. The percent of Black/African Americans experiencing cost burden or severe cost burden is significant when considering only 41% of the jurisdiction as a whole experiences cost burden or severe cost burden. Compared to the entire jurisdiction, the Black/African American population in Missoula displays higher percentages of severe cost burden and cost burden, suggesting a disproportionately greater need for housing assistance.

Figure 8 – Housing Cost Burden in Missoula by Race/Ethnicity



Data Source: 2009-2013 CHAS

Housing Cost Burden

Table 21 – Greater Need: Housing Cost Burdens AMI

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	16,815	6,020	5,925	310
White	15,490	5,475	5,505	260
Black / African American	55	85	45	0
Asian	195	50	0	50
American Indian, Alaska Native	405	120	120	0
Pacific Islander	29	10	0	0
Hispanic	430	185	95	0

Data Source: 2009-2013 CHAS

Discussion

Forty-two percent of Missoula households are cost burdened. Black/African American residents specifically experience significant housing cost burden in relation to the percent of their income spent on housing. With more than 70% of Black/African Americans in Missoula spending between either 30-50% of or more than 50% of their income on housing, it is critical that the city look to address this disproportionate representation.

NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

Housing Problems: For all households up to 100% of AMI combined, Hispanics are the only minority group that have a disproportionately greater need compared to the jurisdiction as a whole. At the 80% AMI level or below, racial and ethnic minorities are disproportionately represented in several income groupings. Black/African American populations show a greater percentage of housing problems when income levels fall between 0-30% AMI. American Indian/Alaskan Natives have increased housing problems with incomes between 0-30% of AMI and 50-80% of AMI. Hispanic populations show a greater percentage of housing problems with income levels between 30-50% AMI. Asian populations have increased housing problems when income levels fall between 50-80% AMI and 0-30% AMI.

Severe Housing Problems: There is not a disproportionately greater need among any racial or ethnic groups for all households up to 100% of AMI combined. Black/African American populations show a greater percentage of severe housing problems when income levels fall between 0-30% AMI. American Indian/Alaskan Natives have an increase in severe housing problems with income levels between 0-30% AMI. Hispanic populations show a greater percentage of housing problems with income levels between 30-50% AMI. Asian populations have increased housing problems when income levels fall between 0-30% AMI. In a significantly white population, people of color display higher percentages of severe housing problems, suggesting a disproportionately greater need for housing assistance.

Housing Cost-Burden: The racial and ethnic group with the highest percentage of households that are severely cost burdened are Black/African Americans. Within the jurisdiction as a whole, 20% of households experience severe cost burden. Black/African Americans are the only minority group with a larger percent of their population experiencing severe cost burden than the jurisdiction as a whole, 24%. In addition, 46% of Black/African American households are cost burdened while only 21% of the jurisdiction as a whole experiences cost burden. Pacific Islanders and Hispanic households also experience a cost burden at a greater rate than the overall jurisdiction, with 26% of both minority groups experiencing cost burden. It should also be noted that the minority populations represent a small proportion of the Missoula community; Black/African Americans represent 0.5%, Pacific Islanders represent 0.1%, and Hispanics represent 3.5% of the population. While these minority populations make up a small margin of the City of Missoula, a significant portion of these minority populations are either cost burdened or severely cost burdened.

If they have needs not identified above, what are those needs?

In the Missoula Continuum of Care Coalition 2018 Needs and Gap analysis, Native Americans were noted to be disproportionately represented in the City of Missoula's homeless system. Missoula has not targeted its needs assessment by race or ethnicity in the past, but within the next year the City anticipated that HMIS will provide information about whether people of different races or ethnicities are more or less likely to receive homeless assistance or to receive a positive outcome from homeless assistance.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

No racial or ethnic group is located in a specific area or neighborhood; minority populations are dispersed throughout the city. However, the University district and Northside/Westside neighborhood are two areas that are consistent with several racial or ethnic groups. Black/African Americans have the highest population concentrations in census tracts 5 (University district) and 2.01 (Northside/Westside neighborhood). American Indian/Native Americans have the highest representation in tracts 2.01 (Northside/Westside neighborhood), 5 (University district), and 8 (Orchard Homes). Persons of Latino or Hispanic ethnicity have the highest population concentration in census tracts 2.01 (Northside/Westside neighborhood) and 5 (University District) (U.S. Boundary, 2018).

Home to the University of Montana, the University District's ethnic diversity and concentration of racial and ethnic minorities are most likely attributed to the inflow of students and university personnel to the area. From 2012-2016, the median household income of residents in the University District was \$37,000. In comparison, the median household income in the Westside neighborhood was \$30,000. While both neighborhoods have concentrations of minority groups, the University District's diverse population is most likely due to student populations in contrast to the Northside/Westside neighborhood.

NA-35 Public Housing – 91.205(b)

Introduction

The Missoula Housing Authority (MHA) and the Human Resource Council District XI are responsible for the administration of the public housing and Section 8 programs for the Missoula community. The mission of the Missoula Housing Authority is to provide quality housing solutions for low and middle-income households in Missoula. According to the MHA’s Public Housing Authority (PHA) Plan for 2018, the MHA owns and operates 178 public housing units and manages 774 housing vouchers. In 2018, the majority of public housing and voucher utilizers were White. This breaks down to 323 public housing users and 1,305 voucher holders. The second largest racial group was American Indians and Alaskan Natives, with 57 public housing users and 119 voucher holders.

As of 2018, there were 1,816 families on the waiting list for MHA Section 8 Vouchers and 2,086 families on the waiting list for public housing, signifying a need for affordable housing and housing support programs. Applicants currently on the waiting list for public housing support by unit size are outlined in the chart below.

Figure 9 – Missoula Housing Authority Wait List, October 2018

Characteristics by Bedroom Size (Public Housing)	# of Families	% of Total Families
1 Bedroom	1,008	48.3%
2 Bedroom	612	29.3%
3 Bedroom	380	18.2%
4 Bedroom	86	4.1%

Data Source: Missoula Housing Authority, 2018

Data provided by the Missoula Housing Authority shows public housing has the highest demand within the city. This data also supports a large need for smaller units, particularly one-bedroom rentals. To address this, MHA is pursuing several new projects to increase the number of available public housing units. Missoula Housing Authority is partnering with BlueLine Development and Madison Crossing LLC to begin construction on the “Villagio” project which will include 200 units of affordable housing on the Northside of Missoula. This project was funded in PY2018 by City of Missoula HOME funds. The project will include 24 units of project-based voucher housing. This project fulfills goals of the PHA plan to continue to develop an active and visible role as a collaborator and leader within the affordable housing sector. Moreover, in July 2017, MHA opened their newly constructed six-plex at 110 S. California St. The project was funded by a State of Montana HOME grant and a private loan. MHA is currently in the predevelopment phase of a 12-unit “Housing First” project to be funded by a Housing Trust Fund grant, AHP grant, and a State HOME grant. MHA is currently in the application phase for the various grants. If the project is successfully funded, project-based vouchers will be used to support operations for this permanent supportive housing development for the homeless.

Totals in Use (2013 & 2018)

Table 22 – Public Housing by Program Type, 2013

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	13	145	760	49	692	0	0	0

Data Source: PIC (PIH Information Center)

*Includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-Year, and Nursing Home Transition

Figure 10 – Public Housing by Program Type, 2018

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	14	178	774	39	735	0	0	0

Data Source: Missoula Housing Authority, 2018

*Includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-Year, and Nursing Home Transition

Characteristics of Residents (2013 & 2018)

Table 23 – Characteristics of Public Housing Residents by Program Type, 2013

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program
Average Annual Income	0	6,866	11,209	11,380	7,885	11,425	0	0
Average length of stay	0	2	5	5	0	6	0	0
Average Household size	0	1	2	2	2	2	0	0
# Homeless at admission	0	1	0	0	0	0	0	0
# of Elderly Program Participants (>62)	0	0	20	155	1	153	0	0
# of Disabled Families	0	1	50	287	9	272	0	0
# of Families requesting accessibility features	0	13	145	760	49	692	0	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Data Source: PIC (PIH Information Center)

Figure 11 – Characteristics of Public Housing Residents by Program Type, 2018

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program
Average Annual Income	0	10,734	14,902	13,532	9,957	13,376	0	0
Average length of stay	0	6	4	5	2	5	0	0
Average Household size	0	1	2	2	2	2	0	0
# Homeless at admission	0	14	6	73	23	50	0	0
# of Elderly Program Participants (>62)	0	6	23	230	2	228	0	0

# of Disabled Families	0	7	85	501	20	481	0	0
# of Families requesting accessibility features	0	0	10	0	0	0	0	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	18	0	0

Data Source: Missoula Housing Authority, 2018

Race of Residents (2013 & 2018)

Table 24 – Race of Public Housing Residents by Program Type, 2013

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	10	112	665	40	607	0	0	0
Black/African American	0	0	3	13	1	12	0	0	0
Asian	0	0	2	4	1	3	0	0	0
American Indian/Alaska Native	0	3	27	77	7	69	0	0	0
Pacific Islander	0	0	1	1	0	1	0	0	0
Other	0	0	0	0	0	0	0	0	0

***includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Data Source: PIC (PIH Information Center)

Figure 12 – Race of Public Housing Residents by Program Type, 2018

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	12	323	1305	80	1225	0	0	0
Black/African American	0	1	4	18	4	14	0	0	0
Asian	0	0	0	4	0	0	0	0	0
American Indian/Alaska Native	0	1	57	119	8	111	0	0	0

Pacific Islander	0	0	0	0	0	0	0	0	0
Other	0	0	20	14	0	14	0	0	0

Data Source: Missoula Housing Authority, 2018

Ethnicity of Residents (2013 & 2018)

Table 25 – Ethnicity of Public Housing Residents by Program Type, 2013

Ethnicity	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	6	29	2	26	0	0	0
Not Hispanic	0	13	139	731	47	666	0	0	0

***includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Data Source: PIC (PIH Information Center)

Figure 13 – Ethnicity of Public Housing Residents by Program Type, 2018

Ethnicity	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	16	29	2	55	0	0	0
Not Hispanic	0	14	388	731	47	1336	0	0	0

Data Source: Missoula Housing Authority, 2018

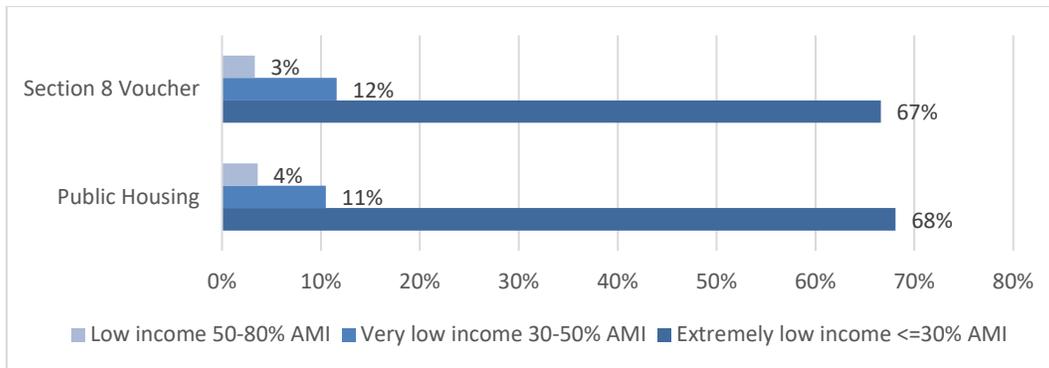
Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

Public housing provides rental housing to eligible low-income families, the elderly, and persons with disabilities. Utilizers of the public housing and voucher programs are representative of the city’s lowest income and most in-need populations. To qualify for these programs, applicants must earn an annual income below 80% of the city’s area median income (AMI); however, the largest applicant groups are families who earn 30% AMI or less.

In 2013, the average annual income of program participants was \$11,380 for voucher users and \$11,209 for public housing users. With the average median income for Missoula at \$40,682 in 2013, program participants made less than 30% of the AMI for the area. Of the voucher users in 2013, project-based voucher and moderate rehabilitation program utilizers made significantly less money per year; project-based voucher users earned \$7,885 or 19% of AMI while moderate rehabilitation program users earned \$6,866 or 17% of AMI. In

2018, 68% of families placed on the public housing waiting list and 67% of families on the Section 8 voucher waiting list reported extremely low incomes, below 30% AMI (Missoula Housing Authority, 2018).

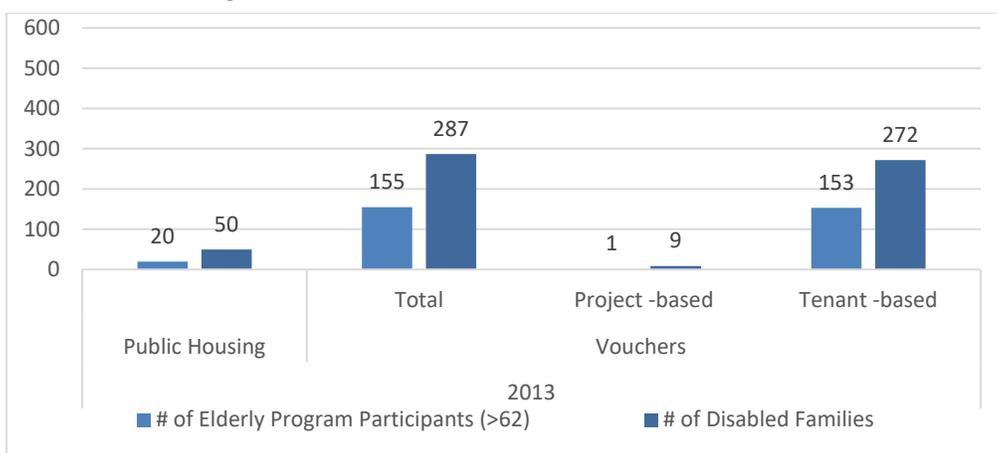
Figure 14 – Income of Families on the MHA Wait List, 2018



The most urgent need for applicants and tenants is the ability to obtain safe, affordable housing. With over 2,000 families on the waiting list for public housing and around 1,800 families on the waiting list for Section 8 vouchers, there is a clear need for an increase in affordable housing units and allotted vouchers. In 2013, there was only one recorded individual who was homeless upon admission into a housing program. Conversely, in 2018, MHA reported: 73 voucher users, 16 moderate rehabilitation users, and 6 public housing users that were homeless at admission to each program. The increase in homeless recipients and the number of applicants on the waiting list for these programs emphasizes the strain on Missoula residents to find adequate and affordable housing. According to MHA, there has been a recent decrease in the percent of voucher holders who successfully find rental properties. In prior years, there was nearly a 90% success rate, but today, MHA predicts only 80% of Missoula voucher holders find housing. The tight affordable rental market makes it difficult to rent in the Missoula community, especially for voucher holders who cannot afford the more expensive rental properties.

Of the residents utilizing the voucher and the public housing programs, disabled families and elderly participants over the age of 62 make up the largest characteristic groups. In 2013, there was a total of 287 disabled families and 155 elderly program participants using housing vouchers. More recently, in 2018, there are 501 recorded disabled families and 230 elderly program participants utilizing housing vouchers. The number of disabled families (50) and elderly program participants (20) has also increased to 85 and 23 respectively for public housing users. As the largest characteristic groups, there is a need for special adjustments and features to accommodate elderly and disabled populations.

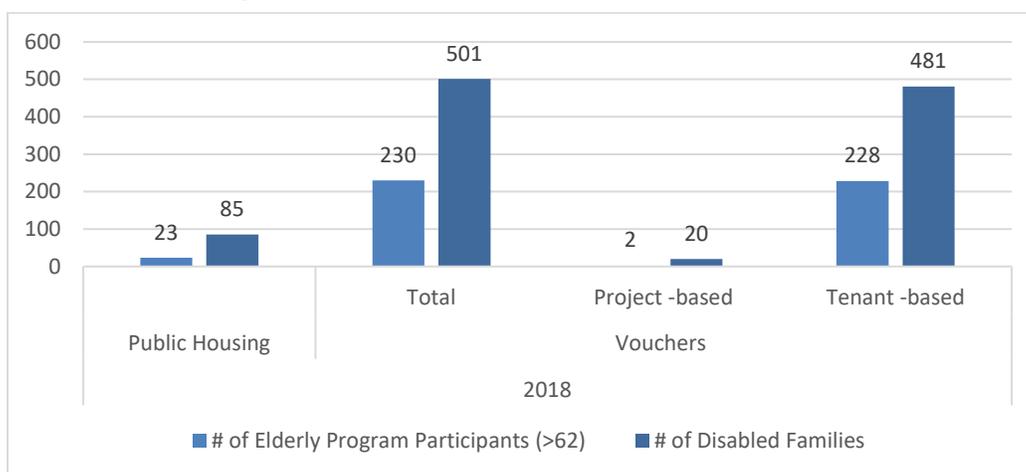
Figure 15 – Characteristics of MHA Residents, 2013



Data Source: Missoula Housing Authority, 2018

*Characteristics listed but reported with zero respondents in 2013: # of HIV/AIDS program participants and # of DV victims

Figure 16 – Characteristics of MHA Residents, 2018



Data Source: Missoula Housing Authority, 2018

*Characteristics listed but reported with zero respondents in 2013: # of HIV/AIDS program participants and # of DV victims

Most immediate needs of residents of Public Housing and Housing Choice voucher holders

As referenced above, public housing and voucher holders represent extremely low-income populations in Missoula. As a result, public housing and voucher users are often in need of assistance to better survive in their day-to-day lives. To address this, MHA runs a Resident Opportunity Self Sufficiency program (ROSS). This program supports public housing residents by linking them with valuable community resources, so they can obtain economic self-sufficiency, independence, improved quality of life, and in some cases so they can maintain stable housing as they age. ROSS provides information and referrals on topics like dental services, healthcare, taxes, transportation, and credit building programs.

Another program MHA runs to better serve the Missoula community is the Family Self Sufficiency Program (FSS). This program is designed for families and individuals who currently have a voucher through MHA or live

in Public Housing, and it provides households with training to become self-sufficient. Participants work with a FSS Coordinator to develop an Individual Training and Service Plan which identifies employment and financial goals to work on. Barriers to these goals will be identified and eliminated as the participant works through the program. Through the FSS program MHA can set up an escrow account for participants; as they obtain employment a portion of their new finances goes into an account each month. This money is saved until the end of the program and often allows participants to buy a home.

How do these needs compare to the housing needs of the population at large

The population at large and public housing program participants are both financially strained by the cost of housing in Missoula. With the declining rental vacancies and increase in rental prices, housing places a strain on all Missoula residents. However, with a significant portion of applicants falling in the extremely low-income category (less than 30% AMI), public housing and voucher participants are in greater need than the population at large. Competition to secure housing often favors households who do not have credit barriers, can come up with required deposits, and can pay premium rates for housing units. In a tight rental market, the population at large is able to access housing in a wide range of income areas, unlike voucher holders who are often unable to find affordable units in high income areas that will accept their Section 8 voucher.

Discussion

Utilizers of the public housing and voucher programs are representative of the city's lowest income and most in-need populations. The most urgent need for applicants and tenants is the ability to obtain safe, affordable housing. With over 2,000 families on the waiting list for public housing and around 1,800 families on the waiting list for Section 8 vouchers, there is a clear need for an increase in affordable housing units and allotted vouchers. Between 2013 and 2018, there has been an increase in the number of homeless, elderly, and disabled populations receiving public housing assistance. This increase highlights the need to find housing alternatives for homeless and elderly populations in the future.

NA-40 Homeless Needs Assessment – 91.205(c)

Introduction:

The Missoula Continuum of Care is also known as the At-risk Housing Coalition (ARHC). ARHC is an ongoing formal task force comprised of representatives from health and human service agencies and governmental departments. ARHC was formed in 1993 to initiate a community-wide effort to prevent and address homelessness. ARHC works on issues surrounding low-income housing and homelessness in Missoula and coordinates the local effort to plan and provide comprehensive services through a continuum of care. Missoula follows the protocol established by the State CoC for conducting the homeless survey and housing inventory. For the purposes of the survey, both sheltered persons (those residing in emergency shelters, domestic violence shelters, transitional housing, rapid re-housing beds, or recipients of motel or hotel vouchers,) and unsheltered persons are surveyed.

The Montana Point-in-Time Survey (PIT) is an annual, unduplicated count of the people, both sheltered and unsheltered, in the community who are experiencing homelessness on a single night. This data is used to help communities plan services and programs to appropriately address local needs, measure progress in decreasing homelessness, and identify strengths and gaps in the community's current homeless assistance system. While the PIT provides the City with valuable information on the homeless population, it is important to note that it only produces a snapshot of homelessness and does not represent, nor count, all homeless individuals. The most recent survey results were collected on January 2018. The survey gathers data on a wide range of topics: the length of homelessness, the number of homeless episodes, the number of homeless families, families with children, veterans, and chronically homeless. Results of the survey are detailed below.

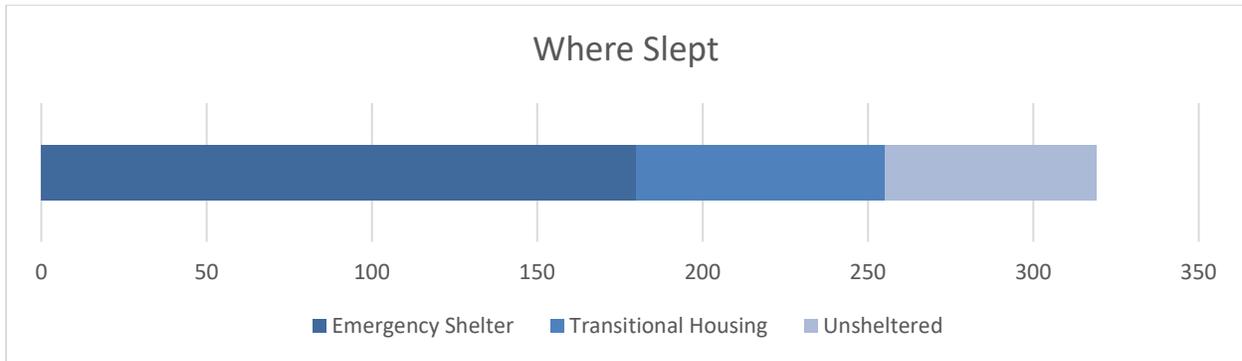
If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

Overall Homelessness

Overall homelessness includes those who meet HUD's definition of homeless in addition to those who are precariously housed. Precariously housed individuals are in imminent risk of becoming homeless under HUD's definition; this includes those temporarily living in a hotel, with friends or family, couch surfing, or staying in an institution like a hospital or treatment facility. According to 2018 PIT data, there were 319 individuals recorded as homeless under HUD's definition and 365 individuals recorded as precariously housed; totaling 684 overall homeless respondents in Missoula.

2018 Homeless Survey Results: The 2018 Point-in-Time survey (PIT) revealed 319 people in Missoula experiencing homelessness, the largest homeless population in the state. At the time of survey, 56% of individuals were in an emergency shelter, 24% were in transitional housing, and 20% were unsheltered. According to the 2018 Point-in-Time survey (PIT) and housing inventory, Missoula had 185 emergency shelter beds, including an adult emergency shelter, an emergency family shelter, and a domestic violence shelter.

Figure 17 – 2018 Point-in-Time Count Respondents: Where Slept



Household Type: Of the homeless population recorded in the PIT survey, 233 people (73%) identified as adult individuals while 84 people (26%) identified as members of a family. There were two cases of child only households and 31 recorded family households.

Length of Homelessness: Almost 60% of the primary respondents to the PIT in Missoula were homeless for at least six months and nearly 40% of these individuals were homeless for over a year. Compared to the rest of the state, Missoula has the largest number of individuals who have been homeless for six months or more. With more than half of Missoula’s homeless population experiencing an extended period of homelessness, there is a significant need for both housing and job assistance programs.

Number of Times Homeless: In January 2018, there were over 100 homeless individuals experiencing homelessness for the first time. The second largest group (69 individuals) were experiencing homelessness for the fourth time.

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
Ethnicity:	Sheltered:	Unsheltered (optional)

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

Families with Children: According to the 2018 PIT Survey, 26% of the homeless population in Missoula are homeless with family members. Of this population, a majority of the head of households are female (81%). In the most recent PIT survey, 45 homeless children were recorded, with largest portion of children between the ages 0-4 years old (47%).

Seventeen heads of household and 29 accompanying individuals left their houses due to domestic violence in the January survey; all the heads of household at the time were women. The YWCA is the City of Missoula’s primary provider of both domestic violence services and emergency housing and rapid rehousing for homeless families and has been tracking the intersection of domestic violence and homelessness for many years. They are currently developing a programmatic model to serve both domestic violence victims and homeless

families. To address the need for rapid rehousing beds, the YWCA has increased the number households served to 82 (five one-bed units, 72 two-bed units, and five three-bed units). The YWCA Transitional Housing of Missoula assists homeless survivors of domestic violence, with or without children in an 18-month program. Additionally, the program helps families work toward self-sufficiency and independence.

Veterans: From 2015, the homeless veteran population in Missoula has decreased significantly, but the city still has the largest number of homeless veterans in the state. In 2018, the City of Missoula had a total of 58 homeless veterans, nearly 30% of the total homeless veteran population for the state.

The Poverello Center of Missoula operates two transitional housing programs for veterans: The Valor House and Housing Montana Heroes. The Valor House of Missoula is a transitional housing organization for homeless veterans. This long-term transitional housing program provides 17 former service members with small apartments and the opportunity to transition out of homelessness and into a stable and healthy future over a two-year period. The Valor House offers food assistance and provides common spaces to recreate, cook meals, and support one another. Housing Montana Heroes provides supportive housing to 20 qualified homeless veterans. This program serves men and women in segregated semi-private rooms, offers prepared meals, and provides common spaces to recreate and support one another.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

The Missoula homeless population is predominately White (80%). American Indians and Hispanics are the largest minority group amongst the homeless community, making up 9% and 7% of the homeless population respectively. It is important to note that Missoula has not targeted its needs assessment by race or ethnicity in the past. Within the next year, the City anticipates that HMIS will provide information about whether people of different races or ethnicities are more or less likely to receive homeless assistance or to receive a positive or negative outcome from homeless assistance.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

In 2018, 64 individuals, or 20% of the homeless population, were reported living outside or in places not generally meant for sleeping. Of the recorded homeless population, 169 (53%) individuals accessed emergency shelters, 75 (24%) individuals accessed transitional housing, and 11 (3%) individuals accessed domestic violence shelters.

Chronically homeless individuals are often the most visible amongst the homeless population. HUD defines chronic homelessness as: (1) an unaccompanied homeless individual with a disabling condition who has been continuously homeless for a year or more, or (2) an unaccompanied individual with a disabling condition who has had at least four episodes of homelessness in the past three years. Approximately 19% of the overall homeless population in Missoula are considered chronically homeless.

To address chronic homelessness and homelessness as a whole, the City of Missoula and Missoula County combined resources to develop a 10-year-plan to end homelessness in 2012. This plan was established under the premise that housing is the only solution to homelessness and continues to act as a driving force in the

plan today. In alignment with Missoula’s 10-Year Plan to End Homelessness members of the Missoula At-Risk Housing Coalition implemented new strategies with the Missoula Coordinated Entry System in June 2017. This system aims to prevent and divert households from entering the homeless system, reduces duplication of services, provides data to improve outcomes, and results in prioritizing limited housing resources.

Discussion:

Based on the 2018 Point-in-Time survey, Missoula does not have enough resources to serve the individuals and households experiencing homelessness. As of 2018, the City of Missoula has 397 permanent housing interventions which includes vouchers (portable and site based) and rental subsidies. Even with emergency shelter and transitional housing beds, Missoula requires at least 45 additional beds just to provide crisis housing to individual adults, families, and veterans experiencing homelessness. Moreover, after the 2018 PIT Survey, a population of 319 people were without housing. In order to reach the goal of making homelessness rare, brief, and non-recurring, the City needs to reach a total of 716 permanent housing interventions, or nearly double the current capacity.

While the PIT survey captures valuable information, it does not record or represent the entire homeless population in Missoula. The city’s effort to implement the Missoula Coordinated Entry system highlights additional needs in housing and assistance for the community. As recent as July 20, 2018, the City of Missoula recorded 685 people on its ‘active-list’ and 623 on its ‘inactive-list,’ more than double the number collected through the PIT Survey. Collective efforts to improve temporary housing, emergency shelters, employment, affordable housing, mental illness treatment, substance abuse treatment, and credit assistance will help to combat the significant homeless need in Missoula.

NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)

Introduction:

Populations with special needs are identified as those groups that are often in greater need for assistance with housing, adaptation of public facilities, additional public services and economic development opportunities. Included in the category of special needs are the elderly, the frail elderly, persons with mental, physical and/or developmental disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and victims of domestic violence, dating violence, sexual assault, and stalking.

Describe the characteristics of special needs populations in your community:

Elderly: According to the 2012-2016 U.S. Census, over 12% of Missoula residents are aged 65 and older (8,610 people). In the most recent census data, approximately 46% of those 65 and older live in family households while 54% live in nonfamily households. Of the population living in nonfamily households, approximately 53% live alone; this number is significant compared to the entire Missoula population where only 36% of residents live alone. Thirty-four percent of the elderly population were recorded to have a disability compared to only 12% of the general population. Household income in the past 12 months showed 91% of elderly households collect social security, 52% receive retirement income, 36% have household earnings, and 10% utilize Food Stamp/SNAP benefits. These numbers highlight that the elderly population in Missoula are high utilizers of government services and programs. Most elderly residents live in owner-occupied housing units (71%) with around 29% living in renter-occupied units. Of the renter-occupied housing units, 61% are paying 30% or more of their income on rent. Between 2000 and 2035, Missoula County will experience a 55% increase in the 65 and older population, making the elderly population a key consideration in the housing and community assistance strategies moving forward (Missoula Aging Services, 2018). As the older population of Missoula continues to grow, there will be a greater need for health and homecare services as well as housing and infrastructure that accommodates for the increased rate of functional difficulties and fall risk for the elderly population (Missoula City-County Health Department, 2017).

Persons with Disabilities: The 2012-2016 U.S. Census reported that nearly 9% of Missoula's residents, or approximately 6,600 people, are living with a disability and are under 65 years old. When including the elderly population with disabilities (nearly 3,000 individuals) there are nearly 10,000 people in the City of Missoula that suffer from a disability. The largest age group for those with disabilities are between 35-64 for both men and women, 1,334 and 1,776 respectively.

Substance Abuse and Chemical Dependency: Substance abuse is a pressing concern for the entire state of Montana and affects thousands of individuals and families each year. According to a report by the Montana Department of Justice, alcohol is the most commonly used substance in the state. One in five Montana adults reported binge drinking within a month of the survey (19.8%) compared to 16% of adults in the U.S. Approximately 8% of adults in Montana are classified as heavy drinkers compared to only 6% of the U.S. population. Within Missoula County, 26% of adults reported excessive drinking in 2018. Moreover, 43% of motor vehicle crash deaths within the County of Missoula had alcohol involvement.

According to Aid Montana, Alcohol consumption starts early in Montana, with seven out of ten high school students reporting having used alcohol, significantly higher than the rate among high school students in the U.S. Thirty-four percent of high school student in Montana reported alcohol use in the past month and 20% reported binge drinking during the same period. In addition to alcohol consumption, illicit drug use is also a concern for the state. Approximately 20% of high school students reported current marijuana use, 8% reported using inhalants, and 16% reported abuse of prescription drugs in their lifetime.

According to the City-County Health Department's Health Improvement Plan (2018), compared to the state averages, Missoula County youth use substances at a higher rate than the state. In 2016, 17.4% of middle and high school youth regularly used e-cigarettes and vape devices; 31.5% of 8th, 10th, and 12th graders had used marijuana (compared to the state average of 26.5%); and 28.5% in the same grades reported regularly using alcohol.

Mental Illness: As of June 2017, 3,804 residents in Missoula County were recorded as recipients of mental health services through Medicaid (Montana Department of Public Health and Human Services, 2018). Between 2012 and 2017, the number of Medicaid users receiving mental health services increased by 1,974 people, nearly doubling in the five-year period. Compared to other counties in the State of Montana, Missoula County has the second largest number of residents receiving mental health Medicaid. Missoula County residents consistently report more frequent poor mental health days in the past month than the U.S. average (in 2015, 3.4 compared to 2.8, respectively).

Persons with HIV/AIDS: In 2016, the Montana Department of Public Health and Human Services (DPHHS) reported 21 newly diagnosed HIV infections. The infections were most common in white males between the 25-34 years old. In 2015, an average of 123 out of every 100,000 people were living with HIV in Missoula County. Of the Hispanic population, 334 out of every 100,000 people were living with HIV while 103 out of every 100,000 White individuals were recorded. In the State of Montana, Missoula County has the second largest concentration of HIV/AIDS affected people. Montana ranked 48th among the 50 states in the number of HIV diagnoses in 2015 (19 adults). In 2016, 3 of the 17 newly diagnosed HIV cases in the state were recorded in Missoula County.

Domestic Violence: YWCA Missoula directs their services and advocacy to end domestic and sexual violence, change lives, and transform the Missoula community. In their 2016-2017 Annual Report, the organization highlighted 2,600 people served in the last year across five different programs; of those served, a majority were low-income women. The Pathways Program provided crisis counseling, support, and safety to over 1,300 survivors of interpersonal violence. Pathways provides a range of support for survivors of domestic and sexual violence.

What are the housing and supportive service needs of these populations and how are these needs determined?

The greatest housing problems in Missoula for both owners and renters of all income levels and populations are housing cost burden, ability to obtain housing in tight rental and ownership markets, and access to public service programs.

Elderly: As the number of seniors living in Missoula increases in the coming years, the city will be challenged to provide enough appropriate housing for the growing senior community. By 2025, it is forecasted that 22% of Montana’s entire population will be over 65. Senior households are typically smaller than the average household, creating an additional demand for smaller housing units that can accommodate those who live alone or with one other person. As additional housing units are constructed, attention should be placed on the accessibility and functionality of housing for seniors. Specific priorities include: centralized locations (near services and health facilities), wheel-chair access, low-maintenance, and single-story housing. Missoula currently runs a variety of supportive services for the aging population in the city. Missoula Aging Services promotes the independence and well-being of seniors through a variety of programs that focus on: nutrition services, home care services, resource centers, fraud prevention, and companionship. Other programs in the city include: Missoula Senior Center, Senior Transportation Services, and Meals on Wheels.

Mental illness: Missoula was chosen as one of 50 mid-sized cities that received a 2016 planning grant from Invest Health through the Robert Wood Johnson Foundation. The goal of the initiative is to transform how city leaders work together to help low-income communities thrive, with specific attention to community features that drive health, such as access to safe and affordable housing, places to play and exercise, and quality jobs. The Missoula Invest Health team identified health disparities in the three lowest income neighborhoods in the city: Franklin to the Fort, River Road, and Northside/Westside. These areas face some of the biggest barriers to better mental and physical health, and the neighborhoods’ data illustrates the relationship between income and wellbeing. Compared to the city as a whole, these three areas reported more poor mental health days (23%-26%) than the jurisdiction as a whole (21%). After surveying the three neighborhoods, Missoula Invest Health identified several trends in the neighborhoods’ needs: more sidewalks, lighting, and access to parks, gardens, and open spaces. CDBG funding in program year 2017 made the installation of new sidewalks possible in two neighborhoods, supporting the Invest Health mission and findings. Mental illness is also largely connected to housing displacement and homelessness. In the 2018 Point-in-Time Survey, 105 individuals or 33% of the homeless population reported mental disability. Within the City of Missoula, the most frequent utilizers of emergency services are often those who suffer from either mental illness or from substance abuse. To accommodate these groups there is a significant need for mental health counselors and mental health services within the city.

Persons with HIV/AIDS: Center of Disease Control (CDC) researchers identified six predictors of HIV/AIDS within a community using data from 2012-2014: drug overdose deaths, unemployment, per capita income, white non-Hispanic population, sale of prescription opioids, and county population for which local providers have been approved to prescribe buprenorphine. From these findings, it is important that the city continue to focus on employment opportunities and substance abuse counseling and services to reduce the likelihood of increasing HIV/AIDS infections.

Substance Abuse: Substance abuse disorders cause a host of problems for individuals and communities. People who abuse substances are often at a higher risk of chronic health problems, mental disorders, and homelessness. Ten percent of the homeless population recorded in the 2018 Point-in-Time Survey were registered as homeless with substance abuse. Substance abuse, along with mental health, are two main

characteristics of populations that are frequent utilizers of city services. As of 2018, 40 people accounted for a disproportionately large amount of service calls from city police, firefighters, emergency medical responders and homeless service providers. The two unifying characteristics for these individuals are challenges with addiction and identified mental health issues. Currently there is not 'wet housing' in Missoula that allows people who are under the influence of alcohol to have a place to sleep at night, leaving the people dealing with addiction in the Missoula community unhoused. This is a major gap within the services for those experiencing substance abuse. Permanent housing, public services, and behavioral health and substance abuse counselors will play a significant role in stabilizing the lives of these groups and will help lead to better outcomes.

Domestic Violence: The YWCA of Missoula's Ada's Place program provides temporary or emergency housing to homeless one- and two- parent families with dependent children. Participants work closely with staff to secure permanent housing and economic security. Depending on the needs of the individual or family, Ada's Place provide emergency housing, longer-term transitional housing, and rental assistance for permanent housing. In Fiscal Year 2017, Ada's Place programs housing 918 people including 484 children. According to 2013 HUD data, there were no victims of domestic violence utilizing public housing or housing vouchers. In 2018, 18 victims of domestic violence were recorded utilizing tenant-based vouchers. This shift emphasizes the growing need of housing assistance for domestic violence victims and their families.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

The number of newly reported HIV cases for Missoula County between 2011 and 2015 according to the County Health Assessment was 23, which was much higher than most other counties in Montana during that time. The only county with a higher rate of new cases was Yellowstone County with 26 new cases reported in that time period. Statewide, most newly reported cases in that time period occurred in non-Hispanic white males through male-to-male sexual contact. In 2017 Missoula County reported 3 new HIV cases and in 2018 there was just 1 new HIV case in the county. As of April 2019, there were 144 people living with HIV/AIDS in Missoula County. Of those 144 people, 87% were male and 13% were female. Eighty-three percent of Missoulians living with HIV/AIDS were over the age of 34, with the highest percentage being over 55 years old (33%). The majority of those living with HIV/AIDS were men who have sex with men (59%). Of the 144 total Missoulians living with HIV/AIDS, 93% were in care and virally suppressed as of April 2019, meaning their last reported HIV viral load was less than 200 copies/mL.

In Missoula County, several organizations offer counseling and testing for HIV/AIDS, including Open Aid Alliance, Missoula Urban Indian Health Center, and Partnership Health Center. Objectives of the Health Assessment plan in the realm of HIV/AIDS include reducing the number of new HIV diagnoses, reducing the rate of transmission, and increasing the proportion of people who have been tested.

NA-50 Non-Housing Community Development Needs – 91.215 (f)

Describe the jurisdiction's need for Public Facilities:

The following public improvement needs were identified by respondents of a Community Needs Assessment survey conducted by the City of Missoula and Missoula County in October 2018.

In response to the City and County's Community Needs Assessment survey in October 2018, when asked to select two priorities for Missoula, 16% of respondents selected Improve public facilities (transitional housing, senior care, mental health center, day care, nursing home, parks, libraries, fire station, etc.) as one of their top priorities. When asked to select two priorities within their neighborhood/community, 12% of respondents chose to improve public facilities. Within the greater Missoula County, only 2% of respondents chose Improve public facilities (parks, libraries, etc.) as a priority.

The City and County held a joint community meeting on November 15, 2018 at the Missoula Public Library. After presenting the initial survey results to the 31 attendees, the meeting participants were asked to identify their priorities for public facilities. The most common topics discussed actually touched on infrastructure, including improving streets, internet access, sidewalks, and public transit.

How were these needs determined?

The City and the County of Missoula conducted a Community Needs Assessment survey in October 2018 as well as a series of public meetings throughout the year to determine the most urgent community needs. Survey responses were collected from residents of both the City and County of Missoula. Of the 393 respondents, 79% lived in the City of Missoula and 21% lived in the larger County of Missoula. During the public meetings, participants were asked to provide additional input on the community's most pressing needs in each category. The City and County also hosted a community meeting on November 15, 2018 at which 31 residents provided their feedback on these topics.

The information provided guides how the City distributes U.S. Department of Housing and Urban Development funds for housing and community development projects to assist low- and moderate-income residents of the Missoula community.

Describe the jurisdiction's need for Public Improvements:

The following public improvement needs were identified by respondents of a Community Needs Assessment survey conducted by the City and County of Missoula in October 2018.

Of the population surveyed in the Needs Assessment, 18% selected Improve infrastructure (roads, sidewalks, water, sewer, broadband, etc.) in their top two priorities for the City of Missoula while nearly 10% chose Expand infrastructure (roads, sidewalks, water, sewer, broadband, etc.). When asked to select the top two priorities within their neighborhoods, 38% of respondents chose to improve or expand infrastructure, 25% and 13% respectively. Within the greater county of Missoula, 36% of respondents selected Improve and/or expand infrastructure or expand infrastructure as a top priority, 23% and 13% respectively.

When asked to select public infrastructure projects to prioritize in the Missoula area, the most commonly identified needs were: streets and roads (20%), broadband internet coverage and access (17%), and lighting on streets and trails (15%). The most commonly identified priorities for respondents' neighborhoods/communities were: streets and roads (19%), lighting on streets and trails (17%), and sidewalks (16%).

The City and County held a joint community meeting on November 15, 2018 at the Missoula Public Library. After presenting the initial survey results to the 31 attendees, the meeting participants were asked to identify their priorities for public infrastructure. The most common topics discussed included improvements to streets, internet access, sidewalks, and the expansion of access to and frequency of public transit.

How were these needs determined?

The City and the County of Missoula conducted a Community Needs Assessment survey in October 2018 as well as a series of public meetings throughout the year to determine the most urgent community needs. Survey responses were collected from residents of both the City and County of Missoula. Of the 393 respondents, 79% lived in the City of Missoula and 21% lived in the larger County of Missoula. During the public meetings, participants were asked to provide additional input on the community's most pressing needs in each category. The City and County also hosted a community meeting on November 15, 2018 at which 31 residents provided their feedback on these topics.

The information provided guides how the City distributes U.S. Department of Housing and Urban Development funds for housing and community development projects to assist low- and moderate-income residents of the Missoula community.

Describe the jurisdiction's need for Public Services:

The following public improvement needs were identified by respondents of a Community Needs Assessment survey conducted by the City and County of Missoula in October 2018.

Of the population surveyed in the Needs Assessment, 8% selected Assist nonprofits providing public services as one of their top two priorities for the City of Missoula. When asked to select the top two priorities within their neighborhoods, 9% of respondents chose to assist nonprofits providing public services as one of their priorities. Within the County of Missoula, 10% of respondents chose assisting nonprofits providing public services as a priority. When asked to select public service projects to prioritize in Missoula as a whole, the most commonly identified needs were: mental health services (21%), homelessness services, including prevention (15%), and alcohol and drug treatment services (12%). The next most cited needs for Missoula as whole were childcare and early childhood services, senior services, and healthcare services.

The most commonly identified priorities for neighborhoods/communities were: mental health services (18%), childcare and early childhood services (12%), and alcohol and drug treatment services (10%). The next most cited needs for respondents' neighborhoods/communities were homeless services, senior services, and crime awareness/prevention.

The City and County held a joint community meeting on November 15, 2018 at the Missoula Public Library. After presenting the initial survey results to the 31 attendees, the meeting participants were asked to identify their priorities for public facilities. The most common topics discussed included improvements to homeless services, substance use services, child care, and mental health supports.

How were these needs determined?

The City and the County of Missoula conducted a Community Needs Assessment survey in October 2018 as well as a series of public meetings throughout the year to determine the most urgent community needs. Survey responses were collected from residents of both the City and County of Missoula. Of the 393 respondents, 79% lived in the City of Missoula and 21% lived in the larger County of Missoula. During the public meetings, participants were asked to provide additional input on the community's most pressing needs in each category. The City and County also hosted a community meeting on November 15, 2018 at which 31 residents provided their feedback on these topics.

The information provided guides how the City distributes U.S. Department of Housing and Urban Development funds for housing and community development projects to assist low- and moderate-income residents of the Missoula community

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview

The population of the city of Missoula increased by 9.7% from 2010 to 2017. This represents significantly higher growth compared to both the State of Montana with a 6.2% growth rate and the United States with a 5.2% growth rate during this same time period. Meanwhile, the inventory of rental and single-family home has not increased at the same rate as population growth, resulting in low rental vacancies and a tight sales market for single-family homes. Due to supply not keeping pace with demand, rents and average housing prices have escalated and created a significant housing affordability problem in Missoula.

Census data indicates that for households making less than \$20,000 per year, 82% of owners and 91% of renters experience a cost burden. Two-thirds of renter households with incomes between \$20,000 and \$34,999 are experiencing a cost burden. While an uptick in new construction will help meet housing demand, the increasing cost of infrastructure, land, regulation, rising interest rates, and building materials indicate that the cost of housing will continue to outpace income growth. Construction will have to be incentivized or subsidized to make housing affordable. Programs to address the cost issue include rental assistance, low-income tax credits, and home ownership programs. The City is also working on a comprehensive Housing Policy and has updated its Growth Policy to address housing cost issues.

Preservation of existing affordable housing is another strategy to address the issue of cost burden. Housing units built before 1980 tend to be more affordable but due to age often have deferred maintenance, high energy bills and various other inadequacies. Older homes are also at-risk of having lead paint. Cost to rehabilitate homes with multiple problems can be expensive. In Missoula, 62% of owner-occupied homes and 59% of renter-occupied homes were built before 1980. Even with the various programs to address housing affordability, housing needs exceed the capacity of existing agencies. The Missoula Housing Authority has a waiting list for public housing of 2,086 families and for Section 8 vouchers of 1,816 families.

Additional housing strategies are also necessary to address housing for the elderly and special needs populations. The projected increase in households with persons over age 65 is expected to increase by 2,024 over the next five years. The age group over age 65 is more likely to experience disabilities and will have an increase need for home care services and accommodations to reduce risks of falls and address functional difficulties. Many seniors are on fixed-incomes making their need for affordable homes more pressing. To address the needs of the homeless population, the City and County adopted Reaching Home: Missoula's 10-year Plan to End Homelessness. The key principles of the plan are prevention, rapid rehousing, and construction of affordable permanent housing to move homeless persons from the shelters directly into housing. Following adoption of the plan the City hired a Reaching Home Coordinator to work with a network of public and private agencies to facilitate the strategies outlined in the plan.

Coordination among local government departments and other agencies that provide urban services such as Mountain Line Transit, is also necessary to target services to neighborhoods with a concentration of low-income households. In the city, the Heart of Missoula, Westside, and River Road Neighborhoods overlap with census tracts that have over 40% of low-income households. These neighborhoods are well served by transit. The City continues to expand the network of bike lanes and trails to improve connectivity. Access to grocery stores, community gardens, and SNAP resources is generally good in all neighborhoods. Several Urban Renewal Districts and the Missoula’s designated Opportunity Zone are located within these target neighborhoods that will improve infrastructure and attract investment for in-fill development in the near future.

MA-10 Number of Housing Units – 91.210(a)&(b)(2)

Introduction

While the number of housing units increased by 1,628 from the years 2009-2013 to the years 2013-2017, Missoula experienced a decrease in rental vacancy rates from 6.4% to 5.6% during this same time period. This may indicate that the construction of new housing units may be lagging behind population growth.

Both the 2009-2013 ACS and 2013-2017 ACS reported that an estimated 47.2% of housing units are owner-occupied housing while 52.8% are renter-occupied. According to the 2013-2017 ACS, the majority of the City's residential structures (52%) are 1-unit detached structures, 39% are 2-20 or more units and 4% are mobile homes. This distribution of structure types has remained comparable to previous years.

All residential properties by number of units

Table 26 – All Residential Properties by Number of Units, 2009 - 2013

Property Type	Number	%
1-unit detached structure	16,042	52%
1-unit, attached structure	1,408	5%
2-4 units	5,984	19%
5-19 units	3,470	11%
20 or more units	2,873	9%
Mobile Home, boat, RV, van, etc.	1,350	4%
<i>Total</i>	<i>31,127</i>	<i>100%</i>

Data Source: 2009-2013 ACS

Figure 18 – All Residential Properties by Number of Units, 2013-2017

Property Type	Number	%
1-unit detached structure	16,561	51%
1-unit, attached structure	1,591	5%
2-4 units	5,745	18%
5-19 units	4,314	13%
20 or more units	3,256	10%
Mobile Home, boat, RV, van, etc.	1,288	4%
<i>Total</i>	<i>32,755</i>	<i>100%</i>

Data Source: 2013-2017 ACS

Since the US Census ACS data is collected using sampling data, there is a margin of error in the above table. The smaller sampling sizes for census tracts or neighborhoods result in a larger margin of error for these geographic areas. More reliable information is available from the Montana Department of Revenue property assessment data. This data is collected as part of the Montana Cadastral Framework and shows the taxable parcels and tax-exempt parcels for most of Montana. The parcels contain selected information such as owner

names, property and owner addresses, assessed value, agricultural use, and tax district information that were copied from the Montana Department of Revenue's ORION tax appraisal database. This database represents 100% of the parcels. Using the GIS layer for Missoula neighborhoods, it is possible to determine the number of mobile homes per neighborhood for the City. As depicted in the map and table below, the Westside and Franklin to the Fort neighborhoods have the largest number of residential mobile homes. There is also a significant concentration of mobile homes in the Captain John Mullan and River Road neighborhoods.

Figure 19 – Mobile Home Parks in Missoula

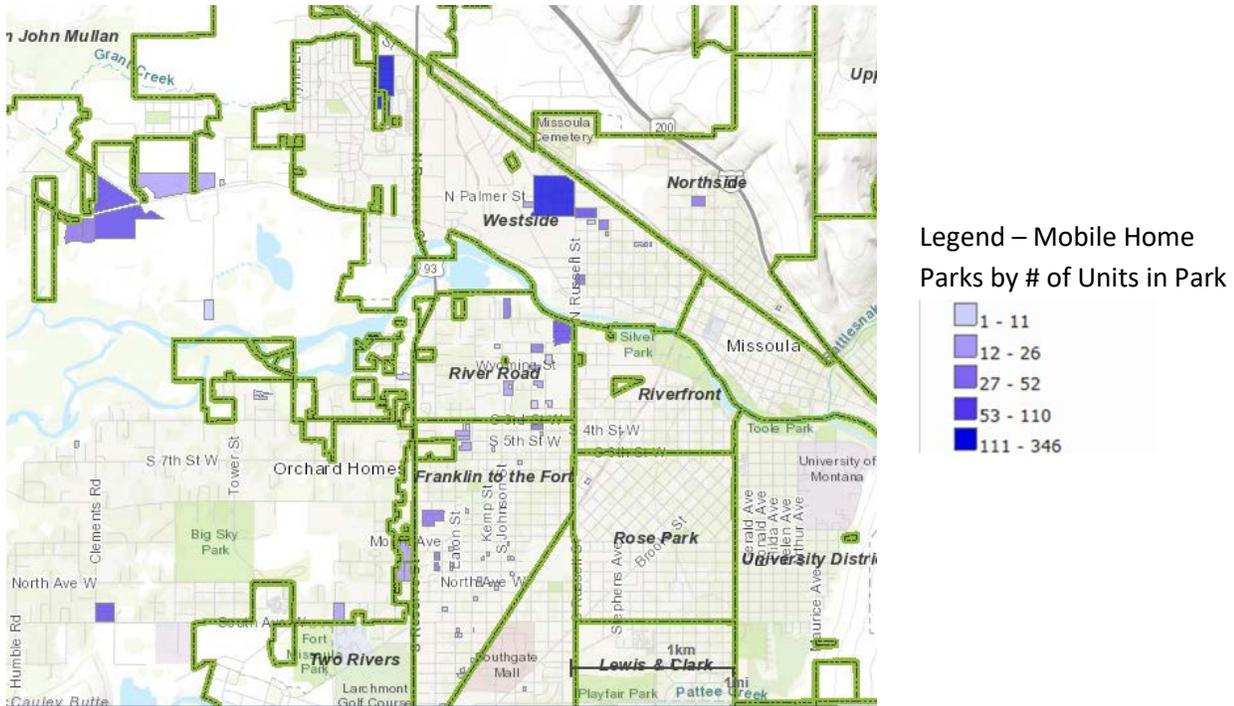


Figure 20 – Number of Mobile Homes by Neighborhood

Neighborhood	# of Mobile Homes
Westside	497
Franklin to the Fort	433
River Road	226
Captain John Mullan	136
Two Rivers	71
Northside	48
All Others	44

Source: Montana Department of Revenue Cadastral Data (downloaded 2018)

Unit Size by Tenure

According to the ACS data, the number of renter-occupied units with two or more bedrooms declined from 63% in 2009-2013 to 58% in 2013-2017. This may indicate that construction of new rental units reflect a market demand for smaller one-bedroom and studio units.

Table 27 – Units by Tenure 2009-2013

	Owners		Renters	
	Number	%	Number	%
No bedroom	37	0%	1,163	8%
1 bedroom	365	3%	4,517	29%
2 bedrooms	3,459	25%	6,268	41%
3 or more bedrooms	9,863	72%	3,404	22%
Total	13,724	100%	15,352	100%

Data Source: 2009-2013 ACS

Figure 21 – Units by Tenure 2013-2017

	Owners		Renters	
	Number	%	Number	%
No Bedroom	54	0%	1,454	9%
1 Bedroom	527	4%	5,367	33%
2 Bedroom	3,340	23%	6,082	37%
3 or more bedrooms	10,677	73%	3,413	21%
Total	14,598	100%	16,316	100%

Data Source: 2013-2017 ACS (Table B25042)

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

City of Missoula

The City of Missoula Office of Housing and Community Development (HCD) administers the Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) programs for the City of Missoula, Montana. The City has administered the CDBG Entitlement program since 1999, and the HOME program since 2003. The Missoula Consolidated Annual Performance and Evaluation Report (CAPER) for program years 2017 through 2018 notes the city was involved in the following programs that provided housing assistance.

- Homeownership – HOME Investment Partnerships-Funded
 - North Missoula Community Development Corporation: seven homes for low-income qualified families (PY2016 and 2017)
 - Homeward: Small Home Project (Phase 1), six homes for low-income qualified families (PY 2017)
 - Homeward: Small Home Project (Phase 2), one home for low-income qualified families (PY2018)
 - District XI – Human Resource Council (HRC): Down payment Assistance 10 homebuyers (PY 2017)
- Rehabilitation – Community Development Block Grant-Funded
 - Opportunity Resources: Rental Rehabilitation, Benton Avenue, Income qualified, 37 units (PY 2017)
 - Eagle Watch Estates: Installation of elevator to improve mobility and access, 24 units (PY 2017)

- RAMP: Retrofit 13 properties for accessibility (PY 2015)
- Rental Assistance – HOME Investment Partnerships-Funded
 - District XI – Human Resource Council (HRC): Tenant Based Rental Assistance, 24 households (PY 2017)
- Infrastructure – Community Development Block Grant-Funded
 - Kiwanis Park (PY 2014)
 - Invest Health Sidewalk (PY 2017)
 - River Acres Resident-Owned Community Water Connection (PY 2018)
- Homeless, Special Needs, and Other Services – Community Development Block Grant-Funded (See sections MA-30 and MA-35 for more detail).
 - YWCA: Shelter and Facility Expansion (PY 2018)
 - Poverello Center: Homeless Rapid Intake for Coordinated Entry System (CES) (PY 2017, 2018)
 - Poverello Center: Shelter Facility construction completed in 2014 with CDBG funds (PY 2015)
- Homeless, Special Needs, and Other Services – Emergency Solutions Grant
 - District XI – Human Resource Council (HRC): 211 Referral Service (ESG PY 2017)
 - Salvation Army: Emergency Winter Shelter Rental Assistance Program (ESG PY 2017)
 - John Lynn Apartments for persons with special needs (Formerly Dakota): Eight Units of Permanent Supportive Housing for Chronically Homeless Individuals (PY 2015)

Missoula Housing Authority

In addition to the housing programs administered by the City and its subrecipients, the Missoula Housing Authority (MHA) also addresses the housing needs of the City’s low- and moderate-income families. The MHA operates several programs which are discussed in future detail in section MA-25 of this plan.

New Low Income Housing Tax Credit (LIHTC) Projects

The following table lists multi-family properties available for eligible low- and moderate-income households in Missoula. In addition to the LIHTC projects listed in the following table, “The Villagio” was awarded LIHTC in 2018 for a 200-unit multi-family development that will provide a mix of two-to-four- bedroom apartments.

Figure 22 – Affordable Housing Projects in Missoula

Project Name	Project Address	Total Low-Income Units	LIHTC	HUD Multifamily
Bruce Blattner Apts	1225 W Broadway St	8		X
Burlington Square	2420 Burlington Ave	51	X	
Butorac Rentals	1914 Scott St	4	X	

Clark Fork Manor	301 W Front St	134		X
Clyatt Rentals	101 Pullman Ct	4	X	
Coad I	640 River St	6	X	
Coad II	514 River St	6	X	
Coad III	1250 S 1st St W	6	X	
Cottage Park Apartments	1115 McDonald Ave	60	X	
Council Grove Apt	1904 S 3rd St W	72		X
Cove Apartments	1330 S 4 th St	4	X	
Creekside Apartments	1405 E Broadway St	159	X	
Eagle Watch Estates	565 Burton St	24		X
Equinox Apartments	1515 Liberty Ln	35	X	
Fireweed Court	1437 S 1st St W	12	X	
Garden District	230 S Catlin St	37	X	
Glengarra Place	3900 Galway Ave	41		X
Gold Dust	330 N 1st St W	18	X	
Grandview Place Apartments	150 Grandview Way	48		X
Lenox Flats	300 W Broadway St	10	X	
Maclay Commons	2405 McIntosh Loop	16	X	

McDonald Rental	2340 Fairview Ave	4	X	
Missoula Manor	909 W Central Ave	137		X
Orchard Gardens	210 N Grove St	35	X	
Palace Apartments	149 W Broadway St	60	X	
Parkside Village Apartments	3602 Stephens Ave	99	X	X
Pattee Street Apartments	315 N Pattee ST	22	X	
Phillips Apartments	1805 Phillips St	8	X	X
Riverside Health Care Center	1301E Broadway St	72		X
River Ridge Apartments	2840 Santa Fe Ct	69	X	X
Rosetta Assisted Living	2810 Great Northern Loop	17		X
Russell Square Apartments	1145 34th St	36	X	
Sem Apartments	1335 Wyoming St	6	X	
Sentinel Village Apartments	1111 McDonald Ave	60		X
Silvercrest Missoula	119 Russell St	51		
Silvertip	1311 E Broadway	115		X
Solstice	1535 Liberty Ln	34	X	
The Palace Hotel	123 W Broadway St	60	X	
Union Place	2500 Great Northern Ave	29	X	

Union Place II	2500 Great Northern Ave	33	X	
Village Healthcare Center	2651 South Ave W	193	X	X
Wildflower Apartments	1250 34th St	94	X	

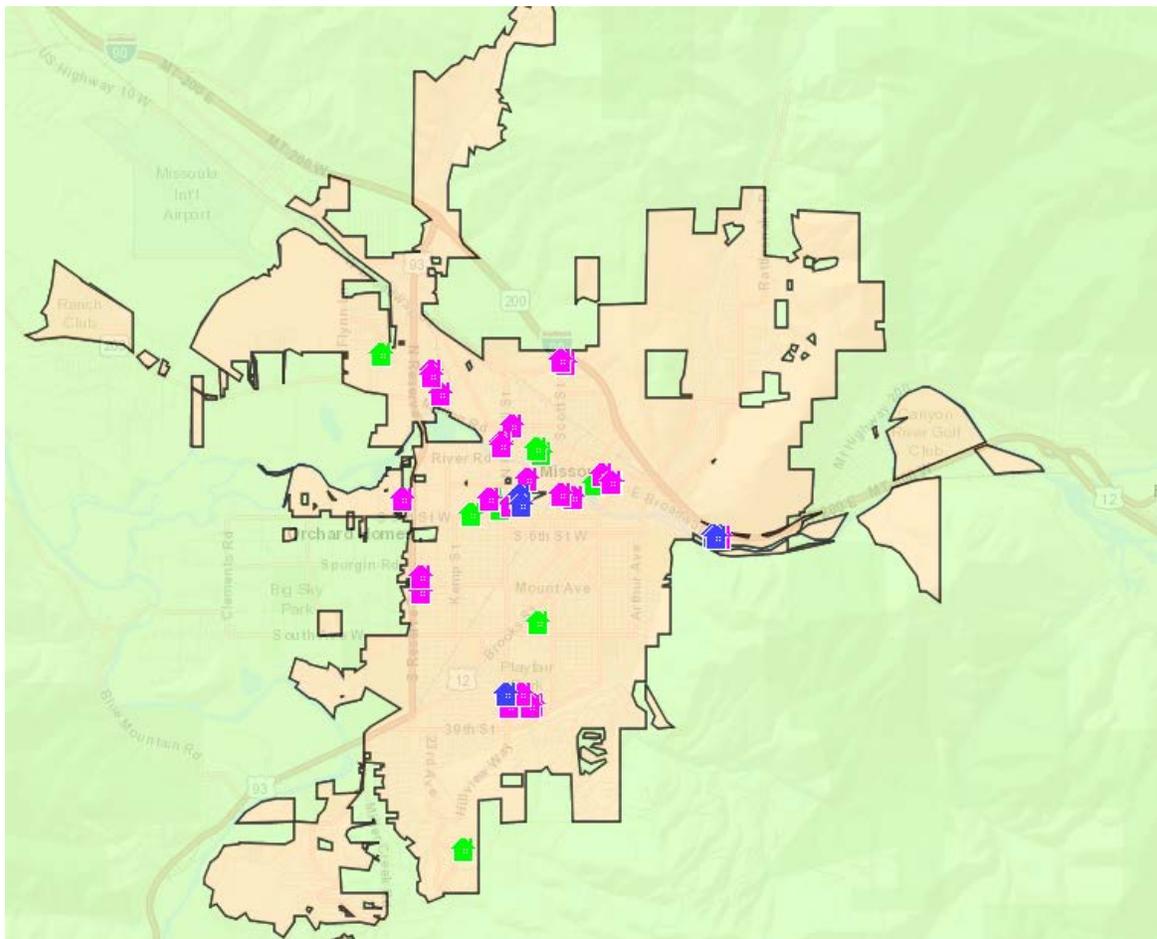
Sources:

1) HUD LIHTC Database <https://lihtc.huduser.gov/>

2) HUD Multifamily Assistance and Section 8 Database, https://www.hud.gov/program_offices/housing/mfh/exp/mfhdisc/

3) Local Sources

Figure 23 – LIHTC, Public Housing, and HUD Multi-Family Housing Units in the City of Missoula

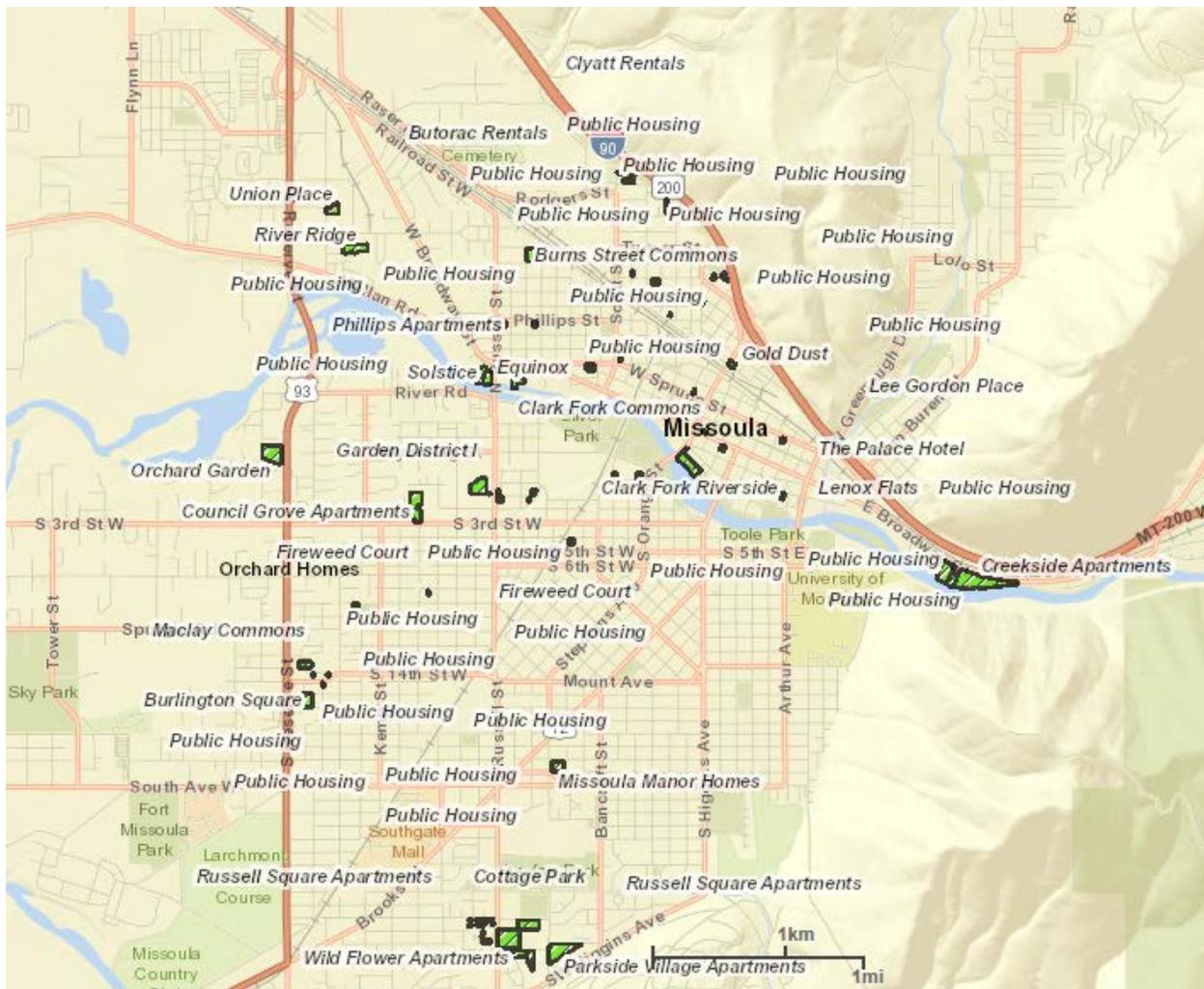


Source: <https://eqis.hud.gov/cpdmaps/> - December, 2018



The following map shows the specific housing projects by neighborhood. As indicated on the map, the low-income housing developments are generally dispersed throughout many neighborhoods except for the outlying neighborhoods on the south edge of town that are not close to services.

Figure 24 – Low-Income Housing in Missoula



Source: Missoula City-County Health Department Health Map

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

The Montana Department of Commerce Housing Division Multifamily Assistance and Section 8 Contracts database indicates that there are no project based Section 8 rentals that are at risk of expiring within the next 5-years. The LIHTC Wild Flower Apartments are expected to expire in 2023.

Clark Fork Riverside, 301 Front	2024	Section 8
Grandview Place, 150 Grandview	2036	Section 8
Sentinel Village, 1111 McDonald Ave.	2031	Section 8
Council Grove, 1904 S. 3rd Street, W	2034	Section 8
Missoula Manor Homes, 909 W. Central	2036	Section 8
Maclay Commons, 2405 McIntosh Loop	2035	LIHTC
Parkside Village, 3602 Stephens	2030	LIHTC
River Ridge, 2840 Sana Fe Court	2064	LIHTC
Russell Square, 1225 34 th St.	2062	LIHTC
The Palace Hotel, 149 W. Broadway	2059	LIHTC
Wild Flower Apartment, 1250 34 th Street	2023	LIHTC

Does the availability of housing units meet the needs of the population?

Household Units by Tenure

Owner-occupied units comprise 47.2% of the occupied units in Missoula. This is a lower homeownership rate than the statewide rate of 67.7% but reflects the market for rentals from students attending the University of Montana. The vacancy rate for owner units is less than 1% and is lower than the state rate of 1.7%. Likewise, the rental vacancy rate for the Missoula is 4% and is lower than the statewide average of 5.9%. This represents a tight housing market for both renters and owners.

Figure 25 – Housing Units by Tenure and Vacancy, City of Missoula

	# Housing Units	% of Total	% Vacant
Total	32,755	100%	5.6%
Occupied	30,914	94.6%	--
Owner	14,498	47.2%	0.5%
Renter	16,316	52.8%	4.0%

Source: U.S. Bureau of the Census, American Community Survey, 2013-2017

Population Trends

According to the U.S. Census, the total population in Missoula increased by 9.8% from 2010 to 2017. This exceeded growth rates for both Missoula County and the state of Montana. Population projections for the Governor’s Office of Economic Development project that the city of Missoula will continue to grow at a rate of 1.25% a year for a projected population of 78,292 by the year 2023. Most of this growth is due to in-migration.

The above rate of growth is consistent with the City of Missoula Growth Policy. According to that document, "...it is prudent to plan for a growth rate of between 1.1% AAG and 1.6% AAG which equates to a projected need for between 9,000 and 14,000 new residential units in the Urban Service Area over the next 20 years."

Figure 26 – Population Change in Montana, Missoula County, and City of Missoula

	2010*	2017**	# Change 2010-2017	% Change 2010-2017	Projected 2023***
Missoula City	66,788	73,340	6,552	9.8%	78,292
Missoula County	109,299	117,441	8,142	7.4%	127,683
State of Montana	989,415	1,050,493	61,079	6.2%	n/a

Source: U.S. Census Bureau 2010 Census and American Community Survey 2013-2017

Montana Governor’s Office of Economic Development Montana Site Selector, 2018

This data also indicates that the percentage of the population over age 65 will increase from 12.6% to 17.4%. This reflects the aging of the baby boom population and the attractiveness of Missoula as a retirement location.

Figure 27 – City of Missoula Population Projections by Age Group

	2017		2023	
	#	%	#	%
Under 18	12,361	17.4%	13,309	17.0%
18-64	49,477	70.0%	51,359	65.6%
65+	8,909	12.6%	13,622	17.4%

Source: U.S. Census Bureau 2010 Census and American Community Survey 2013-2017

Montana Governor’s Office of Economic Development Montana Site Selector, 2018

Disability Populations

As indicated below, the population age 65 and over is more likely to experience a disability. The most common type of disability among this age group is “Ambulatory” followed by “Independent Living”. As indicated above, the population cohort age 65 and over is expected to increase significantly over the next six years. This suggest that new construction should include design features to accommodate individuals with mobility limitations. The City of Missoula has adopted “visitability” standards to address these issues. There will also be a demand to retrofit existing housing units to allow “aging in place.” See section MA-35 for more detailed discussion.

Figure 28 – Disability Population by Age Group and Disability Type

	% Population under 18	% Population 18-64	% Population Age 65+
Hearing	0.3%	2.4%	17.4%
Vision	0.4%	1.9%	5.2%
Cognitive	3.3%	6.1%	9.1%
Ambulatory	0.7%	3.4%	22.9%
Self-Care	0.8%	1.4%	5.8%
Independent Living	--	3.7%	11.0%

Source: U.S. Census – American Community Survey, 2013-2017

Missoula Household Characteristics and Projections

Owner-occupied households had the largest average household size while householders over age 65 had the smallest household size.

Figure 29 – Missoula Household Characteristics

Household Characteristics	#	%
Total households 2017	30,914	100%
Households with individuals under 18 years	6,880	22.3%
Households with individuals 65 years and over	6,585	21.3%
Average household size	2.19	--
Average household size – Owner	2.41	--
Average household size – Renter	1.98	--
Average household size – With no children under 18	1.77	--
Average Household size – Householder Age 65+*	1.50	--
# of Population in Group Quarters	3,519	--
% of Population Age 65+ in Nursing Home*	--	5.2%

Source: U.S. Census – American Community Survey, 2013-2017

The following table is based on the projected increase in number of households and factors such as homeowner rates, average household size and age distribution. As indicated below, there is projected to be a significant demand for new housing over the next five years. Additionally, the number of households with persons age 65 and over will increase by around 2,000 during this time period.

Figure 30 – Missoula Projected Increase in Households

	Missoula
Total Households – 2017*	30,194
Projected Households – 2023**	33,990
Projected Increase in Households (2017-2023)	3,796
# Increase in Renter Households (2017-2023)***	2,004
# Increase in Homeowners (2017-2023)***	1,792
Total Households Age 65+ - 2017*	6,585
Total Households Age 65+ - 2023****	8,609
Projected Increase in Households Age 65+ (2017-2023)	2,024
Population in Nursing Home (2023)*****	708

Source/Notes:

* U.S. Census Bureau, American Community Survey

** - Montana Governor’s Office of Economic Development (Adjusted for Group Quarters)

*** - Total increase in households multiplied by % of renters/homeowners per 2016 ACS data

**** - Projected population over age 65 (not in group quarters) divided by Average HH Size for householders over age 65

*****-Projected population over age 65 multiplied by % of population over 65 residing in nursing homes

Housing Permit Data

Per the analysis in the previous table, it is projected that population growth in Missoula will require the addition of 3,796 new housing units from 2017 to 2023 or approximately 632 units per year. According to building permit data, the city has added an average of 520 units per year over the last seven years. To meet

projected demands, the rate of construction would need to increase by about 100 units per year. Due to the projected increase in the population age 65 and over, many of these units will require designs to accommodate an older population with limited mobility.

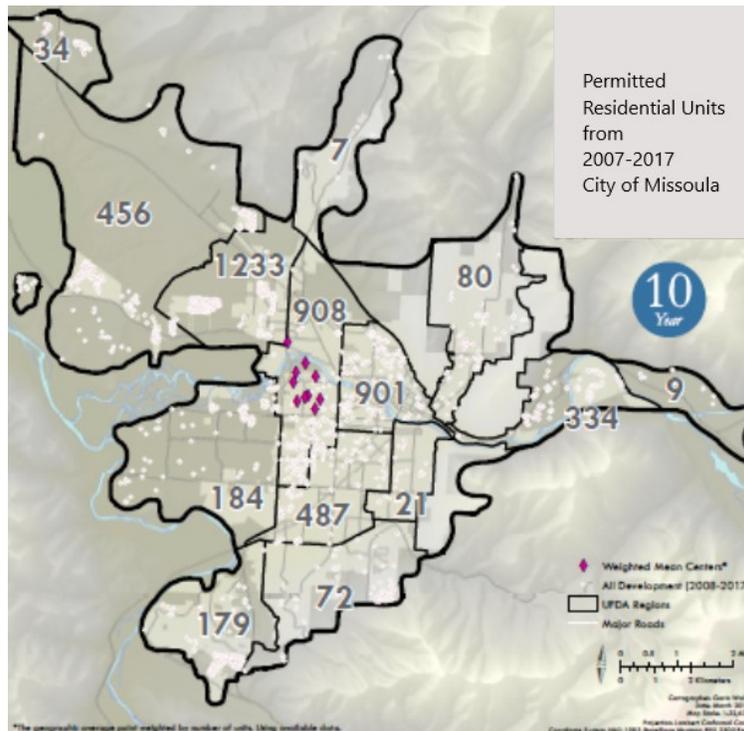
Figure 31 – City of Missoula Building Permits 2012-2018

Program Year	Single-Family	Duplex	Multi-Family (DU)	Total
2012	96	8	313	417
2013	127	5	200	332
2014	160	5	361	526
2015	176	5	292	473
2016	195	7	143	345
2017	246	18	718	982
2018	253	10	300	563
Total	1,253	58	2,327	3,638

Source: City of Missoula, Development Services

The map below indicates the geographic areas where building activity has occurred over the last 10-years. A total of 4,905 new residential units permitted over the past ten years or an average of 490 units per year. The Growth Policy indicates that from 450 to 700 new units per year are necessary to meet projected growth.

Figure 32 – Residential Permits in Missoula by Geographic Area



Source: Missoula Urban Fringe Development Area Yearbook 2016/2017

Describe the need for specific types of housing:

The rate of population growth in Missoula over the last 10-years has been 1.25% a year. It is projected that this rate will continue. The current rate of new residential units that are being permitted is not sufficient to address

housing demand. Due to the increase in the senior population, there will be increased demand for new units designed to accommodate an older population. The increase in the over 65 age group is due partly to the aging of the baby boom population and partly due to in-migration from seniors. Since Missoula is a regional hub for medical and other services, it attracts retirees from other parts of the state and country. There is also an identified need for affordable housing. As discussed in the next section, income is not keeping up with the increased cost of renting or purchasing a home. There are waiting list for subsidized units and vacancy rates for private rental units are low.

Working with partners such as non-profit partners to increase the inventory of affordable housing is a key strategy to meeting housing needs in Missoula. These partners include:

- Housing Solutions, LLC – Non-profit housing developer. Built and operates following affordable housing projects - Union Place I & II and Aspen Place.
- Homeward – Certified housing counselor, first-time homebuyer education, renter education. Developed and operates following affordable housing projects – Equinox, Fireweed Court, Gold dust, Lenox Flats, Montana Street Homes, Orchard Gardens, Solstice, Sweetgrass Commons.
- The North-Missoula Community Development Corporation (NMCDC) – Community land trust and neighborhood programs. Housing properties include Lee Gordon Place, Whittier Court, Clark Fork Commons, and Burns Street Commons.
- Private Sector Low-Income Housing Tax Credit developers.
- Missoula Public Housing Authority (See Section MA-25).

Discussion

Population growth projections for the city of Missoula continue to be high. Although the number of housing units increased by 1,628 from the years 2009-2013 to the years 2013-2017, Missoula experienced a decrease in rental vacancy rates from 6.4% to 5.6% during this same time period. The current rate of new residential units that are being permitted is not sufficient to address housing demand. Due to the increase in the senior population, there will be increased demand for new units designed to accommodate an older population. All of these trends suggest that Missoula has significant work to do in order to meet the need for housing in the city.

MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

Introduction

The cost of housing in Missoula has increased significantly since the base year of 2000. Median home value increased 86% from 2000 to 2013 while rents increased at a rate of 43% during this same time period. Since 2013, rents have had a faster rate of increase growing by 17.7% over the last four years. Home values grew by 6.5% from 2013 to 2017. Housing costs in Missoula have traditionally been higher than the state average. From 2013-2017, the statewide median home value was \$209,100 while statewide median rents were \$751. Both homeowners and renters have experienced increases in housing costs which have heightened the housing needs of the lower income residents of Missoula.

As would be expected with the increase in median rents since 2013, the number of units with rents below \$500 decreased by 1,316 units or 40% in the four period between 2013 and 2017. Units with rents below \$500 comprise just 12% of the rental housing stock.

Cost of Housing

Table 28 – Cost of Housing

	Base Year: 2000	2013	% Change 2000-2013	2017	% Change 2013-2017
Median Home Value	\$127,900	\$237,600	86%	\$253,100	6.5%
Median Contract Rent	\$468	\$667	43%	\$785	17.7%

Source: 2000 Census (Base Year), 2009-2013 ACS and 2013-2017 ACS

Table 29 – Rent Paid

Rent Paid	2013		2017	
	Number	%	Number	%
Less than \$500	3,238	21.1%	1,922	12.0%
\$500-999	9,864	64.3%	10,161	63.5%
\$1,000-1,499	1,837	12.0%	2,967	18.6%
\$1,500-1,999	269	1.8%	679	4.2%
\$2,000 or more	144	0.9%	270	1.7%
Total	15,352	100.0%	15,999	100

Data Source: US Census, 2009-2013 ACS & 2013 – 2017 ACS

Housing Affordability

Table 30 – Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	665	No Data
50% HAMFI	2,855	480
80% HAMFI	10,040	1,320
100% HAMFI	No Data	2,755
Total	13,560	4,555

Source: 2009-2013 CHAS

NOTE: HAMFI = HUD Adjusted Median Family Income

Monthly Rent

Table 31 – Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	662	735	925	1,346	1,629
High HOME Rent	662	735	925	1,196	1,315
Low HOME Rent	616	660	792	915	1,021

Data Source: HUD Fair Market Rent and HOME Rents

Is there sufficient housing for households at all income levels?

Housing Cost Burden

The Census defines a household having a cost burden when 30% or more of monthly household income is spent on monthly housing costs. Data from the ACS indicate a lack of affordable housing at the lower income levels. For households making less than \$20,000 per year, 82.2% of owners and 91.0% of renters are experiencing a cost burden. Two-thirds of renter households that make \$20,000 to \$34,999 per year experience a housing cost burden while half of homeowners making from \$20,000 to \$49,999 per year are experiencing a cost burden.

Figure 33 – Percent of Households with Monthly Housing Costs that Exceed 30% of Income

Income Level	Owner	Renter
Less than \$20,000	82.2%	91.0%
\$20,000 to \$34,999	50.4%	66.8%
\$35,000 - \$49,999	50.3%	23.7%
\$50,000 to \$74,999	22.0%	11.6%
\$75,000 or more	4.0%	1.1%

Source: U.S. Census, American Community Survey 2013-2017

Rental Housing Gap for Very Low-Income Households

According to the Missoula Organization of Realtors (MOR) report, Making Missoula Home: A Path to Attainable Housing (2018), "... the rental rates appear generally affordable to a large segment of the population, with the

largest gaps showing for very low-income household below 50% AMI.” Area Median Income (AMI) is a term to describe income guidelines for various programs administered by the U.S. Department of Housing and Urban Development (HUD), City of Missoula, Missoula Public Housing Authority and the Montana Department of Commerce – Housing Division. The following table indicates the different income levels for various categories.

Figure 34 – HUD Area Median Income, 2018

	%	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Missoula County	30%	14,790	16,920	19,020	21,120	22,830	24,510	26,190	27,900
	50%	24,650	28,200	31,700	35,200	38,050	40,850	43,650	46,500
	100%	49,300	56,400	63,400	70,400	76,100	81,700	87,300	93,000

Source: Montana Board of Housing, <http://housing.mt.gov/MFLimits>

Area Median income (AMI)

Household income limitations are determined based on the area's median gross income (AMGI) as determined by HUD. Each year, HUD adjusts the area's median household income based on a variety of factors such as the area economy and household growth. Income restrictions are determined on a Metropolitan Statistical Area (MSA) or county level.

Low Income

A household whose income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families. HUD may establish income ceilings higher or lower than 80 percent of the median for the area median based on HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Moderate Income

Households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families. HUD may establish income ceilings higher or lower than 95 percent of the median for the area based on HUD's findings that such variations are necessary because of prevailing levels of construction costs, fair market rents, or unusually high or low family incomes. Other agencies may also establish different income ceilings depending on the goals of the programs. For example, the NeighborWorks Montana homeownership lending programs have an upward limit that is equivalent to 120% of AMI.

Very Low-Income

Households whose incomes do not exceed 50 percent of the median area income for the area, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or where needed because of facility, college, or other training facility; prevailing levels of construction costs; or fair market rents.

Extremely Low-Income

Households whose incomes do not exceed 30 percent of the median area income for the area, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or

where needed because of facility, college, or other training facility; prevailing levels of construction costs; or fair market rents.

The MOR report notes that, “The threshold where rental housing appears to become more challenging is for larger families – those needing 3- and 4-bedroom houses.” The report also notes, “The rental housing vacancy rates also reflect a tightening of the market for larger rentals with the most recent rental vacancy numbers showing a 2.7% vacancy for 3-bedroom units and a 0% vacancy for 4-bedroom units.”

In regard to homeownership opportunities, the MOR report notes, “Households in the 80-120% range are on the cusp of current market affordability levels. But it is not until the 100% and 120% ranges – and at larger family sizes – that you start to see affordable pricing that is currently available in the open market.”

How is affordability of housing likely to change considering changes to home values and/or rents?

Rental Market

According to HUD data, new construction in 2018 may be trending towards a more balanced rental market. While the rental market is improving, the single-family market appears to be tightening up. The HUD Rocky Mountain Regional Office, “Market at a Glance-Missoula” (2018) states:

“The sales housing market in the metropolitan area is slightly tight. During the 12 months ending June 2018, sales of new and existing single-family homes, townhomes, and condominiums totaled 2,775 homes sold, and home prices averaged \$292,400, increases of 6 percent, each, from a year ago (Metrostudy, A Hanley Wood Company). During the 12 months ending June 2018, about 390 single-family homes were permitted, down 7 percent from the 420 homes permitted a year earlier.”

“The rental housing market in the metropolitan area is balanced. The apartment vacancy rate was 4.0 percent in the second quarter of 2018, down slightly from 4.2 percent a year earlier (Axiometrics, Inc.). Effective rents (net of concessions) increased 1 percent during this period, to average \$1,040 a month. According to preliminary data, about 330 multifamily units were permitted during the 12 months ending June 2018, compared with nearly 800 units during the previous 12-month period. The 24-unit Lacey Place Apartments opened in 2017, with the rents for the one- and two-bedroom units currently ranging from \$850 to \$1,250 a month.”

The MOR report also notes the improving rental housing market.

“Luckily, there is a fairly robust pipeline of rental housing production with city staff reporting approval of over 700 beds in a mix of traditional apartments and “pod” style shared student housing 2016, with 530 beds/units permitted in that same year.

The pipeline of new rental units from larger multi-family projects, particularly those targeting student populations, will help partially address the growing rental housing needs and could potentially relieve some larger rental currently being shared by multiple renter households.” (MOR Report)

While the number of rental housing projects has increased, the economics of building rental housing remains difficult without some type of subsidy. According to the Montana Department of Commerce, Housing Division Multi-family Program, the average construction cost per unit for projects that submitted a letter of intent for the 2018 distribution of tax credits was \$191,000 per unit.

Homeownership Market

As previously noted, the median home for Missoula has increased significantly since 2000. Of the three metropolitan areas in Montana, the city of Missoula has the highest median home value.

Figure 35 – Median Home Values for Montana MSA

County	Median Home Value
Missoula	\$253,100
Billings	\$206,100
Great Falls	\$165,900

Source: U.S. Census, ACS 2013-2017

The ACS data reflects home value for both homes that are occupied and those that are for sale. A review of residential sales in Missoula indicate that the median sales price for homes in the Multiple Listing Service (MLS) is higher than the overall citywide median home value. As indicated in the table below, average sale price for homes has increased by 47.7% since 2013.

Figure 36 – Residential Market Activity in the Missoula Urban Area 2013-2018

Year	# of Sales	Median Price
2018	100	\$309,500
2017	103	\$270,000
2016	86	\$252,450
2015	74	\$212,500
2014	95	\$227,000
2013	66	\$209,500

Source: Missoula Urban Real Estate Market Trends <https://www.missoularealestate.com/market-trends/>

Housing costs for new construction are projected to continue increasing. The Harvard University’s Joint Center for Housing studies notes the following trends regarding construction costs:

- If oil prices increase, transportation costs for transporting building materials will increase.
- Building materials cost increased due to increased demand following hurricane damage in 2017.
- From 2017 to 2018, the overall cost of building materials increased by 4% with the cost of softwood lumber increasing by 13%. It is projected that labor cost will increase by 15% in 2018.
- Modular housing, constructed in factor conditions and assembled on site, could have cost savings but this type of technology represents a small percentage of new construction.
- The Federal Reserve has increased interest rates in 2018.

The National Home Builders Association indicates that in addition to above factors, tariffs will also add to the increase of housing cost construction.

The Making Missoula Home report notes that, "...The relationship between rental and homeownership is corollary. Lack of affordable rental opportunities can be a significant obstacle to home purchase, even if modestly priced homes are available on the market. Higher rental rates hold families back from saving the necessary down payment and closing costs require to purchase a home and in the most extreme cases can cause families to accumulate consumer debt, which constrains their mortgage capacity. Conversely, a lack of affordable ownership opportunities can artificially hold higher income households in rental housing situations even though they may have sufficient credit and savings to purchase a home."

Other Trends

- High Construction Costs
 - One factor contributing to the housing affordability issue is the cost of installing infrastructure in new developments. Infrastructure includes roads, water, wastewater systems, storm sewers, and other utilities. Infrastructure must be installed or bonded for prior to final plat approval for new subdivisions. The cost of providing for this infrastructure is included in the price of the finished lot. Additionally, homeowners may have to pay hook-up fees as part of the building permit application or may have special assessments included in their tax bills to pay for infrastructure upgrades. The Montana Board of Housing has identified infrastructure cost as a factor in housing affordability.
 - The Making Missoula Home report also notes the high cost of infrastructure in housing developments. For example, a recent development project in the city was estimated to have a per unit infrastructure cost of nearly \$32,570 units at a density of six units per acre. Cost for park and open spaces requirements added another \$5,785 per unit. The report notes that while cost may be lower for large developments that achieve some economy of scale, infrastructure costs still average \$20,000 to \$25,000 per unit and significantly raises the cost of housing.
- Downtown Missoula Development Costs
 - The Missoula Growth Policy notes the higher costs of developing projects in the downtown. While the downtown is close to services and employment centers, construction cost is higher in the downtown area. As noted in the Growth Policy, "Housing is an important component of downtown development. Downtown residents support businesses. There is a segment of the population that would prefer to live downtown but the cost to develop multi-dwelling downtown is higher and may require incentives or other programs to make building feasible."
- Vacation Short-Term Rentals
 - Vacation rentals are another factor affecting housing affordability. A recent study by the University of Montana, Bureau of Business and Economic Research, examined the impact of short-term rentals on local housing markets. Short-term rentals, or vacation rentals, are defined as the rental of a home or room in a home for less than 30-days. The report notes that short term rentals may, "... increase the price of rent for residents while depleting affordable

housing options.” Although not a complete count, in Missoula, Airbnb alone had 300 listing for short-term rentals in 2018. In 2016, the Missoula City Council approved rules for homeowners, which included complying with housing safety codes, limiting the number of guests allowed per square foot and notifying neighbors about their rental status. (Source: Montana Business Quarterly, Winter 2018) The MOR report also notes that although the growing trend for short-term rentals are impacting the rental market and putting pressure on the supply of rental units the overall number of short-term rentals comprise a small portion of the rental market, especially compared to resort areas.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

Fair market rent is established by HUD based on rent surveys in the county and represent the average rent in the area. Rents for Missoula County are somewhat higher than the Billings and Great Falls MSAs.

Figure 37 – Fair Market Rent, 2018

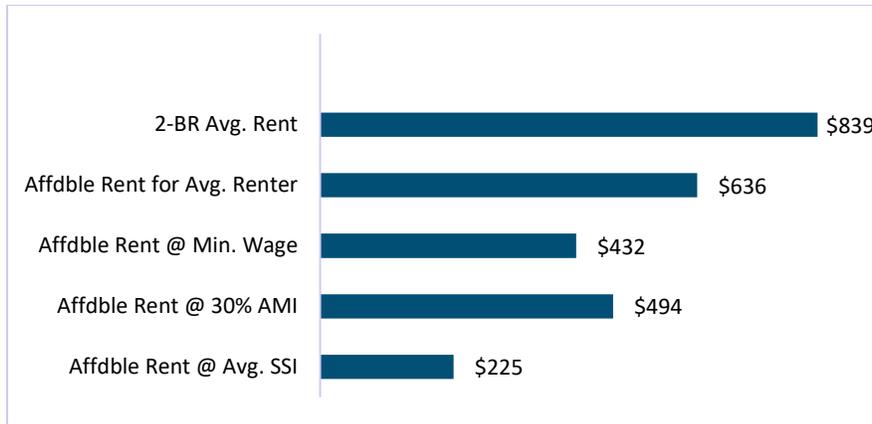
Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Missoula MSA	662	735	925	1,346	1,629
Billings MSA	597	708	936	1,308	1,594
Great Falls MSA	564	568	755	1,058	1,304

Data Source: U.S. Department of Housing and Urban Development (HUD)

The National Low-Income Housing Coalition (NLIHC), calculates the affordability levels of rental costs based on the definition that rent and utilities should not exceed 30% of income. Using fair market rent data and assuming a 40-hour work week for 52 weeks per year the NLIHC has determined the average hourly wage for renters in Missoula County is not sufficient to afford an average two-bedroom apartment.

- Hourly wage needed to afford 1-bedroom unit @ fair market rent = \$14.13
- Hourly wage needed to afford 2-bedroom unit @ fair market rent = \$17.79
- Estimated hourly mean renter wage = \$11.49
- Annual Income needed to afford 2-bedroom unit (average fair market rent) = \$32,160
- Area Annual Median Income = \$56,100
- 30% of AMI = \$16,830

Figure 38 – Affordable Rental Levels, Missoula 2018



Source: National Low Income Housing Coalition, 2018

Discussion

As demonstrated in the previous sections, the high relative costs of rents and home values in the City of Missoula have a disparate impact on low- and moderate- income households. Additionally, incomes have not increased at a rate to keep up with rising housing costs. Between the years 2000 and 2013, home values increased 86% and rents increased 43%. Incomes during this period increased by only 34%. Between 2013 and 2017, rents increased by 17.7% while incomes increased by only 7.2%.

The trends towards an increasing cost of infrastructure, land, regulation, rising interest rates, tariffs, labor, and building materials all indicate that the cost of housing will continue to outpace income growth. Affordable housing will have to be incentivized or subsidized to meet demand. The City's upcoming comprehensive Housing Policy, which aims to create a cohesive policy and program approach in the city to minimize barriers and provide financial incentives where possible to promote the production and preservation of diverse, healthy, and safe homes, will go far in addressing this demand. The policy includes working closely with several affordable housing development partners whose mission-driven approach provides opportunities to increase affordable housing in the City.

MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

Introduction

Missoula has a higher percentage of rental units than the rest of the state due to the presence of the University of Montana. According to the ACS, 62% of owner-occupied homes and 59% of renter-occupied homes were built prior to 1980. These homes are susceptible to lead-based paint hazards. Additionally, older units are more likely to have deferred maintenance and require upgrades for energy efficiency. Of the four factors that HUD uses to define housing problems, the most common problem in Missoula is “cost burdened.” When a household experiences a cost burden, they often lack funds for housing repairs and basic maintenance. Vacant abandoned housing and Real Estate Owned (REO) properties are not a significant issue (See Section 3 for more discussion).

Definitions

HUD defines housing problems to include the following:

- a) Lack of a complete kitchen
- b) Lack complete plumbing facilities
- c) Cost burdened: A housing cost burden of more than 30% of the household income. Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payments, taxes, insurance, and utilities.
- d) Overcrowded: Overcrowded is defined as more than one person per room, not including bathrooms, porches, foyers, halls, or half- rooms.

The table below, pre-populated by HUD, utilizes "conditions" in a similar manner to housing problems as defined above. In addition to this definition, HUD requires the jurisdiction to provide a definition of "standard condition" and "substandard condition but suitable for rehabilitation." For purposes of this Plan, "standard condition" is defined as a dwelling unit that meets all applicable housing and building codes, and "substandard condition but suitable for rehabilitation" is defined as a dwelling unit that does not meet some of the applicable housing and building codes, but its rehabilitation is financially feasible.

Condition of Units

Table 32 – Condition of Units

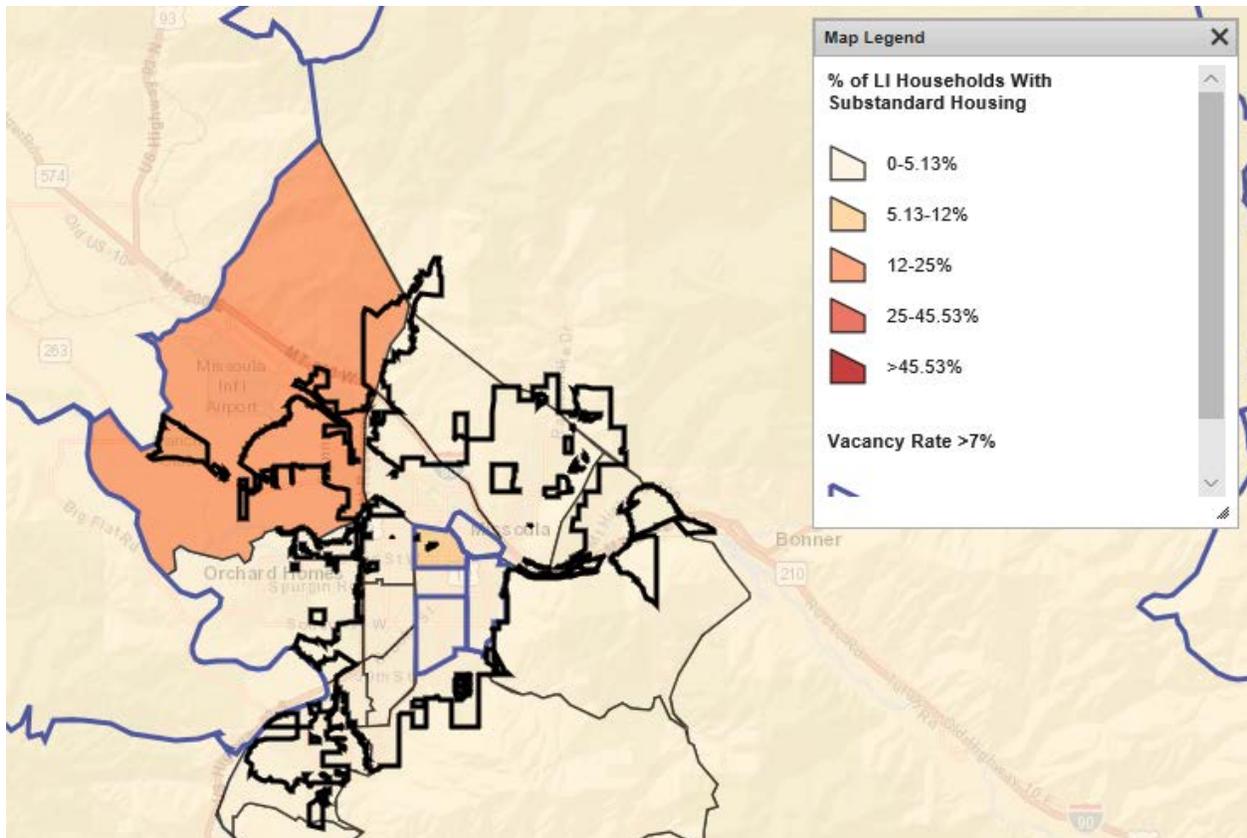
Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	3,878	28%	8,270	54%
With two selected Conditions	36	0%	354	2%
With three selected Conditions	0	0%	47	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	9,810	71%	6,681	44%
Total	13,724	99%	15,352	100%

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%

Source: 2009-2013 ACS

According to the map below, the areas with the highest percentage of “substandard condition are the northwest area of Missoula and the blocks bordered by Russell/River Rd./6th St./Higgins. The census tract that includes the northwest area of Missoula, also includes significant land in the County.

Figure 39 – Percentage of Low-Income and Moderate-Income Households with Sub-standard Housing in Missoula



Source: U.S. Department of Housing and Urban Development CPD Maps

Year Unit Built

According to the latest ACS data from the U.S. Census Bureau, 6,577 dwelling units in Missoula have been built since 2000 and 57% of these were renter-occupied. Approximately 20% of the housing stock in Missoula was built before the year 1950 compared to a statewide an average of 18.7% of dwelling units built during this time period. Some concerns that arise with older homes include deferred maintenance, lack of modern features, and high energy costs. Older homes are more likely to have faulty electricity, plumbing issues, kitchen inadequacies, roof leaks, heating/cooling deficiencies and various upkeep concerns. The expense to upgrade such homes can be a deterrent to rehabilitation.

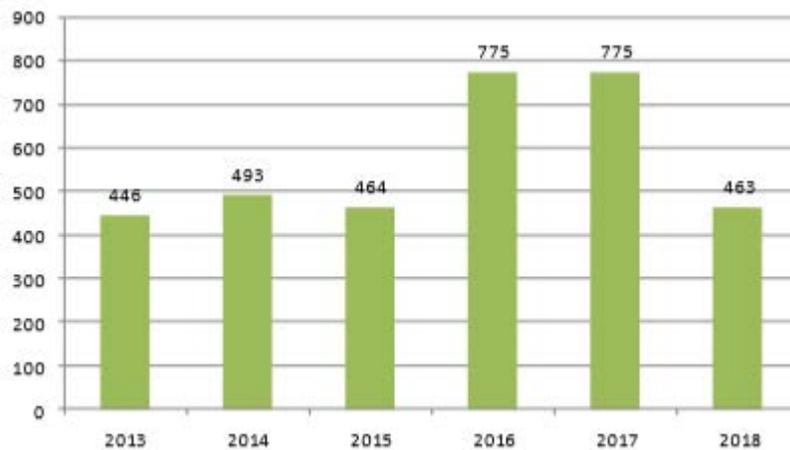
Table 33 – Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	2,826	19.4%	3,752	20.0%
1980-1999	2,666	18.3%	3,505	21.5%
1950-1979	6,027	41.3%	5,906	37.8%
Before 1950	3,079	21.0%	3,163	17.7%
Total	14,598	100%	16,316	100%

Source: ACS 2013-2017

As indicated in the chart below, there was an upswing in residential building permits in 2016 and 2017. In 2018, the number of residential permits returned to more normal annual averages. As new units are built and older units are demolished, the percent of older units with deferred maintenance will decline.

Figure 40 – Residential Permit Activity in City of Missoula, 2013-2018



Source: City of Missoula Development Dashboard, December 2018

Risk of Lead Based Paint Hazard

According to the State of Montana Consolidated Plan for HUD-Funded Programs, “...despite a ban in 1978 on the use of lead in new paint, children living in older homes are still at risk from deteriorating lead-based paint and its resulting lead contaminated household dust and soil. Today lead-based paint in older housing remains one of the most common sources of lead exposure for children.”

Table 34 – Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	9,145	64%	9,185	59%
Housing Units Built Before 1980 with Children Present	1,525	11%	690	5%

Data Source: 2009-2013 ACS (Total Units) 2009-2013 CHAS (Units with Children present)

Vacant Units

According to ACS data from the US Census, there were 1,841 vacant units in Missoula. The majority of these units were for rent or for sale. Missoula also has 360 vacant units that are classified as “Season/recreational or occasional use.” There were 387 units that were classified as “Other vacant.” Often, homes with this classification are abandoned vacant units.

Table 35 – Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	n/a	n/a	1,841
Abandoned Vacant Units	n/a	n/a	387*
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

Source: U.S. Census Data, ACS 2013 – 2017 (*May include both abandoned and “other” vacant.)

The U.S. Department of Housing and Urban Development's Real Estate Owned (REO) properties are a result of the Federal Housing Administration (FHA) paying a claim to a lending institution on a foreclosed property which was financed with an FHA Insured Mortgage and the lender transferring ownership of the property to HUD. Typically, title to the property is not transferred (or the claim paid) until the previous owner is evicted from the property. Normally, after the home is transferred to HUD, the property will go up for auction on the HUD Home store website. As of January 2019, there were no REO properties listed for Missoula on the HUD Home Store website.

Need for Owner and Rental Rehabilitation

Housing Condition Data (Montana Department of Revenue)

As part of the property appraisal, the Montana Department of Revenue (MDOR) assigns single family homes a rating based on the overall physical condition of such features as foundations, porches, walls, exterior trim, roofing, and other attributes. The rating system follows:

- Unsound – Dwelling is structurally unsound, not suitable for habitation, and subject to condemnation.
- Poor – Dwelling shows many signs of structural damage (sagging roof, foundation cracks, uneven floors, etc.) combined with a significant degree of deferred maintenance.
- Fair – Dwelling is in structurally sound condition but has greater than normal deterioration relative to its age (significant degree of deferred maintenance).
- Average – Dwelling shows only minor signs of deterioration caused by normal “wear and tear.”
- Good – Dwelling exhibits above ordinary standard of maintenance and upkeep in relation to its age.
- Excellent – Dwelling exhibits an outstanding standard of maintenance and upkeep in relation to its age.

As indicated in the table below, 72% of homes in Missoula are rated as either “Good” or “Average.” There is a small percentage of homes that are rated as “Poor,” “Very Poor” or “Unsound” and the cost of repairs on these homes make them unsuitable for rehabilitation. There are 61 homes that are rated as “Fair” indicating that the home is structurally sound but with deferred maintenance. These homes would be suitable candidates for rehabilitation.

Figure 41 – Housing Condition for Single-Family Homes in Missoula

	Excellent	Very Good	Good	Average	Fair	Poor	Very Poor	Unsound	N/A	Total
#	102	3323	6782	4901	61	7	7	6	126	15,315
%	0.67%	21.7%	44.3%	32%	0.4%	0.05%	0.05%	0.04%	0.8%	100%

Source: Montana Department of Revenue, 2018

Of multi-family buildings in Missoula, the majority are rated as “Average.” There are 86 buildings that are rated as “Fair” and would be suitable candidates for rehabilitation.

Figure 42 – Housing Condition for Multi-Family Homes in Missoula

	Excellent	Very Good	Good	Average	Fair	Poor	Very Poor	Unsound	N/A	Total
#	10	173	414	1905	86	1	0	0	523	3,112
%	0.32%	5.56%	13.3%	61.21%	2.76%	0.03%	0%	0%	16.81%	

Source: Montana Department of Revenue, 2018

Effective Year Data (Montana Department of Revenue)

The Department of Revenue property appraisal data also includes a rating for “Effective Year Built” (or “effective age”). To determine “effective year,” the age of the building is adjusted for significant renovations or neglect. For example, if a home was built in 1983 and updated several years later with new kitchens and baths, and was well cared for, the effective age might be adjusted to 1990. Likewise, a newer home that has suffered neglect, may have an older effective age than the year it was built.

Homes with an effective age between 50 to 70 years old, typically represent dwellings that have not had any major upgrades and often have plumbing and electrical systems that need replacement, doors and windows that are deteriorated, and the floor plan and interior details are outdated. Energy and water efficient features and appliances are lacking. While many of these homes are structurally sound, a major renovation is likely necessary to address these shortcomings. The following table indicates the number of single-family homes that have an effective date of 50 years or older. The Rose Park, Franklin-to-the-Fort, University District, South 39th Street, and Southgate Triangle are the top five neighborhoods with the highest concentrations of homes meeting this criteria. There were 787 multi-family buildings older than 1970 (please note that 523 multi-family buildings have no year-built information).

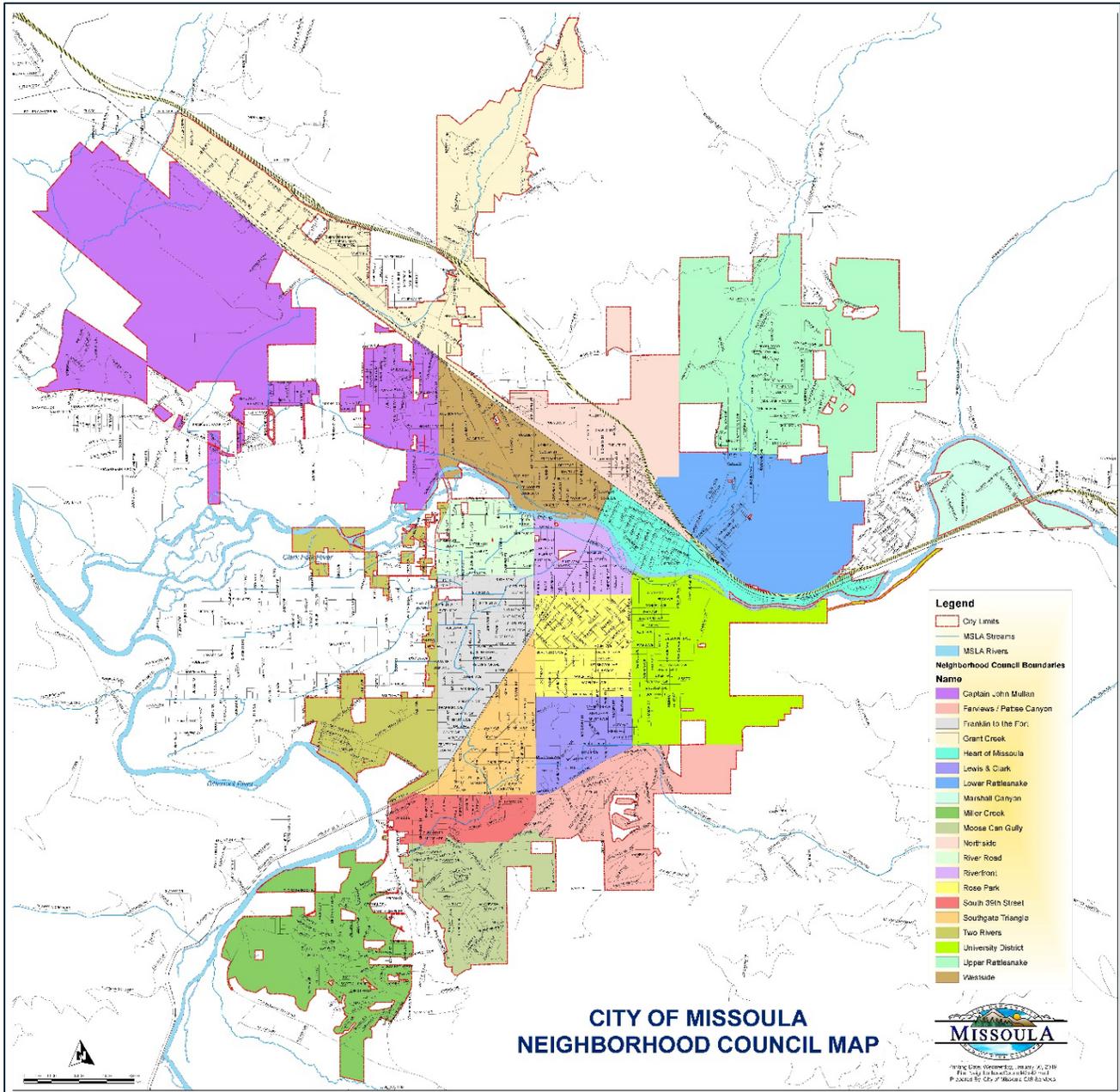
Figure 43 – Number of Homes with Effective Date Ratings of 1970 or Older, by Neighborhood

Neighborhood	# of Homes Pre 1970
Rose Park	1,305
Franklin to the Fort	1,115
University District	956
Northside / Westside	777
South 39th Street	605
Lewis & Clark	584

Southgate Triangle	575
Lower Rattlesnake	457
Riverfront	432
Upper Rattlesnake	412
Farviews / Pattee Canyon	258
River Road	134
Heart of Missoula	133
Moose Can Gully	124
Miller Creek	72
Two Rivers	20
Marshall Canyon	1
Captain John Mullan	1

Source: Montana Department of Revenue, 2018

Figure 44 – Map of Missoula Neighborhood Boundaries by Neighborhood Council



Source: City of Missoula Department of Neighborhoods, 2018

Year Built

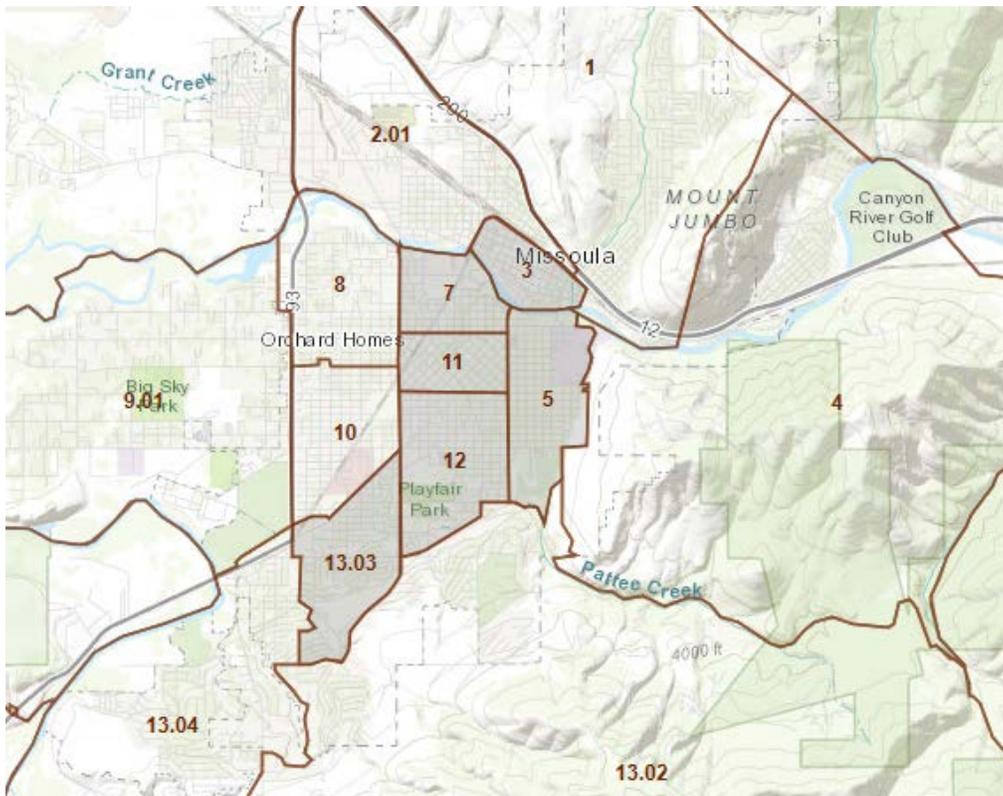
While effective age is an indicator of upkeep and major upgrades, the year built is a better indicator of homes at risk of lead paint. Homes built prior to 1980 are at higher risk of having lead based paint. (See next section.) Such homes are also less likely to have energy efficient features. Data from the U.S. Census indicates that the census tract with the highest percentage of homes built prior to 1980 are CT 3 and CT 11.

Figure 45 – Missoula Homes by Census Tract and Year Built

Census Tract	before 1980	1980-1999	2000 and after	Total	% before 1980
1	1817	686	281	2784	65%
2.01	2232	720	1605	4557	49%
2.02	823	1971	2311	5105	16%
3	1245	217	11	1473	85%
4	695	292	244	1231	56%
5	1909	335	265	2509	76%
7	1208	181	137	1526	79%
8	1479	773	846	3098	48%
9.01	1835	345	361	2541	72%
10	1543	439	594	2576	60%
11	1673	222	89	1984	84%
12	1849	347	193	2389	77%
13.02	1526	905	268	2699	57%
13.03	1740	297	178	2215	79%
13.04	865	951	811	2627	33%

Source: U.S. Census American Community Survey 2013-2017

Figure 46 – Census Tracts in Missoula with 75% or More Homes Built before 1980



Legend:

■ 75% + Built before 1980

Source: U.S. Census American Community Survey 2013-2017

Estimate Number of Housing Units Occupied by Low- or Moderate-Income Families with LBP Hazards

The ACS from 2013 indicated that 8,479 owner occupied units and 9,069 renter occupied units in Missoula were built before 1980 and are susceptible to lead-based paint. The State of Montana Consolidated Plan for HUD-Funded Programs notes that renter occupied households had a higher rate of risk for lead-based paint, with lower income levels facing more lead-based paint risks. Accounting for both renter and owner-occupied units, there was a total of 2,235 pre-1980 units with children present in Missoula.

The State Consolidated Plan notes that although housing stock built prior to 1980 may be at risk of lead-based paint exposure, not all of these units contain lead-based paint. Even when there is the presence of lead-based paint it does not indicate the extent of exposure hazards. Therefore, awareness of the potential hazards and education to properly maintain, control, and abate lead-based paint is important. Applicants for state CDBG and HOME funds receive information on dealing with lead-based paint hazards and may receive technical assistance, training and assistance with the cost of lead-based paint removal activities. City of Missoula subrecipients also receive information about lead-based paint hazards.

Discussion

The need for rehabilitation is typically in neighborhoods with high concentrations of older homes. In addition to issues such as deferred maintenance, lack of energy efficient features and outdated floor plans, older homes generally lack accessibility features and often require remodeling to provide universal design retrofits that can accommodate seniors with mobility issues. Older adults may have difficulty paying for and accessing maintenance services. Lack of resources to maintain homes can result in life-safety issues (Source: AARP, 2012).

Other issues that can particularly affect older homes include toxins present such as radon, mold, smoke, asbestos, and carbon monoxide. These substances can create health issues for residents. Statewide, landlords have reported issues with methamphetamine contamination in rental units that require costly mitigation prior to leasing to a new tenant. Older mobile homes may have components with formaldehyde and typically lack weatherization features. Mobile home rehab is costly and often older units should be decommissioned due to the cost of rehab exceeding the value of the unit (Source: Environmental Protection Agency).

There are several existing programs operated through Missoula area non-profits and government agencies that address rehabilitation in residential units:

- NeighborWorks Montana and Homeword: Home-buyer counseling and post-purchase education classes address home maintenance needs.

-
- Human Resource Council: Homeowner Rehab and Repair Loans and Energy Conservation programs are available for income-qualifying households.
 - Montana Department of Commerce: The Housing Division administers Low-Income Housing Tax Credits can be used for rehabilitation of multi-family properties.
 - Northwest Energy: Energy Conservation Education and Audits.
 - Missoula County Health Department: Provides lead, radon, asbestos, and mold remediation information to County residents.

MA-25 Public and Assisted Housing – 91.210(b)

Introduction

The Missoula Housing Authority (MHA) was created in 1978 and serves low- and moderate-income persons residing in the City of Missoula and surrounding areas (outside the city limits within at ten-mile radius). The main programs that the agency operates:

- Housing Choice Voucher Program
- Public Housing
- Shelter Plus Care (S+C)

HUD's Real Estate Assessment Center (REAC) effectively and fairly measures the performance of a public housing agency (PHA) using the Public Housing Assessment Score. REAC, compiles individual subsystem scores to produce a composite PHAS score on a scale of 1 to 100. The composite score for Missoula Housing in 2011 was a 91 which resulted in a designation of "High Performer." The definition, a High-Performer PHA according to the HUD is: "A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments."

The City of Missoula and Missoula Housing Authority entered into a cooperative agreement in 2015. Among the agreement's provisions of the City of Missoula waives the payment in lieu of taxes, cooperates on public improvements for future projects and to provide written notice to MHA of the intent to dispose of any land.

Totals Number of Units

Table 36 – Total Number of Units by Program Type

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled*
# of units vouchers available	0	14	178	774	39	735	0	0	0
# of accessible units		14	15						

*Includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-Year, and Nursing Home Transition

Source: PIC (PIH Information Center)

Describe the supply of public housing developments

Created in 1978, the Missoula Housing Authority (MHA) is one of the largest public housing authorities in Montana. Currently, MHA serves over 1,650 households through the following programs.

Low Income Public Housing

Missoula Housing Authority owns 178 units. The Authority is responsible for the management, maintenance and utilities for all units and sites.

Section 8 Housing Choice Vouchers (HCV)

HUD has contracted with the Housing Authority to administer 774 Housing Choice Vouchers. The Authority pays a Housing Assistance Payment (HAP) to private landlords for low income tenants. The HAP matches the difference between the total rent that the landlord can charge, at or below a fair market rent amount set by HUD, and the amount that the tenant must pay, 30% of adjusted gross income.

Shelter Plus Care (SPC)

Shelter Plus Care provides housing subsidies to homeless persons with targeted disabilities who are linked to service providers in the community. Rental assistance (HAP) is paid directly to private landlords, with the tenant paying 30% of adjusted gross income to the landlord for rent. The Housing Authority applies for Shelter Plus Care grants through a statewide process known as "Continuum of Care." The initial grant covers a period of five years, with annual renewals after the first five-year period. MHA's grants fund 112 vouchers.

Section 8 Moderate Rehabilitation Single Room Occupancy

MHA owns and manages a 14-unit single-room occupancy project for homeless persons. The housing subsidy provided by HUD is tied to the unit rather than the tenant, and tenants pay 30% of their adjusted gross income toward the rent. The Housing Authority pays for the maintenance and administration of the project with rents collected and an annual administrative fee from HUD.

Palace Apartments Low-Income Housing (LIHTC)

Palace Apartments is a tax credit funded apartment complex which was sold by MHA Holdings LLC, a supporting organization of Missoula Housing Authority, to Palace Apartments LP in FY2012 to facilitate a substantial rehab of this historic property. The complex is managed by Missoula Housing Authority. Units are restricted to families at 40%, 50% and 60% of area median income.

Valor House

With a Capital and Per Diem Grant from the Veterans Administration, MHA constructed Valor House, which has 17 one-bedroom apartments for homeless veterans. The property is managed by MHA, who contracts with the Poverello Center to provide a social services program for the residents.

Intermountain Development Co.

MHA, through Intermountain Development Group, entered into a partnership agreement with a private developer, Rocky Mountain Development Group, and the City of Missoula to engage in a mixed finance project of 115 units of affordable housing. In exchange for a capital contribution of sale proceeds from disposition of public housing in the amount of \$1 million, the development, known as Silvertip Apartments, includes 20 floating public housing units. The project was completed in 2012.

River Ridge Apartments

In August 2013, MHA Holdings, LLC purchased a 70-unit senior Low-Income Housing Tax Credit (LIHTC) property known as River Ridge Apartments. The housing authority held a right of first refusal to purchase the property at the end of its 15-year LIHTC compliance period. In FY16, MHA received an allocation of 9% tax credits. The project partnership closed in March 2016. In April 2016, construction began to rehab River Ridge's 70 units and was finalized in December 2016.

Parkside Village

In May 2015, MHA Holdings II, LLC purchased a 104-unit family Low Income Housing Tax Credit property known as Parkside Village. The housing authority held a right to purchase the property at the end of its 15-year LIHTC compliance period.

Russell Square Apartments

In July 2015, MHA Holdings III, LLC purchased the 51-unit family and senior Low-Income Housing Tax Credit property known as Russell Square Apartments. Housing Authority offices are also housed at this property. The housing authority held a right of first refusal to purchase the property at the end of its 15-year LIHTC compliance period, but the investor partner chose to exit the partnership early and turned over ownership to MHA in year 13.

110 S. California St.

In 2017 MHA developed a 6-unit apartment complex on land donated by the City of Missoula using a State HOME grant and private financing. Construction was complete in July 2017 and the project fully leased within 30 days.

Wildflower Apartments

In December 2017, MHA Holdings, LLC purchased a 96-unit family Low Income Housing Tax Credit Property known as Wildflower Apartments. The property was purchased from a private owner in order to preserve affordability in perpetuity. According to information from the Missoula Housing Authority there were 2,086 families on the waiting list for public housing and 1,816 families on the waiting list for Section 8 tenant-based assistance. The majority of those on the wait list were classified as extremely low income and 42% of those on the wait list were families with children. One-bedroom units were most in demand for the public housing wait list. Data on bedroom type is not available for the Section 8 waitlist.

Figure 47 – Number of Families on Wait List, Missoula Housing Authority

	Public Housing	Section 8
Total	2,086	1,816
Extremely low income (<=30% of AMI)	1,421	1,210
Very Low Income (>30% but < 50% of AMI)	219	210
Low Income (>50% but <80% of AMI)	76	59
Families with children	1,022	767
Elderly families	86	83
Families with Disabilities	385	359
Race/ethnicity (White)	1,625	1,441

Race/ethnicity (Black)	77	68
Race/ethnicity (Asian/Other)	378	308
Race/ethnicity (Hispanic)	108	86
Bedroom Size		
1BR	1,008	--
2BR	612	--
3BR	380	--
4BR	86	--

Source: Missoula Housing Authority, PHA Plan – October 17, 2018

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan

As mentioned above, there are 174 public housing units owned and operated by the MHA. HUD's Real Estate Assessment Center (REAC) assesses the condition of HUD's portfolio by conducting physical inspections of public and assisted multifamily housing. The maximum physical inspection score is 100. The average inspection score for the two MHA developments is provided in the tables below.

Public Housing Condition

Table 37 – Public Housing Condition

Name	Address	Average Inspection Score	Inspection Date
Missoula	Southside Properties scattered site	60	10/5/2016
Silvertip	1309 E Broadway St	91	10/4/2016
Missoula	Northside Properties scattered site	82	10/3/2016

Source: Data.HUD.Gov https://data.hud.gov/data_sets.html

Table 38 – Section 8 and Project/Tenant Based Housing Condition

Name	Address	Average Inspection Score	Inspection Date
Bruce Blattner Apts	1225 W Broadway St	100	2/3/2014
Eagle Watch Estates	565 Burton St	98	6/15/2015
Missoula Manner homes	909 W Central Ave	97	10/31/2014
Sentinel Village	1111 McDonald Ave	98	11/4/2014
Clark Fork Riverside	301 W Front St	94	11/5/2014
Council Groves Apts	1904 S 3rd St W	93	5/6/2016
Parkside Village	3602 Stephens Ave	96	9/19/2017
Glengarra Place	3900 Galway Ave	98	9/15/2015
Silvertip Apartments	1311 E Broadway St	99	6/23/2016
Burlington Square Apartments	2420 Burlington Ave	95	8/25/2016

Grandview Place	150 Grandview Way	77	6/29/2016
Village Senior Residence	2815 Old Fort Rd	87	6/13/2017
Silvercrest Missoula	1550 S 2nd St W	80	2/21/2017

Source: Data.HUD.Gov https://data.hud.gov/data_sets.html

Describe the restoration and revitalization needs of public housing units in the jurisdiction:

In general, MHA’s public housing units are in fair to excellent condition, depending on the age of the unit. Lead-based paint remediation was completed years ago. An Energy Performance Contract (EPC) paid for energy efficiency upgrades in all of the units, including new furnaces/hot water heaters/boilers where needed. Remaining work is mostly cosmetic in nature and includes a small amount of replacement siding and modernization of unit interiors. The low 2016 inspection score for the Southside scattered sites reflects improvements the inspector deemed necessary in units with garages. This included covering the garage walls and ceilings with drywall and repairing some concrete sinkage along the exterior edge. These repairs were completed.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

According to the MHA annual plan, the following projects have been identified.

- MHA is evaluating the feasibility of a RAD conversion for its 178 public housing units.
- Missoula Housing Authority is partnering with BlueLine Development and Madison Crossing LLC to begin construction on 200 units of Affordable Housing on the Northside of Missoula. The project will include 24 units of project-based voucher housing partially paid for with \$1 million of disposition proceeds, in addition to 4% low income housing tax credits, a tax-exempt bond, and grants. The project is located on Missoula’s north side at the corner of Otis St. and Shakespeare St. and will be the largest affordable housing development in Missoula. This project fulfills goals of the PHA plan to continue to develop an active and visible role as a collaborator and leader within the affordable housing sector, pursue funding and development of new rental housing opportunities, develop public/private partnership opportunities for new development of affordable housing, and increase visibility of the agency and promote a positive public image. The strategic use of project-based vouchers to enhance project feasibility, and in this case to allow the infusion of disposition proceeds into the project, is essential to fulfill these goals in Missoula’s high-cost construction and land acquisition environment.
- MHA is in the predevelopment phase of a 12-unit “Housing First” project to be funded by a Housing Trust Fund grant, AHP grant, and the remaining \$600,000 balance in disposition proceeds. Project-based vouchers will be used to support operations of this permanent supportive housing development for homeless.
- In August of 2017, the MHA Board of Commissioners developed a policy for its construction arm, Bristlecone Development LLC, to allow it to act as general contractor, owner’s representative, project manager, or physical needs assessment consultant for outside entities. Those entities could be for-profit or non-profit, focusing on projects that include an affordable component or some other public

benefit. Other types of projects, including market rate developments, are permissible with the approval of the board on a case-by-case basis.

- MHA continues to partner with the many different agencies who provide services to the people we serve. The ROSS and FSS Coordinators meet quarterly with a group of 15-17 support agencies who make up the Program Coordinating Committee. MHA participated with many other agencies in compiling the Community Health Assessment Report completed by the Missoula City Public Health Department. MHA also collaborated with the Missoula Organization of Realtors and City of Missoula to produce a report called “Making Missoula Home – A Path to Attainable Housing,” and participate in the production of the Missoula Organization of Realtors Annual Housing Report.
- On the development side MAH actively seek out partners for new development, and in addition to Villagio, are working with two local private developers on potential projects.
- In January 2018 MHA engaged a public relations firm to assist in our efforts to increase the visibility of the agency and promote a positive public image, including a new logo, revamped website and e-newsletter. MHA is undertaking a proactive media relations campaign to highlight and celebrate MHA housing achievements.

Discussion

As evidenced by the number of individuals and families on the waiting list for public housing demand far exceeds supply. The Missoula Housing Authority continues to seek opportunities for new development. As funding from federal and state sources become scarcer, partnerships with the City of Missoula, Missoula County, and various non-profits and development agencies are an important strategy to build and rehabilitate subsidized units. Working with local agencies and non-profit to provide supportive services to special needs groups is also a critical strategy.

MA-30 Homeless Facilities and Services – 91.210(c)

Introduction

In 2011, the City of Missoula and Missoula County combined resources to develop, “Reaching Home: Missoula’s 10-year Plan to End Homelessness.” Key principles fundamental to Missoula’s plan include:

- **Prevention and Rapid Re-Housing:** Preventing homelessness is far less costly than trying to address the problem once housing has been lost. Paying overdue rent or first month’s rent and a deposit when individuals or families are in a crisis may be all it takes to keep people from losing their housing. The longer people are without housing, the costlier and more difficult it is to get them back in homes.
- **Housing First:** This model supports the idea that the best way to address homelessness is to house people. It involves moving homeless people from shelters and life on the streets directly into affordable, permanent housing accompanied by intensive services. Applying this model has helped communities reduce public expenditures on emergency hospital services, jails, ambulance services and emergency shelters. Assessment is key to determining who is at risk of becoming homeless and providing a quick response.

Following the adoption of this plan, the city hired a “Reaching Home Coordinator” to implement the recommendations of the plans. Actions this office has undertaken include hosting workshops attended by key homeless system, participating in the At-Risk Housing Coalition (ARHC), launching the Missoula’s Coordinated Entry System, supporting Statewide Coordinated Entry efforts, and collecting data through an improved Homeless Management Information System.

The most important tool to collecting data is participating in the Annual Point-in-Time Survey. The Montana Point-In-Time survey is administered by the Montana Continuum of Care Coalition. Once a year in January, local providers of homeless services and volunteers canvass areas where people experiencing homelessness are often found (points of service such as food banks, transitional housing programs, shelters, streets, parks, campgrounds, etc.). The definition of homelessness used to collect data is:

- U.S. Department of Housing and Urban Development - Those who were sleeping on the streets (or other place not meant for human habitation), in an emergency shelter, in a motel paid by a voucher or in a transitional housing program.

Homeless data is compiled based by the Human Resource Council – District XI. Prior to 2017, data was not available at the city level. Since Missoula is the largest city in District XI, however, the data is reflective of trends in the city. As indicated below, the homeless population for the District XI and the City of Missoula fluctuate from year to year but was at its lowest level in 2018. Fluctuation may be due to factors such as weather conditions. Another consideration is that even though a community may expand programs to provide permanent housing and supportive services, if the population is growing, the number of homeless individuals may be a reflection of new people moving into the community.

Figure 48 – Missoula’ Homeless Population 2015-2018

	2015	2016	2017		2018	
	District XI	District XI	District XI	Missoula	District XI	Missoula
HUD Definition	343	272	271	254	242	228
Emergency	119	115	156	154	144	141
Transitional	60	76	53	44	51	44
Unsheltered	164	81	62	56	47	43
Other Homeless	116	340	232	200	182	171
Total	459	612	503	454	424	399

Source: <http://mthomelessdata.com/> (Note: Data at the city level is not available prior to 2017)

The Continuum of Care (CoC) is a community planning body, required by HUD, to organize and deliver housing and services for a specific geographic region, develop a long-term strategic plan for preventing and ending homelessness, and to apply for federal resources. It has a designated lead entity responsible for oversight and compliance with HUD requirements. The state of Montana has a single, Statewide CoC, subdivided by Human Resource Development Council (HRDC) regions, which are commonly referred to as “local CoCs.” According to the Missoula Continuum of Care Coalition 2018 Gaps Analysis, even with coordinated outreach/inreach and hosting a Project Community Connect event, efforts to capture a true Point-in-Time “snapshot” of the HUD definition of homelessness is challenging; for example, due to safety reasons, outreach workers will not go into some areas of the county. Also, some households, single and family, do not complete the survey out of fear a report will be filed either to the police or Child and Family Services.

To supplement the PIT data, the Missoula Coordinated Entry System’s By-Name-List gives Continuum of Care a robust set of data points that can be used in addition to the annual Point in Time count to define who is experiencing homelessness at any given time. The By-Name List (BNL) is a real-time, dynamic list of households experiencing homelessness, typically literal homelessness and/or fleeing or attempting to flee domestic violence, who are in need of permanent housing. This list includes all populations (single adults, families, young adults, veterans) and can be sorted and filtered to prioritize and refer households to appropriate housing and services. According to the BNL, in July 2018 there were 685 people on the “active-list” and 623 people on the “inactive-list” county-wide. People are moved to the inactive list after a period of 90 days of no engagement with the system/system providers or they no longer meet the criteria of literal homelessness or attempting to flee/fleeing domestic violence. The BNL data was captured via an excel spreadsheet before HMIS implementation system wide, so it does not reflect real-time, current data.

Facilities and Housing Targeted to Homeless Households

According to the following inventory, Missoula has 200 of emergency shelter beds, 73 transitional beds and 375 permanent supportive housing. Rapid Rehousing beds are counted with the permanent supportive housing totals.

Table 39 – Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year-Round Beds (Current & New)	Voucher/ Seasonal/ Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	125	0	30	128	0
Households with Only Adults	75	50	43	247	0
Chronically Homeless Households	0	0	0	0	0
Veterans	0	0	43	25	0
Unaccompanied Youth	0	0	0	0	0

Source: Montana Continuum of Care Coalition Housing Inventory

Note: 1. Salvation Army has 50 seasonal beds for adult only

2. Rapid Rehousing is included in totals for Permanent Supportive Housing

Figure 49 – Missoula Homeless Housing Inventory 2018

Missoula Emergency Shelter Inventory		
Facilities	Individual Beds	Family Beds
Poverello Center, Inc.	70	0
YWCA Pathways Domestic Violence Shelter <i>(Conditional use approved in 2018)</i>	5	20
YWCA Ada's Place Emergency Housing (vouchers) <i>(Conditional use approved in 2018)</i>	0	14
Family Promise – Missoula Interfaith Collaborative	0	16
TOTAL	75	50

Missoula Transitional Housing Inventory				
Facilities	For Individuals		For Families	
	Beds	Units	Beds	Units
Mountain Home Montana	0	0	12	12

YWCA Ada's Place	0	0	18	6
Housing Montana Heroes (Poverello)	26	26	0	0
Missoula Housing Authority/Poverello Center - Valor House	17	17	0	0
TOTAL	43	43	30	18

Missoula Rapid Re-Housing Inventory				
Facilities	For Individuals		For Families	
	Beds	Units	Beds	Units
Human Resource Council emergency Solutions Rapid Re-Housing	9	9	5	2
YWCA-Ada Place I	7	7	87	30
YWCA-ADA Place II	106	106	2	2
Volunteers of America	25	25	21	13
Total	147	147	115	47

Missoula Permanent Housing Inventory		
Facilities	Total Beds	Beds for Chronically Homeless
Missoula Housing Authority Permanent Supportive Housing	113	56
Missoula Housing Authority Single Room Occupancy Units	14	0
Mountain Home Montana B. Hamilton Project	13	13
TOTAL	140	68

Compiled from: Montana CoC Housing Inventory, <https://montanacoc.org/>

Based on the 2018 Point-in-Time survey, Missoula does not have enough resources to serve the individuals and households experiencing homelessness. Even with emergency shelter and transitional housing beds, Missoula requires at least 45 additional beds just to provide crisis housing to individual adults, families, and veterans experiencing homelessness (not accounting for missing data). The goal in Missoula is to rapidly respond to people experiencing housing crises by ensuring homelessness is rare, brief and one-time only. Emergency and

transitional housing are not long-term solutions to housing instability. Missoula needs to maintain the current inventory of permanent housing interventions to meet the goal of ending homelessness.

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

A network of public and private agencies in Missoula provide a variety of services to the homeless, ranging from prevention and outreach to comprehensive supportive services. Through referrals and cooperative service agreements, the agencies are able to meet the health, mental health, and employment needs of homeless persons along the continuum of care. Mainstream service providers include the following:

- The City of Missoula leads efforts surrounding the Coordinated Entry System (CES) overseen by the Reaching Home Coordinator. Reaching Home is Missoula's 10-Year Plan to End Homelessness and represents a collaborative effort between the City of Missoula, Missoula County, and multiple non-profit partners. Along with CES, the Missoula homelessness agencies have also launched a Diversion program.
- The Mayor's Downtown Advisory Commission (MDAC) works to prevent the criminalization of homelessness, among other issues of quality of life in downtown Missoula. Several members of ARHC are also MDAC members.
- YWCA Missoula's Ada's Place Emergency Shelter provides case management to homeless persons, emergency housing, domestic violence support, and rapid rehousing. The YWCA also provides transitional housing which is an 18-month program is designed to help homeless survivors of domestic violence and their children work toward self-sufficiency and independence. This program has been funded by city CDBG in past years.
- The YWCA administers a rapid rehousing program that provides rapid re-housing assistance and case management to homeless families in Missoula who are living on the street, in emergency shelters, or who are fleeing domestic violence. Priority placement is given to chronically homeless families. Short-term (up to 2 months), and/or medium-term (up to 6 months), tenant-based rental assistance and support services were provided to participating families, depending on their needs.
- The Poverello Center's Homeless Outreach Team (HOT) conducts daily outreach to homeless persons and collaborates extensively with multiple agencies across Missoula in order to assess needs and align resources.
- The Poverello Center partners with the Montana Healthcare Foundation to administer their Medical Respite Program where nine beds are available for individuals that are discharged from the hospital with an acute injury. Length of stay is based on medical referral.
- Open Aid Alliance connects local outreach services through their Coordinated Outreach Team. These individuals work to connect vulnerable populations with permanent supportive housing through a harm reduction approach.
- The Shelter Plus Care program through Missoula Housing Authority provides rental assistance for homeless people with disabilities, primarily those with serious mental illness, chronic problems with alcohol and/or drugs, and acquired immunodeficiency syndrome (AIDS), and related diseases.
- The Salvation Army Winter Shelter program coordinates rental assistance efforts to most efficiently leverage resources for those at-risk of homelessness during winter months.

- Missoula’s community mental health center, Western Montana Mental Health Center (WMMHC) has a specific certified Mental Health Professional that coordinates discharges with the Montana State Hospital and attends the Admission and Discharge Review Team (ADRT) meeting every other month; this also allows for meeting with prospective and established clients face-to-face at the State Hospital. Locally, WMMHC also coordinates discharges with Missoula’s two hospitals: St. Patrick Hospital and Community Medical Center.
- Missoula has two part-time Community Liaison Outreach Specialists funded through the Department of Public Health and Human Services. They provide transitional support to individuals with mental illness being discharged from the Montana State Hospital and into services offered in our community.
- St. Patrick Hospital is coordinating with the Montana State Hospital to receive signed releases of information for patient’s being conditionally released; this helps ensure that if/when the recently released patient is seeking services in the emergency department, the staff have some background information.
- Partners for Reintegration (PFR), a new sub-committee under ARHC, is a community coalition focused on improving reentry for returning citizens. Safe, affordable housing is the current biggest difficulty facing returning citizens from both state and county facilities, and also affects their families and children.
- In Missoula, Emergency Services Grant funding is awarded directly to the Human Resource Council District XI. The ESG rapid re-housing (RRH) program was used to provide homeless individuals in a three-county area with any of the following forms of assistance: one to three months of rental assistance, a rental security deposit equal to no more than two months’ rent, last months’ rent, a utility security deposit, rental application fees, utility payments, utility arrears up to 12 months, and arrears from a prior rental.
- Missoula is actively involved in Crisis Intervention Team (CIT) Montana and provides a 40-hour basic academy each year. CIT is a collaborative effort between law enforcement, mental health agencies and community resource providers.
- Women’s Opportunity and Resource Development Inc. (WORD) is a non-profit that provides various services including a housing assistance program is designed to help families who are homeless or at risk of homelessness secure or maintain stable housing. WORD recently received funding from the Montana Board of Crime Control, Victims of Crime (VOCA) grant to conduct a pilot project for women coming out of jail. Ten women were in the program in 2018. WORD is looking for funding to expand the rental assistance program.
- Native Americans are over-represented in our homeless system as evidenced by the PIT count. Missoula includes the Missoula Urban Indian Health Center in the local programming to assure we are providing peer support and culturally-sensitive interventions, when possible.
- Four subcommittees of At-Risk Housing Coalition help ensure that resources from other public and private sources are being utilized and kept up-to-date:
 - Case Manager Round Table: meets bi-monthly for an informational presentation from a guest speaker, networking, and information sharing. Comprised of case managers and service-level staff.

- SOAR (SSI/SSD Outreach, Access and Recovery): Meets monthly to ensure high quality SOAR applications are being submitted to the local Social Security Administration by monitoring community outcomes, identifying and resolving application challenges, identifying areas for SOAR expansion and exploring strategies for ongoing funding and sustainability.
- Youth Homelessness: works to address youth homelessness, under any and all definitions, by working with service providers and MCPS while applying best practices learned from other communities.
- Housing Partnership: works to build and sustain housing partnerships with landlords and property management groups with the goal of expanding and enhancing housing opportunities for our clients including people coming through the Coordinated Entry System.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations

Chronically homeless individuals and families

- As noted previously Missoula has dedicated emergency shelter and transitional housing beds for the chronically homeless. The Missoula “Reaching Home -10-year Plan” includes strategies to address chronic homeless, including supportive services and providing permanent housing.
- The City of Missoula’s HOME-supported Tenant-Based Rental Assistance (TBRA) program provided rental housing assistance to homeless households.
- Missoula’s Coordinated Outreach Team (WMMHC, Poverello Center, Open Aid Alliance, Volunteers of America and Union Gospel Mission) is covering the city of Missoula, the urban area around Missoula, as well as East Missoula and Bonner.

Families with Children

- Missoula provides 125 emergency shelter beds for homeless families with children.
- 30 transitional housing beds are provided to homeless families with children.
- 128 permanent housing beds are provided for families through various programs.
- Homeless families with children are connected with any and all applicable services and programs.
- District School Liaisons identify at-risk and homeless families and youth in Missoula Schools.

Veterans and their families

- The U.S. Department of Housing and Urban Development (HUD) - Veterans Affairs Supportive Housing (VASH) Program combines Housing Choice Voucher rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs. The Montana Department of Commerce’s Rental Assistance Bureau provides this rental assistance for eligible veterans across the state.
- The Poverello Center provides emergency shelter, and the Valor House provides transitional housing. These facilities offer the following services: housing, case management, transportation, community

service referrals, laundry facilities, internet access, access to Veterans' Affairs and support services (medical, dental, mental health and vision care plus employment services).

- There is a Veteran's Affairs Office in Missoula. The office provides outreach and services to Veterans and receives referrals from primary health care providers.
- Missoula's Interim Prioritization Policy ensures that chronically homeless households and non-VASH eligible Veterans are prioritized first for Permanent Supportive Housing and the VI-SPDAT score (highest to lowest) is used for Rapid Rehousing. Missoula's Coordinated Entry System ensures that Veterans are receiving VA dollars wherever possible.

Unaccompanied Youth

- Open Aid Alliance has a VISTA volunteer dedicated to work for unaccompanied homeless youth. They are working on creating a state and local Youth Advisory Board.
- The State Continuum of Care has unsuccessfully applied for a Youth Demonstration Grant but plans to apply again soon.
- There is a Youth Homelessness Subcommittee of the At-Risk Housing Coalition and the Coordinated Entry System uses the Transition Age Youth Vulnerability Index-Service Prioritization Decision assistance tool (TAY VI-SPDAT).

MA-35 Special Needs Facilities and Services – 91.210(d)

Introduction

There are a variety of agencies that work to provide services and meet the housing needs of the special needs population. Coordination among these agencies is important to address the challenges of increasing demands from an aging population while dealing with cut-backs in state and federal funding sources. Agencies must also address the needs of at-risk populations and health issues related to mental illness and substance use disorders. The cost to maintain facilities and pay for case management is another challenge.

Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs

Seniors

The number of Missoula seniors age 65 and over is expected to increase by 52% from 2017 to 2023. This large increase is the result of the aging baby boom population and in-migration of retirees.

Figure 50 – City of Missoula Population by Age 2017-2023

	2017		2023		Change	
	#	%	#	%	#	%
65+	8,909	12.6%	13,622	17.4%	4,713	52%

Source: U.S. Census – American Community Survey, 2013-2017

***Montana Governor’s Office of Economic Development, <http://svc.mt.gov/gov/siteselector>

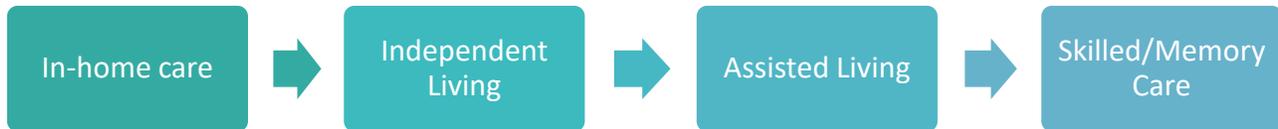
Many seniors are on fixed-incomes and require affordable housing units. According to the U.S. Census, ACS data (2013-2017), 7.7% of the population over age 65 is living at poverty levels. This amounts to 662 seniors. In 2017, there were 86 elderly households on the waiting list for public housing and 83 on the waiting list for Section 8 housing. Seniors are also more likely to have disabilities that require special housing needs. According to the U.S. Census ACS data 37.6% of seniors have some type of disability with “Ambulatory Difficulty” being the most common.

As stated in the, 2017 - Missoula County Community Health Assessment, “...an older population will have increased needs for certain types of health and home care services, and for housing and infrastructure that accommodate increased rates of functional difficulties and lessen fall risk.” The report also notes that Alzheimer’s and other dementias will become a growing issue in the population ages. The Alzheimer’s Association projects a 42% statewide increase in the number of adults age 65 and older who will be diagnosed with the affliction. Other needs associated with aging include access to dental care, mental health, elder abuse and poverty.

As seniors age they require different levels of care to address declining health and mobility. There are multiple organizations offering a range of services in the study area. As the senior population grows, there will be more demand for these types of services. According to The City of Missoula Analysis of Impediments to Fair Housing (2014), “In regards to long-term care continuum, the overall trend has been towards providing more home and

community based services and less institutional care. Nursing home occupancy rates have been declining, while most home and community-based options have seen substantial growth.” The City is currently working in a statewide collaborative to produce a new Analysis of Impediments that should be released in 2019.

Figure 51 – Continuum of Senior Care



The table below lists existing facilities that provide housing and supportive services to Missoula seniors.

Figure 52 – Housing and Residential Facilities for Seniors in Missoula

Name	Address	Units	Comments
Glengarra Place	3900 Galway Ave.	41	Subsidized for 62+
Silvercrest	1550 S. 2 nd St.	51	Subsidized for 62+
Clark Fork Riverside	301 W. Front St.	134	Subsidized Retirement housing with meals
Missoula Manor	909 W. Central	137	Subsidized Retirement housing with meals
Burlington Square	2420 Burlington Ave.	51	Affordable Housing – 62+
River Ridge Apts.	2840 Santa Fe Ct.	70	Affordable Housing – 55+
Russell Square West	1225 34 th St.	53	Affordable Housing – Seniors & Family
Bruce Blattner Apts.	225 W. Broadway	8	Affordable Housing – 62+ & Disability
Eagle Watch Estates	585 Burton	24	Affordable Housing – 62+ & Disability
Lynwood Community	951 Ronald Av.		Non-Subsidized – 62+
Grizzly Peak	3600 American Way		Non-Subsidized – 62+
The Springs of Missoula	3710 American Way		Non-Subsidized – 62+
Village Senior Residence	2815 Old Fort Road		Non-Subsidized – 62+
Hillside Health & Rehabilitation			Long-Term Care
Missoula Health and Rehabilitation Center			Long-Term Care
Riverside Health & Rehabilitation			Long-Term Care
The Village Health & Rehabilitation			Long-Term Care
Aspen Place	2250 Great Northern Ave.	36	Affordable Housing - LIHTC

Source: Analysis of Impediments to Fair Housing Choice, April 2014 & Montana Department of Public Health and Human Services (DPPHS)

The two main organizations that provide assistance to seniors in Missoula are Missoula Aging Services and the Missoula Senior Citizens' Center. Missoula Aging Services is a countywide Aging and Disability Resource Center serving adults more than age 55 and persons with disabilities. The agency is responsible for planning, coordinating, and delivering services to older residents. Services offered by the organization include Meals on Wheels, state health insurance counseling, and respite care for caregivers. The Missoula Senior Citizens' Center is a 700-member organization serving elderly residents of Missoula County by providing recreational, social, and education activities such as trips, tours, and dances. The organization's mission is to provide programs and

services that support the physical, intellectual, and emotional health and well-being of Missoula's senior population. Additionally, there are a number of businesses and organizations that are licensed to provide adult day care, adult foster care, and home health care (See Attachment 1 – DPPHS Licensed Facilities).

Persons with Disabilities

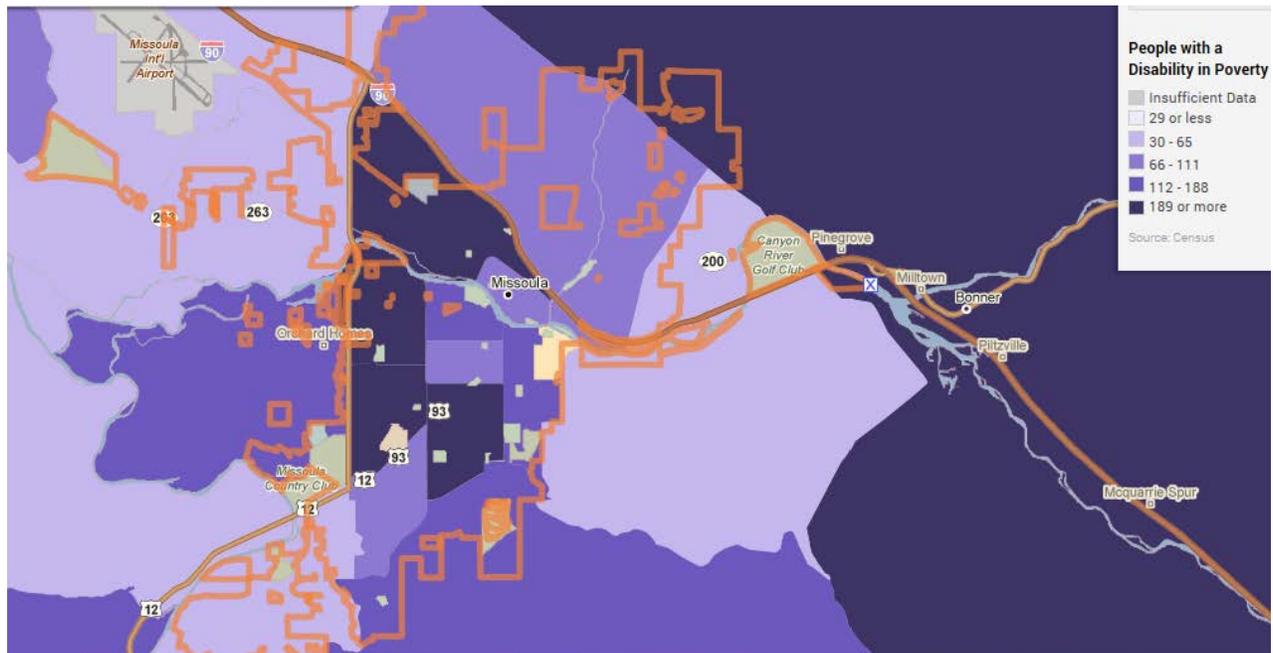
According to the U.S. Census ACS data, 12.6% of Missoula’s population or 8,884 people have some type of disability. Among the general population the most common type of disability is a cognitive disability while among the population over age 65, the most common type of disability is “ambulatory” followed by “hearing difficulty.” Those with a disability living in poverty face additional barriers to meeting their housing needs. Additionally, as noted in section MA-50, people with disabilities are also more likely to live in neighborhoods that lack sidewalks and this contributes to mobility issues.

Figure 53 – Persons with Disability by Type in Missoula

	Total Population		Age 65+	
	#	%	#	%
Total with a Disability	8,884	12.6%	3,226	37.6%
Hearing Difficulty	2,717	3.9%	1,493	17.4%
Vision Difficulty	1,410	2.0%	446	5.2%
Cognitive Difficulty	4,089	6.1%	778	9.1%
Ambulatory Difficulty	3,691	5.5%	8,576	22.9%
Self-Care Difficulty	1,252	1.9%	496	5.8%
Independent Living Difficulty	2,777	4.8%	943	11.0%

Source: U.S. Census - ASC 2013-2017

Figure 54 – Distribution of People with a Disability Living in Poverty



Source: Missoula City-County Health Department Health Map

Supportive housing and services such as group homes, transportation, and day care are necessary to meet the needs of the population with a disability. The Missoula County Community Health Assessment noted the following issues that are more prevalent in this population.

- Obesity rates: 35%, compared to 27% for the population as a whole.
- People reporting good mental health every day in the past month: 48%, compared to 67% for the population as a whole.
- Could not see a doctor because of cost: 24%, compared to 15% for the population as a whole.
- No physical activity in past 30 days: 31%, compared to 19% for population as a whole.
- Smoking: 26%, compared to 19% for population as a whole.
- Dental visit in past year: 56%, compared to 62% for population as a whole Info from web site of state organization.

The City of Missoula Analysis of Impediments to Fair Housing from 2014 indicates that there are a number of barriers to securing housing for people with disabilities. A key issue is lack of access to affordable housing. (See housing cost data). While the Missoula Housing Authority has some units for people with disabilities, most of this population is seeking housing the on the private market. It is a challenge for individuals to find apartments that allow them to live independently. The Fair Housing report recommends working with landlords to encourage renting to people with disabilities. Another issue identified in the report is designing units to meet universal design standards to provide accessible units for people with disabilities. For those service providers that operate group homes, a big challenge is to keep existing homes in good repair. There is a need for funding to pay for capital improvements and major repairs. Following is a list of licensed group homes for people with disabilities.

Figure 55 – Licensed Group Homes for Persons with Disabilities

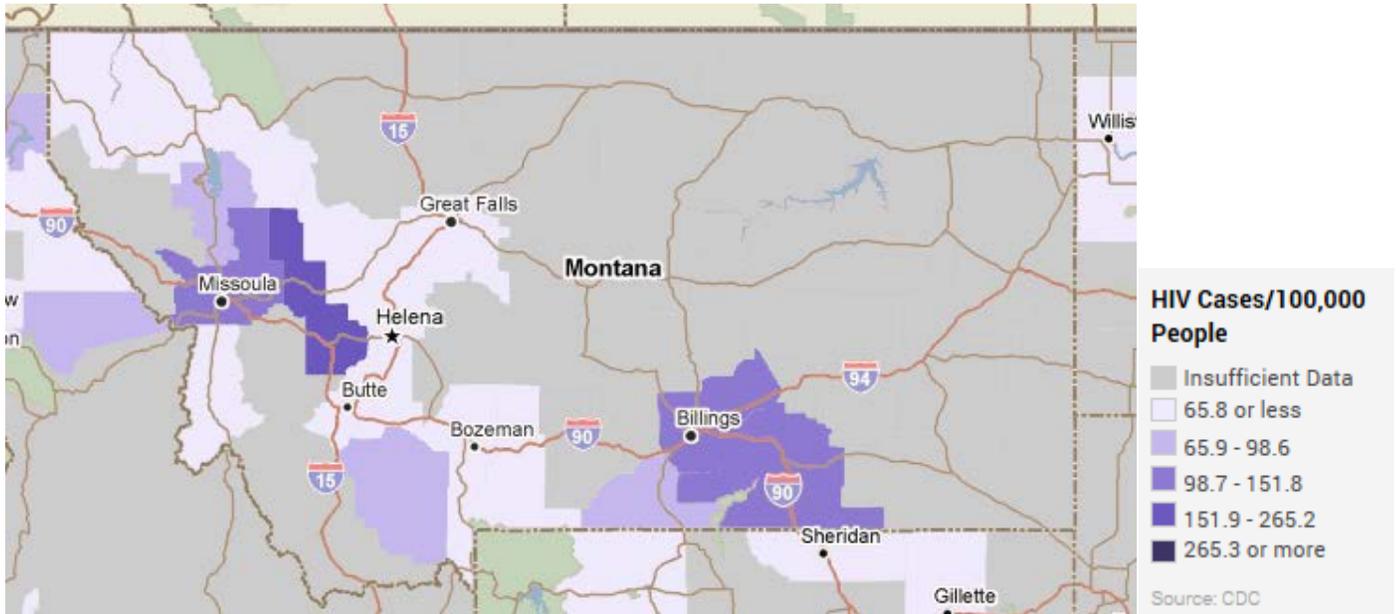
Aware Southpointe Group Home
Missoula Development Service Corp – Helena Drive Group Home
Missoula Development Service Corp – Curtis Modular
Missoula Development Service Corp – Easy Street
Missoula Development Service Corp – Foss Court Group Home
Missoula Development Service Corp – Wylie Ave.
Missoula Development Service Corp – Curtis Street Group Home
Missoula Development Service Corp – Kent Street Group Home
Missoula Development Service Corp – South Hills Group Home
Missoula Development Service Corp – Spurgin Road Group Home
Missoula Development Service Corp – Tulip Home
Opportunity Resources Inc. 8 th Street Group Home
Opportunity Resources Inc. Dickinson Group Home
Opportunity Resources Inc. North Howard Street Group Home
Opportunity Resources Inc. South Howard Street Group Home

Source: <https://dphhs.mt.gov/qad/licensure>

Persons with HIV/AIDS

The HIV Prevalence rate for Missoula County is significantly lower than the national rate but somewhat higher than the state rate. The Missoula County Community Health Assessment has a goal of reducing the number of new HIV diagnoses, reducing the rate of transmission and increasing the proportion of people who have been tested.

Figure 56 – Rate of Persons Living with HIV Diagnosis Per 100,000 Population



Source: Missoula City-County Health Department Health Map

The Open Aid Alliance is a non-profit organization that seeks to end the transmission of HIV/AIDS, advocates for those living with HIV/AIDS and provides services. Services include testing, advocacy, peer support and substance abuse counseling. Housing services include case management and care coordination. The Missoula County Health has a web site with link to resources on HIV/AIDS. The Partnership Health Center has testing and counseling services.

Substance Use

Substance use disorder includes abuse and misuse of legal drugs, such as alcohol and prescription drugs, as well as illegal drug use. According to the, “Missoula Public Health-Community Health Assessment” 92017), 17.9% of the county population reported binge drinking in the previous 30 days, compared to 13% of people with a disability and 8% of American Indian/Alaska Natives (2015 MCCHD Health Equity Report). The CDC target for binge drinking is 24.4%. While overall substance use rates are lower than the CDC target, the Montana Preventions Needs Assessment indicates that substance use rates for youth is higher than the state average. In 2016, 17.4% of middle and high school youth regularly used e-cigarette and vape devices; 31.5% of 8th, 10th, and 12th graders had ever used marijuana (compared to the state average of 26.5%); and 28.5% in the same grades reported regularly using alcohol. The Missoula County Behavior Health Survey indicates that long waiting periods, and mental health issues are barriers to receiving treatment for substance use disorders. The homeless, low income, youth and uninsured populations have the most difficulty in accessing services. Case management and affordability of services were identified as strategies to address this issue.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

The Montana Department of Public Health and Human Services list 12 licensed mental health centers and three residential chemical dependence facilities in Missoula (See Attachment for complete list). In 2018, however, state funded case management services were cut due to budget issues. While some of the funding has been restored, the initial loss of these services caused several programs to shut down and they have yet to be reinstated. Securing long-term funding would help restore these services. The Community Health Assessment list the following supportive services.

Mental Health

- Western Montana Mental Health Center
- Providence Psychiatry – Saint Patrick’s Hospital
- Partnership Health Center
- Missoula Urban Indian Health Center
- Curry Health Center
- AWARE
- Blue Mountain Clinic
- Ag Worker Health & Services
- Private Providers

Disability Services

- Missoula Aging Services & Disability Resource Center
- Montana Advocacy program
- MonTech – Assistive Technology
- Opportunity Resources
- Jobs Inc.

Even though Missoula has an adequate number of health providers, access to services to is still an issue. According to the Missoula County Community Health Assessment:

“Missoula County has historically showed higher rates of mentally unhealthy days compared to the state and nation. Mental health is related to most of the other topics in this report — including employment, housing, poverty, health status, disability, substance abuse, education, and community engagement. It is noteworthy that Missoula County’s ratio of mental health care providers for the population is actually very good at 270:1, compared to 410:1 for Montana and 360:1 in the top 1% of counties in the US — a reminder that having sufficient numbers of providers does not automatically improve access to services.”

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

Housing and Public Improvements

In 2017, the City of Missoula participated in an effort funded by the Robert Wood Johnson Foundation to address affect health outcomes related to obesity and mental health. The “Missoula Invest Health” initiative has the potential to fundamentally transform the way Missoula improves opportunities for its citizens to lead healthy lives, including by effectively changing the built environment to support positive health outcomes. The report examined Missoula’s three lowest-income neighborhoods: Franklin to the Fort, North/Westside and River Road. These areas face some of the biggest barriers to better mental and physical health, and the neighborhood data illustrate the health relationship between income and well-being – a major focus area in public health. The study used a “Healthy Equity Framework” to recommend actions to address health equity issues such as safe and affordable housing, access to education, public safety, availability of healthy foods, access to local emergency/health services, and built environments that promote social participation and physical activity. The report recommends specific actions for each neighborhood regarding improvements to promote active transportation through investments in sidewalks and trails and recommendations for improvements to parks and open space to promote active recreation. The report also recommended improvements for safety such as lighting and better access to fresh foods and social activities.

The first two goals in this Consolidated Plan correspond closely with the housing needs of Missoulians who are not homeless but have other special needs. By supporting the construction and preservation of rental housing (Goal 1) and homeownership (Goal 2), we can ensure that all Missoulians have healthy, safe homes they can afford and that meet their individual needs.

Mental Health Services

The Missoula County Health Improvement Plan identifies a range of strategies to address access to mental health treatment, substance use, and social isolation. The Office of Housing & Community Development will support that Plan's implementation and provide financial resources for housing where possible. According to the [Missoula County Health Improvement Plan](#):

“A lack of services for behavioral health – mental health and substance abuse – has come up in almost all public discussions of challenges in Missoula County. In the BRFSS, Missoula County residents consistently report more frequent poor mental health days in the past month than the US average (in 2015, 3.4 compared to 2.8, respectively). The Youth Risk Behavior Survey (YRBS) shows that Missoula County high school students reporting feeling sad or hopeless almost every day for two weeks or more in a row continues to creep up; it is currently at 28%. Missoula County youth also use substances at high rates. In 2016, 17.4% of middle and high school youth regularly used e-cigarette and vape devices; 31.5% of 8th, 10th, and 12th graders had ever used marijuana (compared to the state average of 26.5%); and 28.5% in the same grades reported regularly using alcohol (Montana Prevention Needs Assessment 2016).

Most alarming are Missoula County's suicide statistics. Montana has ranked as one of the five highest state suicide rates since records have been kept, and Missoula County often has one of the highest rates in the state. For 2016 the Missoula County suicide rate was 31.5/100,000 population, compared to the Montana rate of 24.3/100,000. Meanwhile the US suicide rate was 13.4/100,000. (CDC WISQARS Fatal Injury Mapping, retrieved March 2017)."

The CHIP identifies the following strategies to address these concerns.

Strategy #1: Improve access to timely and affordable acute and ambulatory mental health treatment for community members.

- Community-based providers provide a wide range of services, including outpatient psychiatric care, medication management, psychiatric consultations, adolescent partial hospitalization program, acute inpatient care and crisis stabilization services. However, the community lacks alternatives for people with psychiatric disorders from ending up in ERs or jail.

Strategy #2: Develop events or programs to connect behavioral health and other community service providers to share information and build relationships.

- Key informant interviews completed during the 2017 CHA process revealed that many community service providers don't have full information about or relationships with a full range of behavioral health providers. The CHIP group could plan some events or other outreach activities to create connection among different sectors and improve community-wide knowledge of behavioral health options.

Strategy #3: Identify gaps and barriers to accessing behavioral health services.

- Surveys and key informant interviews during the 2017 CHA process suggested the need to understand more about the landscape and experience of behavioral health services from the perspective of community members who use the services, as well as those who work to get clients and patients into behavioral health services.

Strategy #4: Develop programs to decrease opioid misuse among pregnant women.

- Opioid/poly-substance misuse among pregnant women is a major concern in Missoula County. Currently no local efforts help pregnant women seek recovery services in safe, respectful, and effective settings.

Strategy #5: Work with existing providers and collaborations on programs to decrease social isolation.

- Social isolation can greatly affect people's mental health, and some groups experience high rates of social isolation. The CHIP Behavioral Health group, with input from Missoula Aging Services, identified older adults and their caregivers as groups that experiences high rates of social isolation.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

In January of each year, ARHC organizes Project Community Connect, a one-day, one-stop event aimed at connecting homeless persons and those at-risk of becoming homeless with core social services. In 2018, more than 150 community volunteers and 60 government agencies, non-profit providers, and local businesses came together to give direct services to 305 Missoulians. Reaching Home will pilot the first “mini” Connect Event focused on employment on 9/18/18.

Missoula’s community mental health center, Western Montana Mental Health Center (WMMHC) has a specific certified Mental Health Professional that coordinates discharges with the Montana State Hospital and attends the Admission and Discharge Review Team (ADRT) meeting every other month; this also allows for meeting with prospective and established clients face-to-face at the State Hospital. Locally, WMMHC also coordinates discharges with Missoula’s two hospitals: St. Patrick Hospital and Community Medical Center.

WMMHC also employs several staff at the Missoula County Detention Facility and they specifically have a case manager that completes discharge planning at the jail. This person also works with households after they are released for up to 90 days in attempt to reduce recidivism.

Missoula has two part-time Community Liaison Outreach Specialists funded through the Department of Public Health and Human Services. They provide transitional support to individuals with mental illness being discharged from the Montana State Hospital and into services offered in our community.

St. Patrick Hospital is coordinating with the Montana State Hospital to receive signed releases of information for patient’s being conditionally released; this helps ensure that if/when the recently released patient is seeking services in the emergency department, the staff have some background information.

Partners for Reintegration (PFR), a new sub-committee under ARHC, is a community coalition focused on improving reentry for returning citizens. Safe, affordable housing is the current biggest difficulty facing returning citizens from both state and county facilities, and also affects their families and children. PFR's close working relationship with ARHC benefits both organizations and can increase community safety and success in reintegration. PFR has been active for four years and is supported by over 300 people, as reflected in their mailing list. This includes returning citizens, probation and parole, attorneys, individuals in private practice as well as agencies already involved in ARHC.

MA-40 Barriers to Affordable Housing – 91.210(e)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

There are a range of institutional obstacles and public policy that may pose barriers to creating affordable housing. These may include outdated regulations that restrict where affordable housing can locate, financial institutions that are reluctant to back innovative housing projects, lack of public funding to subsidize construction of affordable units, and building requirements that add cost to construction. Identifying these barriers at the local level and developing policies to address these issues is an important step in increasing the inventory of affordable housing units.

Barriers and Challenges

In the “Making Missoula Home: A Path to Attainable Housing” report, the following barriers and constraints to affordable housing in Missoula were identified.

1. Regulatory Environment

- a. City has not completely aligned its land use codes with the goal of infill and providing affordable housing.
- b. No performative standards for private developers to meet community housing needs.
- c. Land conservation requirements impacting development costs and ultimately, affordability.
- d. State subdivision regulations are burdensome, particularly in the county without base zoning and local processes are layered on top of that.
- e. No clear long-term strategic approach to annexation.
- f. Infill land use policies are at odds with neighborhood preservation.
- g. Limited land zoned dense enough for affordable development.
- h. Lack of city/county alignment around growth policy and definitions of infill, tension between providing choice for both urban and rural areas

2. Housing Development

- a. High up-front or uncertain infrastructure requirements.
- b. Rising development cost driven by labor shortage and material cost inflation.
- c. Neighborhood push-back to infill development.
- d. Limited models for below-market rate homeownership development being deployed.
- e. No meaningful incentives or clear performative standard for meeting ownership needs.
- f. City and county lands are restricted due to infrastructure challenges.
- g. Limited land for housing development.
- h. Health department regulations uncertain.
- i. LIHTC allocation on state level are erratic.
- j. No base level zoning in the county.
- k. Uncertainty in development review processes.
- l. Developers feel infrastructure requirements are costly and unpredictable.

3. Funding

- a. No recurring local source of funding for housing construction.
- b. Potential threats for federal funding.
- c. Perception of high tax rates in the city.
- d. No mechanisms for recapturing and recycling affordable housing funding.

4. Other

- a. Lack of community level understanding of housing issues.
- b. Collaboration between public/private/nonprofit sectors not being fully leveraged.
- c. Lack of communication between real estate industry, banking, nonprofit and public sectors.
- d. NGOs need additional financial support to expand housing efforts.

Policy Framework to Address Challenges and Barriers

1. City of Missoula Housing Policy

The City of Missoula Office of Housing & Community Development is leading the effort to engage community partners in a conversation that will result in the establishment of a City of Missoula Housing Policy, which will include recommendations for creating more affordable housing. The city has formed the following work groups to address the issues that were identified in the Making Missoula Home report.

- Public Education & Outreach
- Regulation & Code
- Preserving & Creating True Affordable Housing
- Innovation & Capacity Building
- Funding & Revenue

Full policy recommendations for City Housing Policy are expected to be complete in the spring of 2019, with varying implementation timelines.

2. Our Missoula Growth Policy

The Missoula Growth Policy is a long-range master plan for the city that was adopted in 2015. The plan notes the following regarding land use polices related to affordable housing:

“There is a need to identify appropriate areas for different types of housing rather than review these on an ad-hoc basis. Due to lack of available land with zoning dedicated to multi-dwelling units, apartments are being built in commercial areas which creates issues of compatibility, reduction in commercial land supply, and residential pockets that lack access to parks and other services. Residential development should be able to occur in a variety of settings, ranging from primarily residential neighborhoods to mixed-use neighborhoods that accommodate commercial and residential uses within close proximity. Increasing the amount of land zoned for multi-dwelling development helps to address the concern about a shortage of land. Also, designation of multi-dwelling development is

appropriate in areas primarily established for commercial development to create important relationships between places where people live and work with the appropriate services and amenities in place.”

Objectives in the Growth Policy to address the above issues include rezoning land for multi-family development, modifying the zoning regulations to provide more options for affordable housing, in-fill development on under-utilized parcels and potential redevelopment of brownfield sites. The Growth Policy also recommends engaging community leaders and community groups to build support for multi-family and affordable housing developments.

3. Urban Fringe Development Area Project (UFDA)

The Urban Fringe Development Area Project (UFDA) was initiated in 2007 to plan how to accommodate a projected 15,000 new dwelling units over the next 15-years. The UFDA project provided the public and decision makers with detailed community demographic profile, growth pattern information and a database of information important to the discussion of growth. Based on a suitability analysis, scenario modeling and extensive public input, the UFDA Project resulted in a Growth Policy Amendment, passed by both City and County governing bodies that selected the “Focus Inward Scenario” which emphasized in-fill development and efficient extension of infrastructure. In 2018, the City released a 10-year summary of the UFDA Project. The reports notes that since the original UFDA plan was developed, the City acquired the water utility which will result in better coordination for extending utilities and annexation. In regard to housing issues, UFDA notes the following:

“Taking cues from the Focus Inward goals of the Our Missoula 2035 Growth Policy, patterns of development observed over the previous ten years of UFDA reporting, and the continuing regulatory environment, the next iteration of the UFDA development yearbook should better identify locations where housing (including affordable housing) can be efficiently developed. Criteria such as proximity to services and adequate infrastructure should be considered while at the same time avoiding promotion of costly low-density development and development that impacts natural resources.”

MA-45 Non-Housing Community Development Assets – 91.215 (f)

Introduction

The City of Missoula is the regional hub for medical, retail, and business in western Montana and is also home to the University of Montana. Other major employers include Missoula County Public Schools, Community Medical Center, and Providence St. Patrick’ Hospital. While economic conditions in the area are fairly stable due to the presence of the University of Montana, the University has experienced declining enrollment over the last six years. Despite this trend, the population base and economic base have continued to grow. From 2010 to 2017, the population in Missoula grew from 66,788 to 73,340 people. According to data from the U.S. Census County Business Patterns (CBP) overall private sector employment in Missoula County increased from 46,175 in 2011 to 49,585 employees in 2017. The unemployment rate for the county remains among the lowest in the state with a 3.6% average unemployment in 2017 compared to 4.4% unemployment statewide. It is important to note that unemployment rate is typically higher for the age 16 to 24 age group.

Economic Development Market Analysis

Business Activity

Table 40 – Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	366	113	1	0	-1
Arts, Entertainment, Accommodations	4,975	6,598	19	18	-1
Construction	1,369	1,122	5	3	-2
Education and Health Care Services	6,268	10,414	24	28	4
Finance, Insurance, and Real Estate	1,587	2,548	6	7	1
Information	538	892	2	2	0
Manufacturing	1,126	1,205	4	3	-1
Other Services	1,643	2,448	6	7	1
Professional, Scientific, Management Services	2,047	3,058	8	8	0
Public Administration	1	0	0	0	0
Retail Trade	4,296	6,702	16	18	2
Transportation and Warehousing	807	756	3	2	-1
Wholesale Trade	1,082	1,690	4	5	1
Total	26,105	37,546	--	--	--

Source: 2009-2013 ACS (Workers), 2013 Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Table 41 – Labor Force

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	366	113	1	0	-1
Arts, Entertainment, Accommodations	4,975	6,598	19	18	-1
Construction	1,369	1,122	5	3	-2
Education and Health Care Services	6,268	10,414	24	28	4
Finance, Insurance, and Real Estate	1,587	2,548	6	7	1
Information	538	892	2	2	0
Manufacturing	1,126	1,205	4	3	-1
Other Services	1,643	2,448	6	7	1
Professional, Scientific, Management Services	2,047	3,058	8	8	0
Public Administration	1	0	0	0	0
Retail Trade	4,296	6,702	16	18	2
Transportation and Warehousing	807	756	3	2	-1
Wholesale Trade	1,082	1,690	4	5	1
Total	26,105	37,546	--	--	--

Source: 2009-2013 ACS

Table 42 – Occupations by Sector

Occupations by Sector	Number of People
Management, business and financial	9,480
Farming, fisheries and forestry occupations	1,365
Service	4,915
Sales and office	8,335
Construction, extraction, maintenance and repair	2,958
Production, transportation and material moving	1,563

Source: 2009-2013 ACS

Travel Time

Table 43 – Travel Time

Travel Time	Percentage
Less than 10 minutes	22.8%
10-14 minutes	26.6%
15-19 minutes	28.5%
20-24 minutes	11.3%
25-29 minutes	1.9%
< 30 Minutes	4.0%
30-59 Minutes	1.2%

Travel Time	Percentage
60 or More Minutes	1.6%
Mean Travel Time to Work	15.8 minutes

Source: 2013-2017 ACS

Education

Table 44 – Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	455	40	504
High school graduate (includes equivalency)	4,160	415	1,405
Some college or Associate's degree	8,280	885	2,230
Bachelor's degree or higher	14,100	670	2,025

Source: 2009-2013 ACS

Table 45 – Educational Attainment by Age

	Age				
	18–24 yrs.	25–34 yrs.	35–44 yrs.	45–65 yrs.	65+ yrs.
Less than 9th grade	45	30	19	89	315
9th to 12th grade, no diploma	850	195	215	455	375
High school graduate, GED, or alternative	3,375	1,535	1,263	3,205	2,405
Some college, no degree	6,880	3,455	1,862	3,410	1,635
Associate's degree	480	835	550	1,315	329
Bachelor's degree	1,330	3,985	2,745	3,734	1,755
Graduate or professional degree	30	1,300	1,865	3,169	1,675

Source: 2009-2013 ACS

Table 46 – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	24,620
High school graduate (includes equivalency)	49,792
Some college or Associate's degree	30,826
Bachelor's degree	76,676
Graduate or professional degree	50,895

Source: 2009-2013 ACS

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

The Business Activity Table identifies business data by 13 businesses sectors. The largest sector is “Education and Health Care Services” followed by the “Arts, Entertainment, and Accommodations” sector. The table

reports the number of workers, number of jobs, and calculates the totals and a final ratio of workers to each job by business sector. The percentage of jobs less the percentage of workers is a measure of labor supply. A negative number reflects an oversupply of labor for the sector (more workers than jobs) and a positive number reflects an undersupply of labor (more jobs than workers). In Missoula the Education and Health Care Services sector has the most severe undersupply of labor. Table 3 indicates number of workers by occupational category. The occupation with the largest number of workers in the labor force are management/business/financial followed by sales/office jobs and service jobs.

Describe the workforce and infrastructure needs of the business community:

The City of Missoula contributes funding to the Missoula Economic Partnership (MEP), a non-profit organization that serves Missoula County. MEP undertakes strategic initiatives to support business expansion, business recruitment, and business start-ups. The organization also has a goal to attract a skilled workforce and to work with educational institutions to develop training programs. The 2018 MEP report, Raising the Bar: A Competitive Realities Report and Target Industry Strategy for Missoula, Montana, identified the following workforce needs:

“Both the focus groups and the survey respondents noted the large and growing gap between housing prices/cost of living and the average wages in the area. Rightfully, they point to the need to strengthen the workforce so that the area is more competitive in attracting and supporting traded industries able to pay a higher wage. Focus groups participants pointed to the programs being initiated by the community college and high schools as a step in the right direction. Focus group participants also noted the need to better engage the University of Montana.”

The 2018 report also noted the following infrastructure needed to promote economic development.

- Road maintenance and improvements to make the road network more efficient.
- Better air service.
- Upgraded fiber and broadband networks. Internet access and bandwidth to attract targeted industries especially high value technology services.
- Additional Class A and Class B office space. Developing an office park to attract targeted industries such as creative professional/business services and high value technology services.
- Construction of a multi-functional industrial shell building expandable to 100,000 sf to provide space for targeted industries in the bioscience and high value manufacturing sectors.

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

Blackfoot Communications C2M Beta Lab – A place where entrepreneurs, investors and mentors come together in an incubator setting to help early stage businesses achieve success.

Missoula International Airport – The airport was recently annexed and is located just over four miles northwest of the city center. The airport is governed by the Missoula County Airport Authority, a nine-member

nonpartisan board. The airport's 9,501-foot-long runway serves commercial and general aviation activities including commercial flight operations, freight, recreational flying, corporate and business activity, and emergency medical aviation. The airport also has a significant aerial wildland firefighting presence and serves as a firefighting base for 215 U.S. Forest Service employees. A new terminal building construction project broke ground in 2019 and is anticipated to be completed in 2022. The terminal will be a state-of-art facility to meet the growing needs for passenger traffic in Missoula.

Transportation Projects – Russell Street is a major thoroughfare and provides access across the Clark Fork River. Montana Department of Transportation is rebuilding the road from Broadway Street to Dakota Street. This will include building a new bridge and upgrading pedestrian trails. The City of Missoula is upgrading utilities as part of the project. The project is anticipated to be completed in 2020.

Water & Sewer Projects – Historically, the water utility in Missoula was under private ownership. In 2017, the City took ownership of the water system. The City of Missoula Water System Master Plan was completed in 2018. The master plan includes recommendations for water main rehabilitation and replacement as well recommendations for water storage such as securing water rights and rehab of several dams that are part of the system. Upgrades to the system are being incorporated into the capital improvement plan.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

As mentioned previously, the Missoula Economic Partnership released a 2018 report that recommended strategic actions for the county to attract targeted industries to the areas. The targeted industries and the corresponding workforce needs are outlined below:

- Biosciences – University of Montana has necessary programs and majors to provide talent for this industry.
- Creative Professional and Business Services - University of Montana has the necessary programs and majors to provide talent for this industry.
- High Value Technology Service – The University of Montana and Missoula College offer various technology degrees. There are also online programs and coding schools that offer alternative training in the technology sector. Graduates in these programs are in high demand and lower wages in Missoula are not competitive with national wages. Many graduates leave the state for higher paying jobs so there is an on-going need for job training in this sector.
- High Value Manufacturing – University of Montana lacks an engineering school making the county less attractive to recruit these types of industry. Missoula College does have some 2-year programs offering training in the manufacturing sector (welding, precision machine technology and computer-aided design.) Expansion of these 2-year programs, apprenticeship programs and vo-tech programs at the secondary schools are recommended.
- Experiential Economy - University of Montana has the necessary programs and majors to provide talent for this industry.

In addition to these targeted industries, skilled labor is necessary for construction projects, especially for residential construction to meet housing needs. According to the Making Missoula Home report, “Contractors

interviewed for this report repeatedly cited a lack of skilled labor as one of their major constraints, which also meant that they had to pay much higher wages to retain skilled employees.” The Montana Department of Labor and Industry projects that from 2017 to 2027 there will be 5,140 job openings statewide in the architecture and construction industry. This represents a total of new jobs that are created plus job vacancies created by retirement or job transfers.

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

Current workforce training initiatives are offered by higher educational institutions, public schools, state agencies and non-profits. These programs support the consolidated plan by providing supportive services to low-income households, racial minorities (Native American), and special needs populations such as veterans.

University of Montana & Missoula College – The University of Montana is located in Missoula and offers undergraduate and graduate degrees. Missoula College is the two-year unit of the University and offers 2-year associate programs as well as occupational and technical certifications. Total enrollment for the fall of 2017 at the University of Montana was 11,865 students. Enrollment peaked in 2011 at 15,669 students and has decreased every year since then. The University’s strategic plan includes a goal for “Workforce and Economic Development. According to the plan, “Our strategic vision enacts our state’s commitment to workforce and economic development by cultivating our strengths in two-year education, building local partnerships with Missoula and the region, and continuing to conduct research that contributes substantially to the Montana economy.” Specific programs that address local workforce development needs include:

- University of Montana Online – Online programs for degrees, certifications, and professional development.
- TRIO – TRIO provides support for educational opportunity for low-income and/or first-generation students and Americans with disabilities.
- School of Extended and Lifelong Learning – The School of Extended & Lifelong Learning (SELL) at the University of Montana creates and provides innovative and flexible education experiences and personal growth opportunities for a variety of audiences.
- Blackstone Launch Pad – Experiential, campus program designed to introduce entrepreneurship as a viable career path and develop entrepreneurial skills.
- Missoula College – Apprenticeship Programs for skilled labor.

Montana Job Service – The Montana Department of Labor and Industry has a Job Service office in Missoula. The office provides services and training for job seekers. Also offers veteran job services and links to apprenticeship jobs.

Missoula County Public Schools – Serves the entire city of Missoula and surrounding area. At the high school level, the district provides Advanced Placement (AP) classes, dual-credit classes that offer both high school and college credit, and online classes through the Montana Digital Academy. Within the district are high school programs for vocational/technical training, Indian education and a Health Science Academy.

Human Resource Council – The Workforce Innovation and Opportunity Act, administered by HRC, provides eligible out of school youth ages 16 to 24 with assistance in achieving their educational and/or employment goals. Provides services such as career counseling, tutoring, work experience, financial literacy, leadership development, and employment plans.

Blackfoot Communications C2M Beta Lab – A place where entrepreneurs, investors and mentors come together in an incubator setting to help early stage businesses achieve success.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)? If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

Previously, the Comprehensive Economic Development Strategy was prepared by the Bitterroot Economic Development District (BREDD) which was a Certified Regional Development Corporation (CRDC) that covered Missoula, Mineral, and Ravalli Counties. In 2017, BREDD dissolved and the Missoula Economic Partnership (MEP) assumed many of the economic development functions. The previous CEDS that covered Missoula County was completed by BREDD and is outdated and no longer valid. MEP is not a CRDC and has not prepared a CEDS. The following initiatives will be coordinated with this Consolidated Plan.

Missoula Economic Partnership – As mentioned previously, the City of Missoula contributes funding to the Missoula Economic Partnership (MEP). In 2018, the MEP released an economic strategic plan, Raising the Bar: A Competitive Realities Report and Target Industry Strategy for Missoula, Montana. The plan includes socio-economic data and makes recommendations regarding asset development, organization and marketing.

Missoula Downtown Master Plan – This planning effort is a project of the Downtown Missoula Partnership. The Master Plan is anticipated to be completed in 2020. The plan will provide a vision for development and infrastructure improvements in the downtown area and will address downtown housing needs and will include a new conference center.

City of Missoula Growth Policy – In 2015, the city adopted the 'Our Missoula' Growth Policy. This document establishes the long-range vision and policy to guide land use, growth and development in the city of Missoula. The plan has six elements that address natural resources/environment, housing, land use, economic development, transportation, infrastructure, and local services. Key economic development goals include:

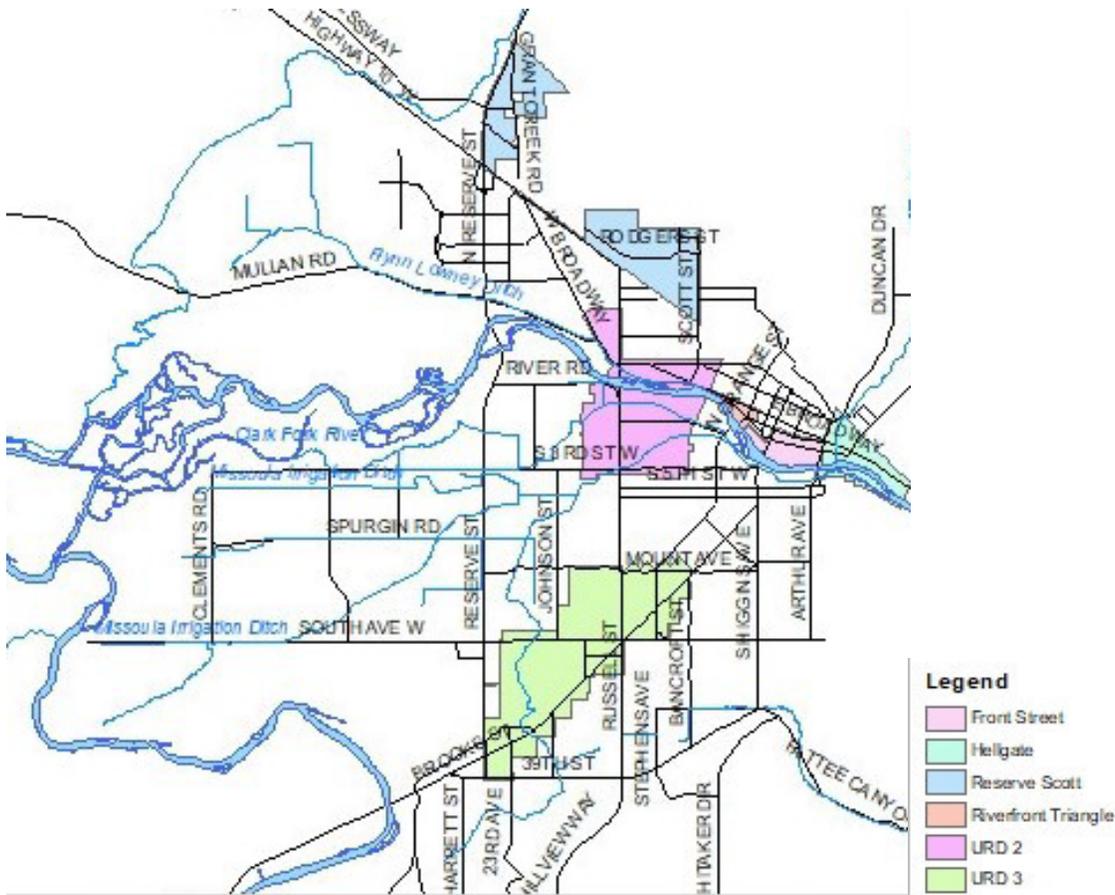
- Goal Econ 1: Strategically build and maintain critical infrastructure that will support economic development.
- Goal Econ 2: Make Missoula a state leader in next generation broadband deployment.
- Goal Econ3: Build and maintain a reliable and skilled work force to both serve existing business and industries and to attract new ones.
- Goal 4: Work toward a vibrant, diversified, basic sector economy with above median wage job opportunities for the Missoula community.
- Goal Econ 5: Support and provide resources for business retention, expansion, and relocations to the Missoula area.

-
- Goal Econ 6: Support strategic economic development efforts that broaden, expand, and/or diversify the base economy.
 - Goal Econ 7: Support and provide the necessary resources that facilitate local business start-ups and business retention in Missoula.
 - Goal Econ 8: Recognize the unique challenges faced by local businesses and entrepreneurs in competing with national and regional chains and franchises.
 - Goal Econ 9: Continue to create and enhance downtown’s business diversity, and economic vitality, and make the urban core a competitive hub for the region.
 - Goal Econ 10: Continue to promote downtown Missoula as the community’s center for government, commerce, entertainment, and arts and culture.
 - Goal Econ 11: Strive for educational excellence that produces globally competitive and locally-engaged citizens.
 - Goal Econ 12: Recognize the mutually beneficial relationship between the University and the community, and that the university faculty, staff, and students are a vital part of the community.

Missoula Redevelopment Agency (MRA) – MRA is a public agency created in 1978 that operates in accordance with state law to revitalize Missoula's Urban Renewal Districts. MRA partners with public and private entities to help improve economic vitality, create jobs and encourage investment in the Districts. MRA also invests in public improvements like parks, trails, streets and sidewalks. The agency administers six urban renewal districts. The MRA oversees the following seven redevelopment districts. Districts:

- URD II
- URD III
- North Reserve – Scott Street URD
- Riverfront Triangle URD
- Front Street URD
- Hellgate URD

Figure 57 – Missoula Urban Renewal Districts



Source: Missoula Redevelopment Agency, 2019

MRA has the following major projects that will be underway in the next five years:

- **Fox Site Development** - The Fox Site is located along the north shore of the Clark Fork River at the southwest corner of the intersection of Orange and West Front Streets. MRA, has prepared the Fox Site to accommodate a model multi-use development which will be the anchor of the west entrance to the downtown core and the east entry to the West Broadway corridor.
- **Front Street/Main Street Two-Way Conversion Feasibility Study** - The conversion of Front and Main Streets back to two-way traffic has been identified as a top priority project in the 2009 Downtown Master Plan and a means to improve overall circulation, pedestrian and bicycle safety, and economic vitality in Downtown Missoula. This Feasibility Study analyzed different improvement options and develop a set of recommended alternatives that best meet the needs and objectives of the project.
- **California Street Preliminary Design** - Dakota Street to South 3rd Street West – The project recommends the preliminary design of California Street from Dakota Street to S. 3rd Street W. in URD II. The goals of the design project include improving public safety for all modes of travel in the corridor, maintaining the neighborhood character of the street, and creating a blueprint for the redesigned streetscape. A preferred design alternative was presented at a public open house in October 2018. Funding for the project is still to be determined.

-
- **Old Sawmill District Project** - After nearly 100 years as a lumber mill, the 45-acre site along the south shore of the Clark Fork River is being cleaned up and made ready for an urban-density, multi-use residential, and commercial neighborhood. Now called the Old Sawmill District, the site is adjacent to the downtown core and established residential neighborhoods. The project features a nearly 15-acre riverfront public park, an extensive trail system, and parking for the civic stadium which hosts the Osprey minor-league baseball team and other events.
 - **Southgate Area Redevelopment Plan** - The primary objective of the Southgate Area Redevelopment Plan is to identify strategies for redeveloping vacant property south of Southgate Mall and provide direction on how to best apply public and private dollars toward that goal. The plan defines a vision for the property and contains specific goals and objectives to achieve that vision.

Discussion

Although Missoula has a low unemployment rate, the target industries for growth require a highly skilled workforce. Montana High Tech Business Alliance (MHBTA) indicates a strong outlook for the high-tech industry in Missoula. Companies such as Cognizant (formerly ATG), OnX and Class Pass have all announced plans for major investments and hiring in Missoula over the next few years. A survey of high-tech companies by the University of Montana Bureau of Business and Economic Research (BBER) indicates that technology companies are growing nine-times faster than the overall Montana Economy and pay twice the median wage. The University and City are intentionally working to create an “innovation corridor” along the Clark Fork River. Workforce training and development is important to meet the needs of these industries.

Workforce training is also necessary to increase participation in the workforce by groups with higher unemployment rates such as minorities, low-income households, veterans, and young adults. As noted in this section there are multiple agencies and organizations involved in economic development. Consequently, the Missoula Economic Partnership strategic plan emphasizes coordination among these groups to meet community needs. Additionally, the report notes that investment in infrastructure, especially transportation infrastructure, will be critical to attract industry. Targeting transportation and water system improvements to low-income and older neighborhoods will encourage investment in these areas. The MRA has several redevelopment projects in these neighborhoods that include residential components that will provide some affordable housing units.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

Lack of Complete Facilities & Overcrowding

One definition of housing problems is units that lack complete facilities. According to the ACS data for Missoula from 2013 -2017, 99.4% of occupied housing units have complete plumbing and 98.8% of occupied units have complete kitchen facilities. There is not a concentration of units with these issues. Another measure of housing problems is overcrowding. The definition of overcrowding is more than 1.00 occupants per room. According to ACS data from 2013-2017, there were 615 occupied units or less than 2% of occupied housing units that met this definition. The census tracts with the highest number of units that met the definition of overcrowding were CT2.01=250, CT1=80, CT5 = 70, CT8=51.

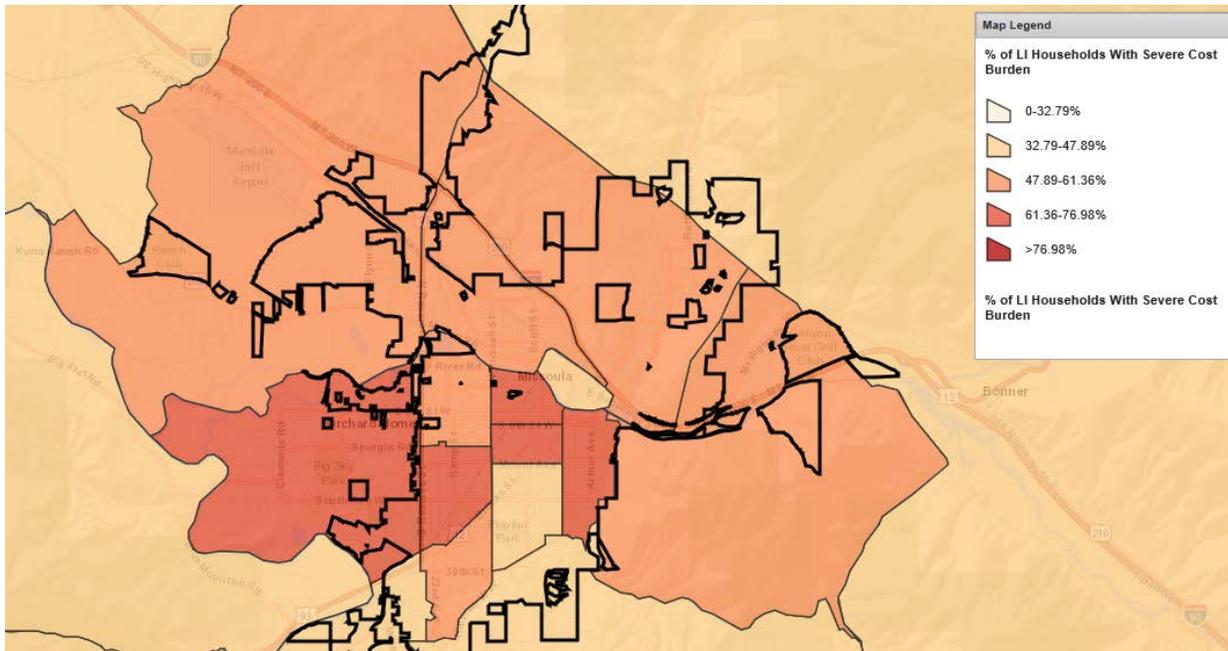
Substandard Housing

As noted in "Section MA-20, Condition of Housing," homes with an effective age over 50 years, typically have not had any major upgrades and often have plumbing and electrical systems that need replacement, doors and windows that are deteriorated, and the floor plan and interior details that are outdated. Energy and water efficient features and appliances are lacking. The Rose Park, Franklin to Fort, and University District have higher than average numbers of dwelling units in this category.

Severe Cost Burden

The most common housing problem in Missoula is households experiencing a severe cost burden. According to the map below, the census tracts with the highest concentration of low-income households experiencing a severe cost burden are Census Tracts 7 (Riverfront), 11 (Rose Park), 5 University District), 10 (Franklin to the Fort and Southgate Triangle), and 9.01 (Two Rivers and Missoula County).

Figure 58 – Concentration of Households with Severe Cost Burden



Source: U.S. Department of Housing and Urban Development CPD Maps

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

According to the 2013-2017 ACS, about 8.5% of Missoula’s population were non-white races and 3.1% were classified as Hispanic of any race. An area of minority concentration is defined as census tracts where the minority concentration is at least 5% greater than the City as a whole. Therefore, census tracts or areas with 13.5% or greater minority population would be considered an area of minority concentration. Missoula is not racially diverse and there are no census tracts in Missoula that meet the definition of area of minority concentration. The largest minority groups are “Two or More Races,” “Hispanic,” and “American Indian.”

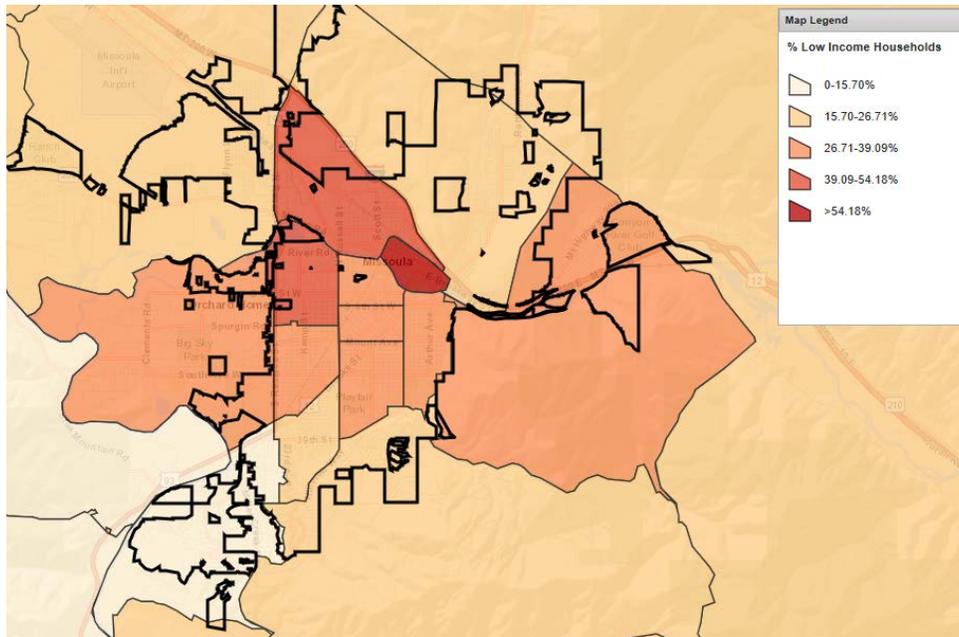
Figure 59 – Population of Missoula by Race

	Number	%
White	64,817	91.3%
Black	350	0.5%
American Indian	1727	2.4%
Asian	1358	1.9%
Native Hawaiian/Pacific Islander	22	0%
Two or more races	2,376	3.4%
Hispanic	2,225	3.1%
Total	70,847	100%

Source: U.S. Census, ACS 2013-2017

An area of low-income concentration is defined as an area where 51% of the population has income at or below 80% AMI. The highest concentration of lower income households is found in census tracts 2.01 (Northside and Westside), 3 (Heart of Missoula), and 8 (River Road and Franklin to the Fort).

Figure 60 – Concentration of Low-Income Households in Missoula



Source: U.S. Department of Housing and Urban Development CPD Maps

What are the characteristics of the market in these areas/neighborhoods?

Characteristics of Neighborhoods with Concentration of Low-Income Households

Census Tract 2.01

- **Geography** – This census tract is located west of Census Tract 3. It is bordered by Interstate-90 to the north, the Clark Fork River on the south and Reserve Street on the west. It generally corresponds with the boundaries for the “Westside” and “Northside” neighborhoods.
- **Land Use** – There are large tracts of industrial area between the Interstate and the railroad and large big box retail uses along Reserve Street. Multi-family dwellings can be found in districts zoned for commercial or industrial.
- **Housing** – Only 29.2% of the dwelling units are single-family detached. This tract has a higher percentage of mobile homes compared to city averages. Renters comprise 74.5% of the households. Overcrowding is an issue for 250 households, the highest number of any census tract in the city.

Census Tract 3

- **Geography** – This census tract is bordered by the Clark Fork River on the South, the railroad on the north and west and Van Buren Street on the east. The boundaries generally correspond with the “Heart of Missoula” neighborhood.
- **Land Use** – This tract encompasses the downtown area, government offices, and Saint Patrick Hospital campus. It is a mix of commercial/institutional/single-family and multi-family uses.
- **Housing**– Single-family units comprise a very small portion – just 8.1% of housing units in this tract. Households are primarily renters, comprising 91.55 of households. Overcrowding is not an issue in this area.

Census Tract 8

- Geography – Bordered by the Clark Fork River to the north, 11th Street on the south, Reserve Street on the west and Russell Street on the east. The boundaries generally correspond to the “River Road” neighborhood and include some of the “Franklin to the Fort” neighborhood.
- Land Use – The dominant land use is residential with medium to high density.
- Housing – The composition of single-family homes and owner-occupied households is comparable to the citywide average. The percentage of mobile homes in this tract is higher than the citywide average. Less than 2% of households are experiencing overcrowding.

Figure 61 – Housing Characteristics for Selected Census Tracts

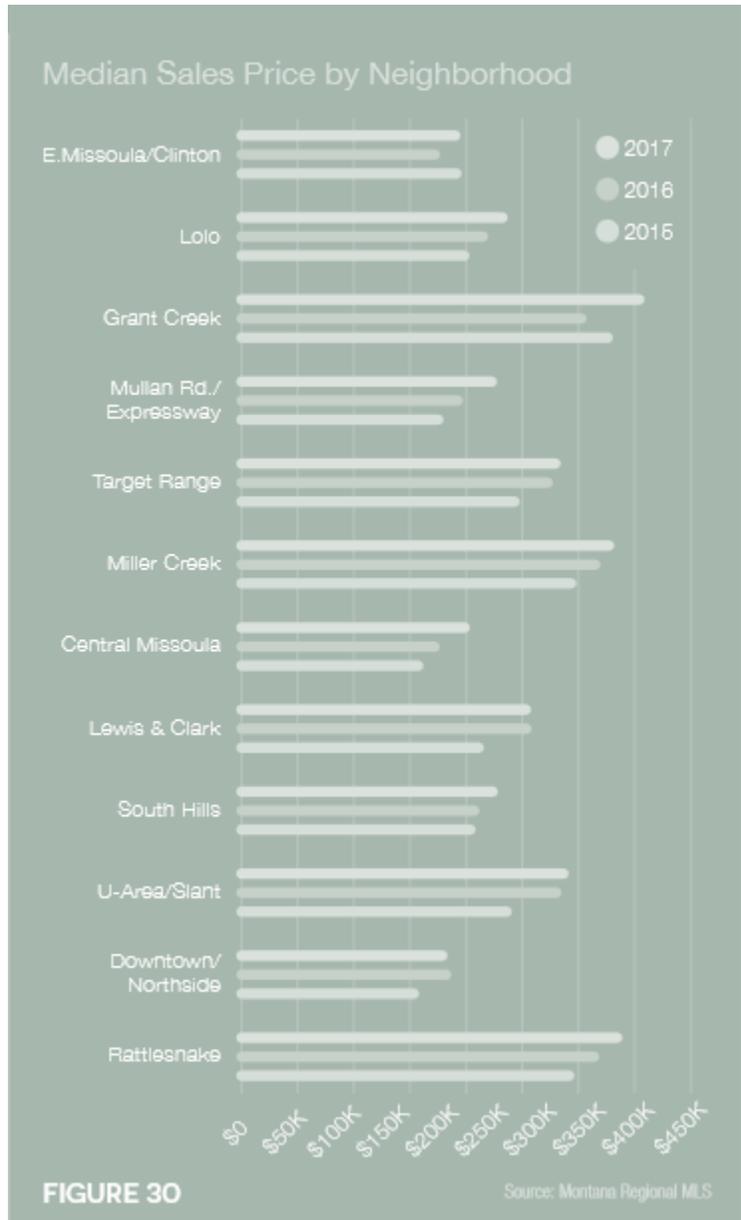
	CT 2.01		CT 3		CT 8		Missoula	
	#	%	#	%	#	%	#	%
# of Housing Units	4,557	100%	1,473	100%	3,098	100%	32,755	100%
One-Family Detached	1,331	29.2%	119	8.1%	1,451	46.8%	16,561	50.6%
Mobile Home	275	6.0%	11	0.7%	360	11.6%	1,234	3.8%
Owner Occupied	1,075	25.5%	110	8.5%	1,204	41.7%	14,598	47.2%
Renter Occupied	3,140	74.5%	1,188	91.5%	1,681	58.3%	16,316	52.8%
1 or more occupant per room	250	5.9%	0	0%	51	1.8%	615	2.0%

Source: U.S. Census, ACS 2013-2017

Market Trends by Neighborhood

The Missoula Organization of Realtors (MOR) compiles information on median sales price by neighborhood for the city and surrounding areas. MOR neighborhood boundaries are different than the boundaries for the neighborhood councils but the two MOR areas that best correspond with the subject census tracts are the “Downtown/Northside” and “Central Missoula” neighborhoods. According to the graphic below, these areas are among the most affordable areas in the city. Median sales price in Central Missoula area were around \$250,000 in 2017 and showed a steady increase from 2015 to 2017. Median sales prices in the downtown/Northside area were around \$225,000 in 2017 and showed little change from 2016 to 2018.

Figure 62 – Median Sales Price by Neighborhood from 2015 through 2017

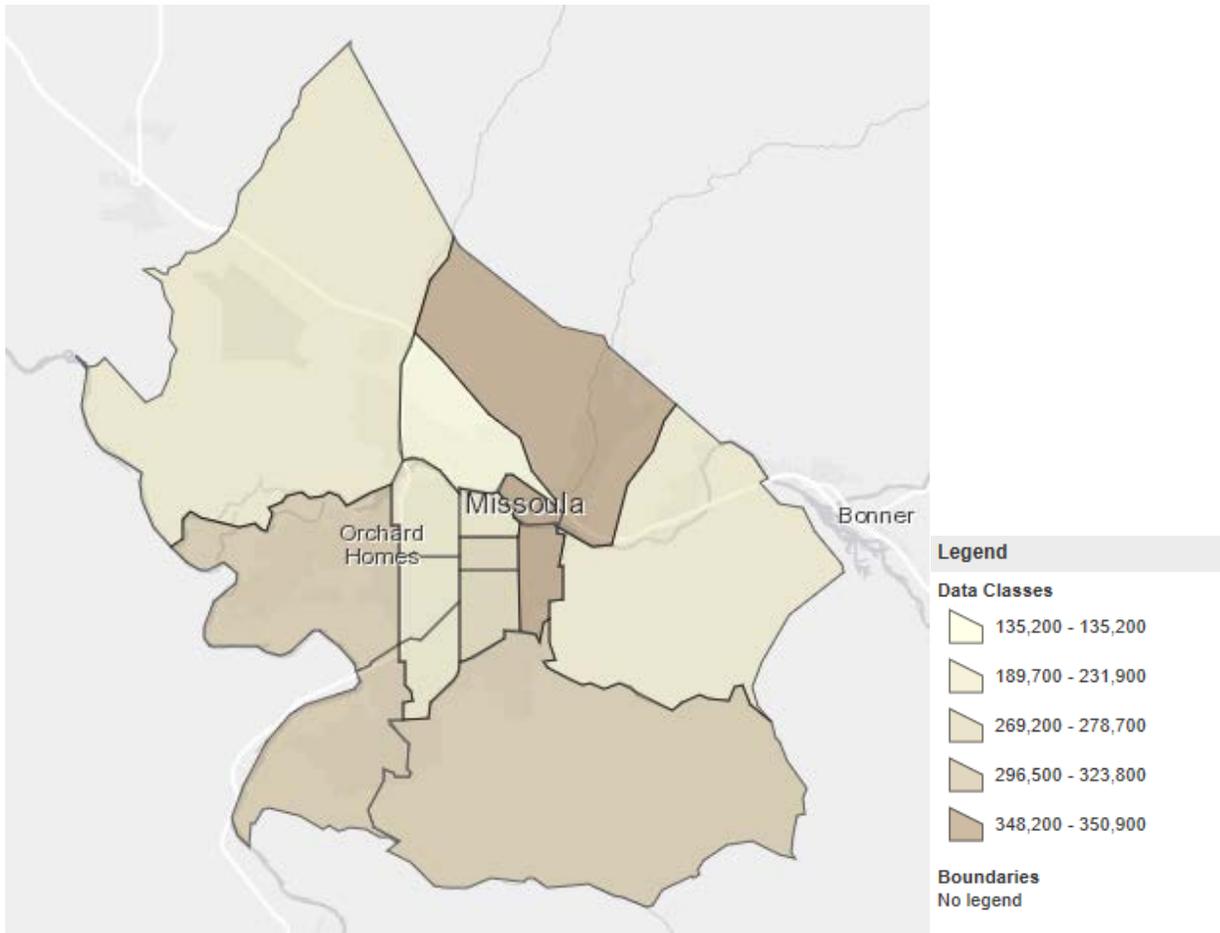


Source: Missoula Organization of Realtors 2018 Annual Housing Report

Median Home Value by Census Tract

According to the US Census, ACS data, median home values for census tracts range from a low of \$135,200 to a high of \$350,900. The census tracts with the highest home values are CT1 (Rattlesnake area) and CT5 (University neighborhood). The Westside Neighborhood, CT 2.01, has the lowest median value.

Figure 63 – Median Home Values by Census Tract

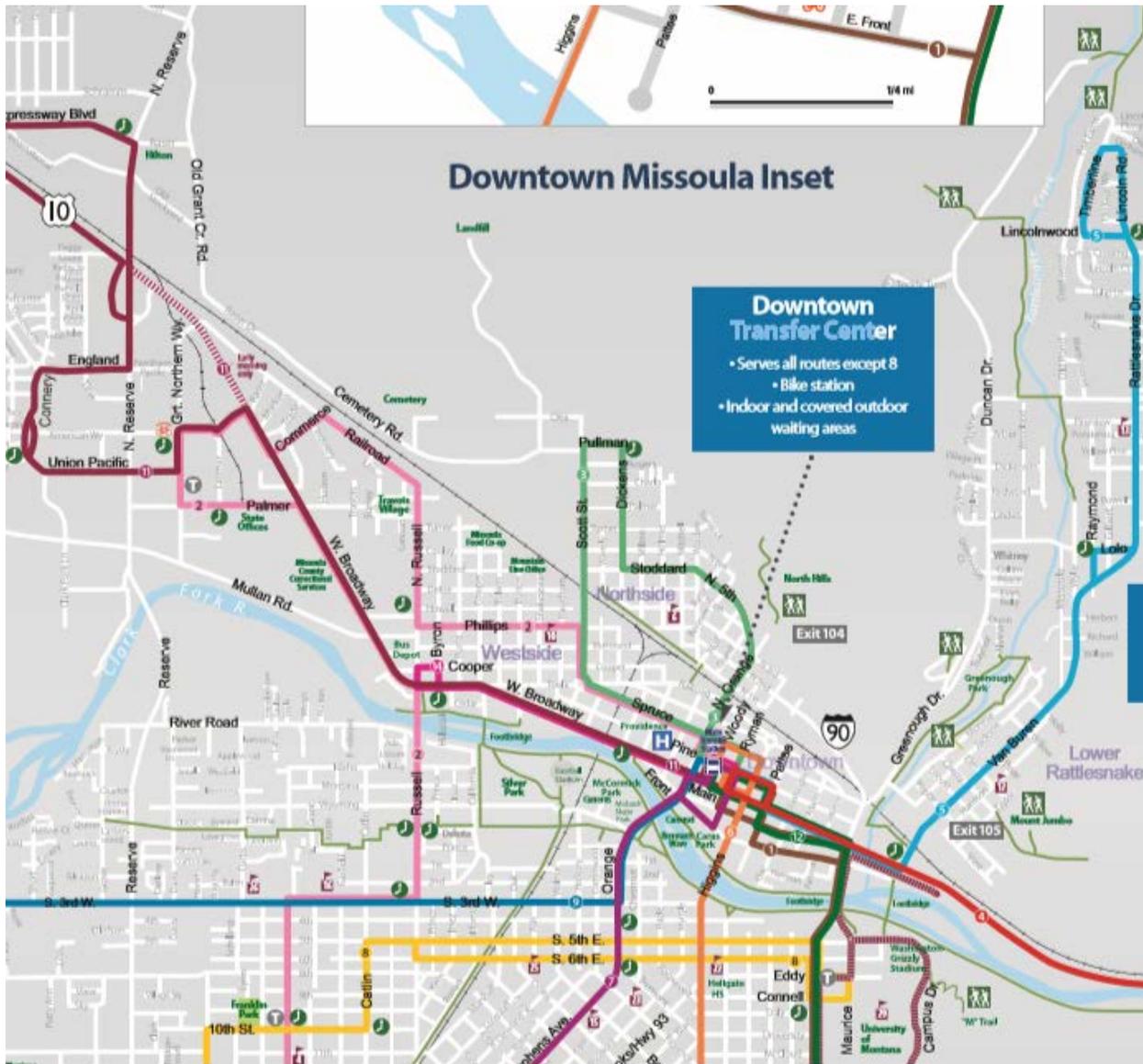


Are there any community assets in these areas/neighborhoods?

Schools, Parks, and Trails

Most Heart of Missoula parks are located along the Clark Fork River. In the Westside neighborhood the residential area is located east of Russell Street. There is only one small neighborhood park in this area. The River Road area has just two small neighborhood parks. There are pedestrian and bicycle trails in all three neighborhoods but the connectivity for the trails continue to be improved. The Russell Street reconstruction project in the River Road neighborhood will include improvements to the trail system. There are no K-12 schools in the River Road neighborhood.

Figure 65 – Mountain Line Transit Routes Service Census Tracts 2.01, 3, and 8

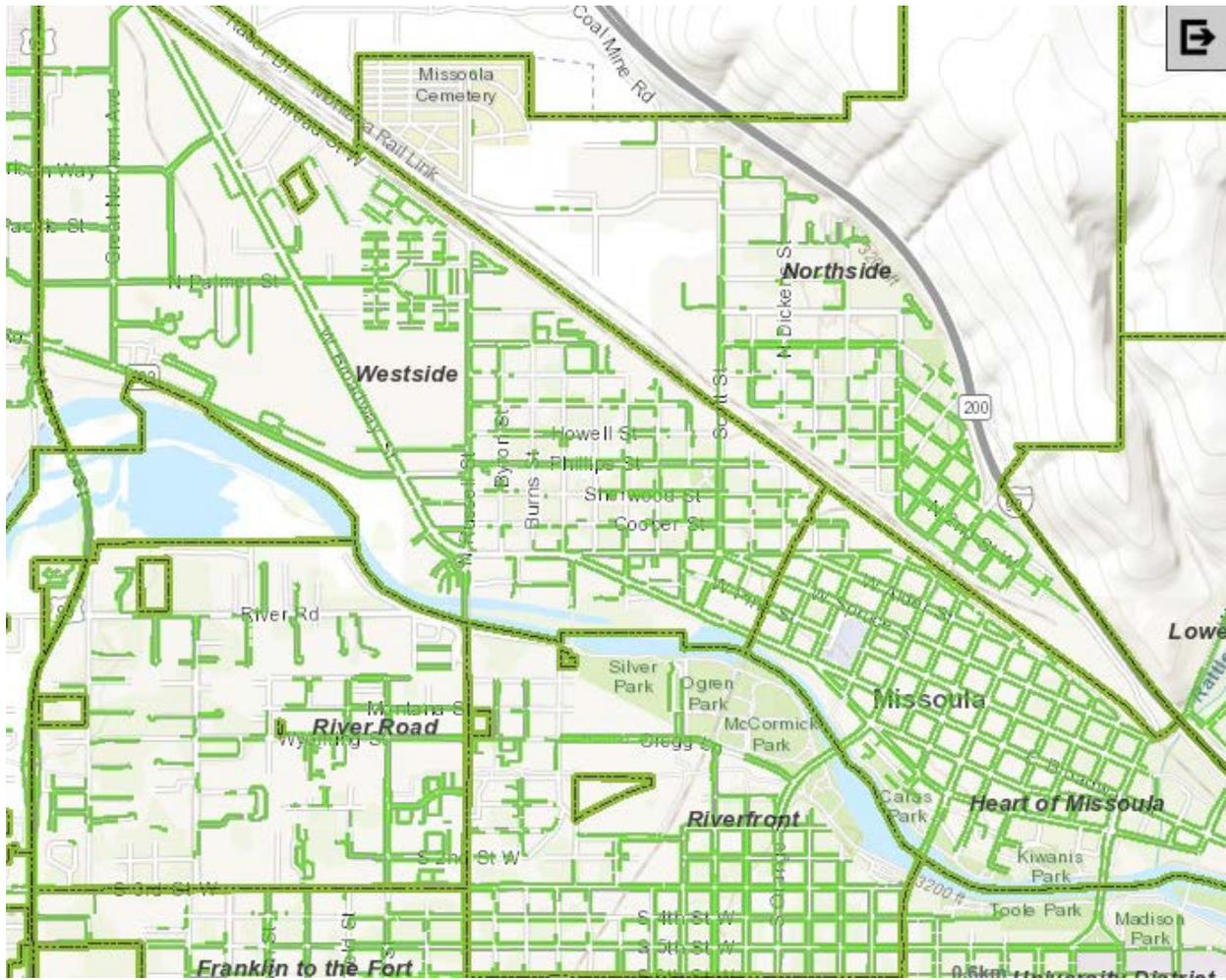


Source: Mountain Line Service Map, 2018

Sidewalks

The map below indicates the location of existing sidewalks. The Heart of Missoula neighborhood has very good sidewalk coverage. There are significant residential areas in both the Westside neighborhood and River Road neighborhood that are lacking sidewalks. A recent report on health equity, Missoula Invest in Health, conducted a study specifically related to the Westside and River Road neighborhoods. The report notes that lack of sidewalks and also the condition of sidewalks make walking around the neighborhood unsafe and undesirable. Lack of sidewalks, lack of connectivity, and lack of adequate lighting also make it difficult to have safe routes of schools. Participants in the study noted that sidewalks were the most important factor in increasing physical activity. The city has a sidewalk replacement and installation program and is in the process of developing a new Pedestrian Facilities Master Plan.

Figure 66 – Sidewalks in Selected Missoula Neighborhoods

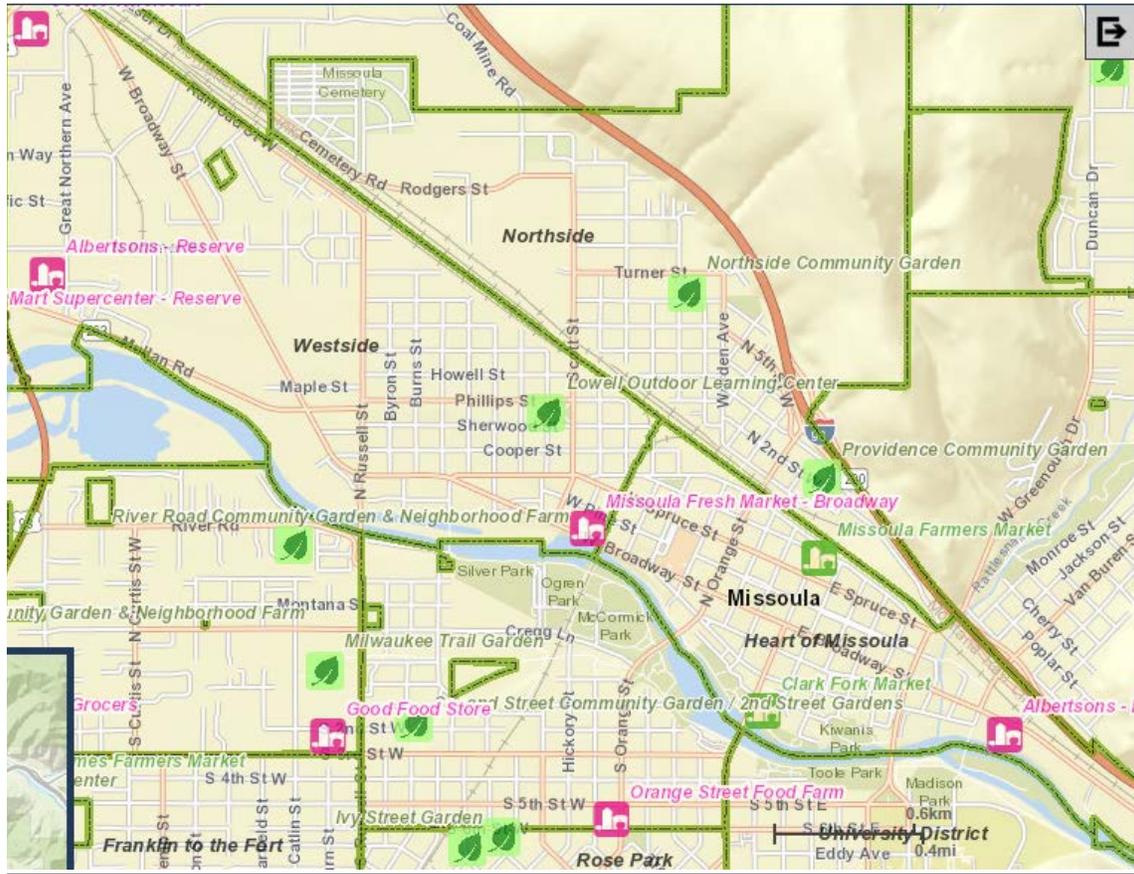


Source: Missoula City-County Health Department Health Map

Nutrition

There is at least one grocery store within or immediately adjacent to each of the subject census tracts. The farmers market is located within census tract 3. Both census tract 2.01 and census tract 8 have community gardens. According to the City-County Health Department “health map,” census tract 2.01 has nine Supplemental Nutrition Assistance Program (SNAP) retailers while census tract 3 has three SNAP retailers. Although there are no SNAP retailers in census tract 8, there are several that are immediately adjacent to the area.

Figure 67 – Grocery Stores, Community Gardens, and Farmers Markets



Legend

-  Supermarket / Grocery
-  Farmers Markets
-  Community Garden

Source: Missoula City-County Health Department Health Map

Are there other strategic opportunities in any of these areas?

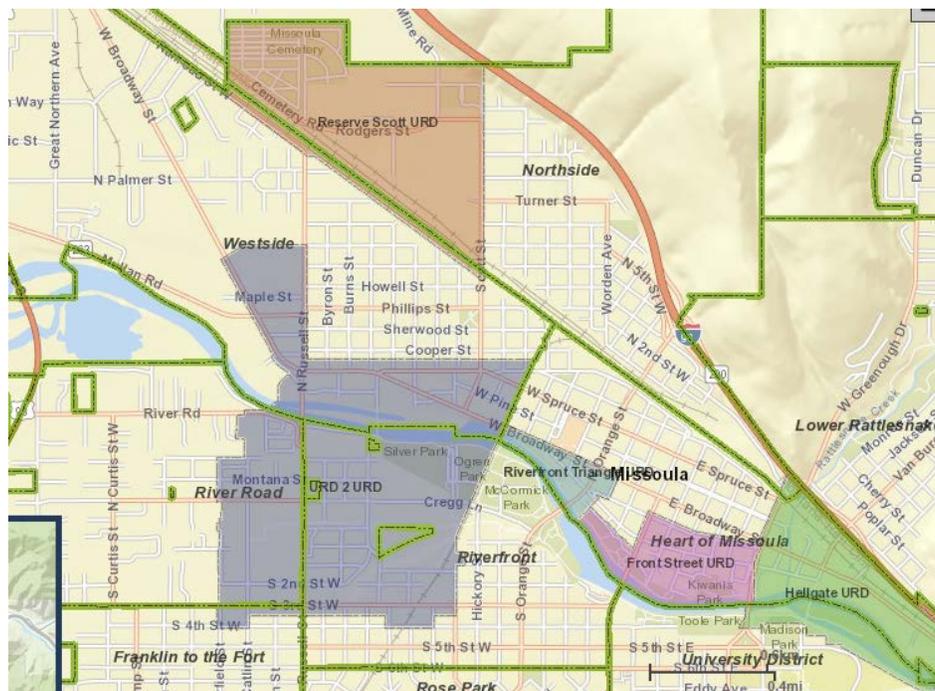
Tax Increment Finance District

As noted in the previous section there are six Urban Renewal Districts (Tax Increment Finance Districts) in Missoula. The following URDs are completely or partially located in Census Tracts 2.01, 3, or 8.

- Reserve Scott URD (CT 2.01) – Established in 2014, the district focuses on improving transportation connections, enhancing opportunities for industrial uses, and exploring the potential for new homes and businesses that will stimulate Missoula's economy.
- URD 2 (Census Tract 2.01) – The district was created in 1991 and has strategies to improve the motorized and non-motorized transportation network and upgrades to the sewer and water district. There is an emphasis on new residential development on vacant and under-utilized parcels and for neighborhood commercial development that is compatible with residential areas.

- Front Street URD (Census Tract 3 & Census Tract 8) – Established in 2007 the district has strategies for both residential and commercial redevelopment. The Front Street URD also proposes upgrades to water and sewer infrastructure and improvements to parking and trail systems. Historic preservation and public art are also part of the improvement plan.
- Hellgate URD (Census Tract 3) – Established in 2014, the Hellgate URD plan calls for the area to become an “employment anchor” with residential uses, including student housing. The plan calls for well-planned mixed residential and commercial uses that integrate with and enhance riverfront aesthetics and recreation.

Figure 68 – Missoula Urban Renewal Districts

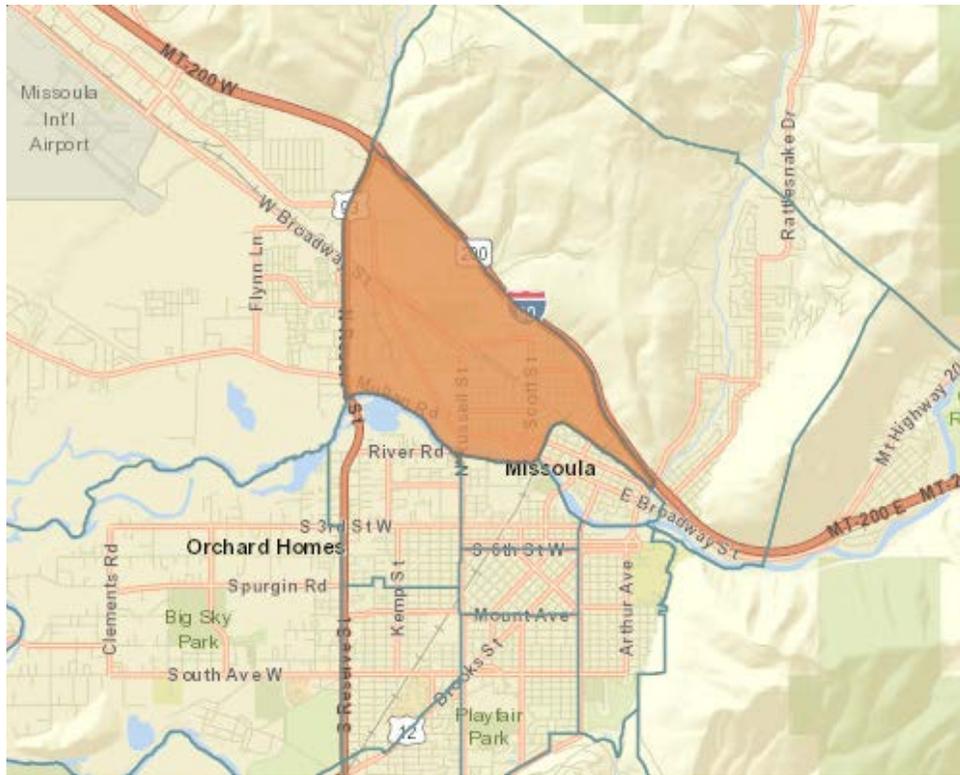


Source: Missoula City-County Health Department Health Map

Opportunity Zones

The Tax Cuts and Jobs Act of 2017 established a new economic development program called Opportunity Zones designed to encourage long-term private investments in low-income communities. Opportunity Zones provide a federal tax incentive for taxpayers who reinvest unrealized capital gains into “Opportunity Funds,” which are specialized vehicles dedicated to investing in low-income areas called “Opportunity Zones.” The zones themselves are comprised of Low-Income Community Census tracts and were designated by governors in every state and territory. The program has the potential to direct private capital toward distressed communities and serve as a catalyst for long-term, inclusive economic development. This may include downtown revitalization, workforce development, affordable housing, infrastructure, and business startup and expansion. In Missoula, Census Tract 2.01 has been designated an Opportunity Zone. The federal government has yet to issue definitive guidance on Opportunity Zones as of this plan.

Figure 69 – Missoula’s Opportunity Zone



Source: Montana Department of Commerce, 2019

Development Opportunities

Entitled Lots consist of platted and expected residential lots and dwelling units planned for in preliminarily approved major subdivisions. Development is imminent for some, while other entitled lots exist only in future phases that have not yet been filed. There are in-fill development opportunities on entitled lots within the subject census tracts. According to the Urban Fringe Development Area (UFDA) 2016/2017 yearbook, the Central Missoula region and the Reserve to Russell Corridor region in the UFDA plan encompass parts of census tracts 2.01, 3, and 8. There are 107 remaining entitled lots in the Reserve to Russell Corridor area and 385 entitled lots in the Central Missoula area.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The City of Missoula's Five-Year Strategic Plan identifies the priority needs in the City and describes strategies the City will undertake to serve the priority needs. The sections of the Strategic Plan include: Geographic Priorities; Priority Needs; Influence of Market Conditions; Anticipated Resources; Institutional Delivery System; Goals; Public Housing; Barriers to Affordable Housing; Homeless Strategy; Lead-Based Paint Hazards; and an Anti-Poverty Strategy.

The Plan reiterates the priority goals and needs as established through public meetings and analysis contained in the Needs Assessment and Market Analysis chapters. Missoula's Strategic Plan does not target assistance by geography alone, but directs assistance to where it is needed most - to extremely low, low, and moderate income Missoulians.

SP-10 Geographic Priorities – 91.215 (a)(1)

Geographic Area

N/A

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

The City directs its efforts to projects that identify specific needs for low- and moderate-income (LMI) persons and households rather than direct its allocations of CDBG or HOME to any particular geographical section of the City. Missoula is small enough that concentrations of minorities vary throughout the City. We need to remain nimble enough to adapt to where there is the most need in any given year.

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

Table 47 – Priority Needs Summary

1	Priority Need Name	Rental Housing
	Priority Level	High
	Population	Extremely Low Low Moderate
	Geographic Areas Affected	N/A
	Associated Goals	Rental Housing
	Description	Rental Housing is a high priority need for Missoula and will continue to be for the next five years. Over half of Missoulians are renters and access to safe, affordable, accessible rentals is a challenge brought up in the Needs Assessment, Market Analysis, Community Needs Assessments, and through conversations with partners. Missoula needs more rental housing options for Missoulians living in extremely low, low, and moderate-income households.
	Basis for Relative Priority	Based on the data and accompanying analysis in the Needs Assessment and Market Analysis portions of this plan, housing cost burden is Missoula's largest challenge for both renters and homeowners. However, renters experience cost burden more deeply and broadly than homeowners. Additionally, Missoula has a lower homeownership rate than the rest of the state, meaning that 53% of our residents are renters. Further, our annual Community Needs Assessments have indicated for the past several years that housing affordability and accessibility are top priorities for Missoulians. Our partners in the non-profit and public housing realms regularly discuss the challenges their clients face in a rental market as tight as Missoula's. The lack of available, affordable, and accessible rental housing limits the housing continuum in our city from top to bottom with far-reaching ripple effects.
2	Priority Need Name	Homeownership
	Priority Level	High
	Population	Low Moderate Middle

	Geographic Areas Affected	N/A
	Associated Goals	Homeownership
	Description	Missoula has a lower homeownership rate than the rest of the state and with increasing home prices and limited housing stock prices will continue to increase over the next five years. Missoulians in low, moderate, and middle-income households need increased homeownership opportunities and supports in order to move up the spectrum of housing options and build wealth. Not only does homeownership help individual Missoulians, but it also further relieves and stabilizes our tight rental market by alleviating the demand on that market.
	Basis for Relative Priority	Homeownership is one of the primary methods available to Missoulians to move out of poverty and to build wealth. Community Needs Assessment responses over the past several years consistently rank housing cost and housing access as a top priority in the community. Missoula has a much lower homeownership rate than the rest of the state (47% to 67%) and housing costs are very high here for both renters and owners. Market trends suggest they will continue to increase over the next five years, limiting the ability of Missoulians to enter the home-ownership market. Supporting the creation of more home-ownership opportunities in the community can help alleviate this burden.
3	Priority Need Name	Homelessness
	Priority Level	High
	Population	Extremely Low Low Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth
	Geographic Areas Affected	N/A

	Associated Goals	Homelessness
	Description	Missoula has a great wealth of community organizations and service providers collectively working to make homelessness rare, brief, and one time only. However, these providers and systems are often limited by financial and capacity constraints. The Coordinated Entry System in Missoula has made significant investments in recent years to increase collaboration, collect better data, and target services to those most in need. However, this system is in early stages and requires significant additional community investment in order to ensure that it continues to develop and succeed.
	Basis for Relative Priority	Based on the data and analysis of the Needs Assessment, Market Analysis, and community feedback from the Community Needs Assessment, we know that the community is very concerned about homelessness and ensuring that homeless residents get the mental health and housing services they need. Homelessness continues to be a challenge in Missoula as demonstrated in the Needs Assessment data. All of this data supports prioritizing targeted supports to build capacity in Missoula's homelessness system.
4	Priority Need Name	Planning and Administration
	Priority Level	High
	Population	Non-housing Community Development
	Geographic Areas Affected	N/A
	Associated Goals	Planning and Administration
	Description	Robust and effective planning and administration of funding sources are imperative to successfully meeting the first three priority needs identified in this plan. Ensuring that planning for our HUD-funded programs aligns and complements other community planning efforts and city housing policy are top priorities over the next five years.
	Basis for Relative Priority	Taking on planning efforts like the Consolidated Plan, Annual Action Plan, and developing city housing policy are important components to our ability to deliver high-quality services to Missoula. Additionally, collecting data, reflecting on results, and course-correcting as necessary is incredibly important to ensuring that we are meeting the needs of the community.

Narrative (Optional)

Each of the top priority needs were determined based on the data and analysis available in the Needs Assessment Chapter, Market Analysis Chapter, annual Community Needs Assessment feedback, and other municipal plans and strategies. Additionally, these priorities are interconnected. The rental housing market

affects the homeownership market and vice versa. The public services available to Missoulians affect their ability and resources available to deal with cost burden and enter into each of these markets. As a result of this interdependence, each priority need is ranked as "high."

SP-30 Influence of Market Conditions – 91.215 (b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	Vacancy rates in Missoula rentals have been very low for the past few years. They are especially low, and at some points functionally zero, in affordable rental units. These low vacancy rates and the tight rental market are conditions that are projected to remain steady or even worsen over the next five years. The community and service providers have emphasized in Community Needs Assessment meetings and surveys that they would like to see Missoula address underlying conditions of housing affordability rather than seeking short-term solutions to our housing issues. While TBRA is helpful to maintain a client’s housing in the short-term (in the past up to 4 months of rent), it is clear that given the limited HOME allocation, our best use of those funds is towards unit production, which creates more long-lasting impact on the market and ultimately assists more community members.
TBRA for Non-Homeless Special Needs	Low vacancy rates, as discussed above, are the primary market conditions that affect TBRA for Non-Homeless Special Needs. Discussion at Community Needs Assessment meetings has shown a determination to focus on making long-term impacts on our community with the creation of more affordable units for all Missoulians including those with special needs.
New Unit Production	New unit production in Missoula will be affected by several market conditions. Building costs continue to increase in every realm from labor to materials. Missoula is a relatively small market, meaning that if there are a few large jobs going on, the labor shortage experienced for new projects is extreme. As is detailed in the Market Analysis chapter, Missoula generally needs more units of both homeownership and rental housing. As land and construction costs have increased so too have the costs of purchasing a single family unit. Given the large subsidy needed to make homeownership units affordable, the focus in Missoula will be on the development of multi-family that is primarily LIHTC and therefore rental. This is in keeping with market demand for more rental units for low and moderate income households.
Rehabilitation	The Market Analysis chapter details the age and condition of Missoula's housing stock. A majority of our housing predates the end of lead-based paint. Large swaths of the city of Missoula’s housing stock is in need of weatherization and energy improvements to ensure the homes are healthy and affordable for the current homeowner as well as subsequent buyers/occupants. These market conditions suggest a great need for rehabilitation. Rehabilitation helps not only improve the physical condition of units, but can have the dual benefit of preserving the affordability of rehabbed units that may otherwise become too costly to maintain, heat, and keep up to code.

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Acquisition, including preservation	As is detailed in the Market Analysis chapter of this Plan, as well as various market studies performed in recent years (Making Missoula Home, Missoula Organization of Realtors Annual Housing Report), land prices and home prices in Missoula continue to grow at increasing rates. Missoula is a city that is relatively land constrained, causing prices to increase as less and less land is available. Home prices in Missoula remain prohibitively high for a large segment of the population, including nearly all low- to moderate-income people. High land and home prices also translate to multi-family buildings and lots. The city has seen many underutilized lots, such as mobile home parks, being sold in recent years as the land value exceeds the lot rents generated. These often flip and are developed as higher-end housing. This results in a loss of affordable housing stock. As land costs increase acquisition can be critical to make an affordable housing development project pencil.

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

The City has a history of collaborating with nonprofit service organizations to address priority housing needs. The table that immediately follows and the subsequent text describes Missoula's CDBG and HOME resources for the upcoming year and other anticipated resources over the next five years covered by this Consolidated Plan. This includes federal, state, local, and private resources expected to be available to the City to address the priority needs and specific objectives identified in this Strategic Plan.

HUD Resources

HUD entitlement funding is the primary resource to achieve goals in the Five-Year Consolidated Plan. In PY2019, the City will receive \$529,166 (CDBG) and \$353,625 (HOME). In addition, the City anticipates receiving program income of \$29,370 (CDBG) and \$800 (HOME) in PY2019. Program income is earned from loan payments.

Federal

The City of Missoula's Brownfields Program facilitates the expansion, redevelopment, or reuse of real property when complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. This funding is often leveraged to support affordable housing development.

State

Developers may access state resources through the Low Income Housing Tax Credit (LIHTC) Program. This program is administered by the Montana Board of Housing (MBOH). The MBOH also facilitates and operates a number of down payment assistance loans that are available to qualifying households in Missoula.

During the 2019 State of Montana Legislative Session House Bill 16 passed, which allows for the creation of an Affordable Housing Loan Program using \$15 million of the coal tax trust fund. The loan program would be used for the purpose of providing loans for the development and preservation of homes and apartments to assist eligible low-income and moderate-income applicants. Once signed by the Governor, this loan program will need to be established and administered, which may take some time. But we anticipate this program will also be available for affordable housing development in the near future.

Local

Over the next five years, the City will continue to explore using Tax Increment Financing (TIF) funds to meet housing goals. The State of Montana has authorized local governments' to utilize TIF in designated areas. TIF in Montana is segregation of new property taxable value over a base year that may be used for certain activities within the specified areas. Through the Missoula Redevelopment Agency (MRA), the City of Missoula currently administers six urban renewal districts, each of which are unique in terms of size, uses, and TIF capacity. Use of TIF is limited to clearing development sites, providing adequate utility infrastructure, as well as land cost subsidy for permanently affordable housing projects. Several of the urban renewal districts have the capacity to fund or bond for substantial amounts for eligible activities related to construction of affordable housing.

As part of city housing policy development, the City of Missoula Office of Housing & Community Development will recommend in 2019 that the city establish an Affordable Housing Trust Fund locally. This fund will take time to implement, but will likely be available as a resource for affordable housing development during the period of this Consolidated Plan.

Private

Whenever possible, the City works to support projects that leverage private equity through LIHTC. Investments from the private sector make these projects work, and bring new resources into the community.

Anticipated Resources

Table 48 – Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	529,166	29,370	142,457	700,993	2,234,144	Annual allocation awarded to the City of Missoula as an Entitlement City plus program income.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	353,625	233,321.88	7,600	362,025	1,417,700	Annual allocation awarded to the City of Missoula as a Participating Jurisdiction plus program income.
General Fund	public - local	Admin and Planning Other	66,241	0	0	66,241	264,966	Approximately 25% of the Department's General Fund operations budget is allocated toward HUD Program administration, or approximately \$25,241 per year. The City of Missoula contributes \$41,000 towards the administration of our 10 Year Plan to End Homelessness and the daily management of the Missoula Coordinated Entry System.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Housing Multifamily rental new construction New construction for ownership Public Improvements	200,000	0	0	200,000	800,000	The City's Brownfields Program facilitates the expansion, redevelopment, or reuse of real property when complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. Federal funding cycles and the project-specific nature of Brownfields projects make projections challenging, but the City anticipates spending, in the next five years, \$300,000 in Brownfields assessment funding and \$700,000 in cleanup funding. A majority of this funding is expected to benefit the Goals outlined in this plan.

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Federal funding will leverage private, state, and local funds as well as leveraging other types of support such as volunteer labor and in-kind support. In each award decision, the ability of a project or agency to demonstrate sustainable services by both maximizing other sources of funding and minimizing or eliminating the need for ongoing CDBG or HOME support is an important ranking criteria. An agency or project must ensure that they are not duplicating services that are already available and that other sources of funding have been explored.

HOME Match. The HOME Program requires participating jurisdictions to provide a 25 percent match on most HOME entitlement funds expended each program year. Match is a permanent contribution to affordable housing of non-federal funds. Applicants for HOME-CHDO set-aside funds are encouraged to demonstrate matching funds. Matching funds are reported and approved by HCD annually. HOME-funded projects and match resources are reported in the annual CAPER.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City is continuously reviewing its available vacant public lands to see what use might be to address the community's needs. Given the need to produce more affordable housing, the City is evaluating these parcels to determine which may be most appropriate for housing or mixed-use development. Several years ago the City awarded several parcels to the Missoula Housing Authority to construct affordable housing; one of which is a six-unit affordable rental development that was completed in 2016. Two remaining parcels had been functioning as unofficial neighborhood "pocket parks," but have now been developed as community gardens through the efforts of the City's Department of Parks and Recreation and Garden City Harvest, with a number of other community partners. The City of Missoula is in the process of developing a formal public land disposition policy, which will guide the development of two city-owned 5+ acre parcels in Qualifying Census Tracts and a newly designated Opportunity Zone.

Discussion

The resources listed here are all financial and thus are not all-encompassing. Funds come from other sources that are not within the purview of HUD-sponsored programs, but still contribute to the vitality of the City and CDBG- and HOME-funded projects. Missoula staff and volunteers who provide their personal time and money to assist their fellow Missoulians every day cannot be adequately captured here. Most boards are all volunteer, and every nonprofit relies heavily on volunteer support to accomplish its work. Volunteer labor and in-kind support are often captured in project budgets, but are difficult to quantify in all instances. The City's CDBG and HOME funding decisions try to leverage and capture the value of those contributions and support projects with varied and robust funding and support bases.

SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Table 49 – Institutional Delivery Structure

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
City of Missoula Housing and Community Development	Government	Economic Development Homelessness Non-homeless special needs Planning neighborhood improvements public facilities public services	Jurisdiction
MISSOULA HOUSING AUTHORITY	PHA	Public Housing	Jurisdiction
Missoula Redevelopment Agency	Redevelopment authority	Economic Development	Jurisdiction
PARTNERSHIP HEALTH CENTER	Other	Homelessness	Jurisdiction
Missoula County	Government	Homelessness Non-homeless special needs public services	Jurisdiction

Assess of Strengths and Gaps in the Institutional Delivery System

The Office of Housing & Community Development relies strongly on partnerships and collaborations to effectively administer its programs. Many of these partnerships are long-standing, while we anticipate others will grow and develop over the next five years. We consistently work with the Missoula Housing Authority on public housing and that partnership with the City dates back decades. Our office is closely connected to the Missoula Redevelopment Agency (MRA) and we hope that partnership will grow over the next several years as we align our strategies and goal through City Housing Policy. Partnership Health Center is a key partner in our Coordinated Entry System and hosts our Housing Navigator, which is a position we hope to continue for many years to come. Missoula County is a key partner to the City with a shared City-County Health Department, a collaborative Grants and Community Programs Division, and as another important funding source to many of our supported programs and projects.

Housing & Community Development also plans to grow relationships and partnerships with Low Income Housing Tax Credit (LIHTC) developers and other non-profit and for-profit local developers over the next five years in order to support our Rental Housing and Homeownership Goals.

This institutional delivery structure relies on the office's continued stewardship of strong partnerships and relationships in the community.

Homelessness Delivery Structure

The institutional structure of Missoula's Homelessness System is complex and evolving. The system contains several gaps. As a whole, the system does not have enough resources to meet the needs of homeless individuals in the community. The shelter system in Missoula as it currently operates tends to be high barrier, with no real options for individuals who are under 17, have substance use issues, or have pets. The Prevention components of the system are not as well coordinated or streamlined as the system for the literally homeless, nor does it provide training or build capacity to encourage evidence-based practice. The Diversion components of the system is also not quite as streamlined, although all access points for the Coordinated Entry System are working on diversion practices.

Missoula's institutional delivery structure for homelessness has many strengths and bright spots, however:

- A robust set of partners who all use the same Homeless Management Information System (HMIS) improving data tracking and fidelity;
- Close communication that includes weekly case conferencing meetings and monthly Coordinated Outreach Team meetings;
- A strong local Continuum of Care organization in the At-Risk Housing Coalition (ARHC) with strong sub-committees.

The Office of Housing & Community Development is committed to the continual improvement of the homelessness services delivery structure, as reflected in this Plan's third goal.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Table 50 – Homeless Prevention Services Summary

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X		
Mortgage Assistance	X		
Rental Assistance	X	X	X
Utilities Assistance	X		
Street Outreach Services			
Law Enforcement		X	
Mobile Clinics			
Other Street Outreach Services		X	X

Supportive Services			
Alcohol & Drug Abuse	X	X	X
Child Care	X		
Education	X		
Employment and Employment Training	X		
Healthcare	X	X	X
HIV/AIDS			X
Life Skills		X	
Mental Health Counseling	X	X	X
Transportation	X		
Other			
N/A	N/A	N/A	N/A

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

The system provides services targeted to these populations in a number of ways in Missoula. However, gaps remain. Because our shelter system as it operates now tends to be high barrier, the biggest systemic gaps related to unaccompanied youth and chronically homeless. Our current year-round shelter options exclude those 17 and under as well as those with substance use disorders.

Chronically Homeless Individuals and Families

Missoula has dedicated emergency shelter and transitional housing beds for the chronically homeless. Reaching Home, Missoula's 10-Year Plan to End Homelessness includes strategies to address chronic homeless, including supportive services and providing permanent housing. Additionally, Missoula's Coordinated Outreach Team (WMMHC, Poverello Center, Open Aid Alliance, Volunteers of America and Union Gospel Mission) covers the city of Missoula, the urban area around Missoula, as well as East Missoula and Bonner. The At-Risk Housing Coalition (ARHC) has several subcommittees who focus on this population and work to ensure the system is responding to their needs.

Families with Children

Missoula provides 125 emergency shelter beds for homeless families with children and 30 transitional housing beds are provided to homeless families with children. Additionally, 128 permanent housing beds are provided for families through various programs (see Market Analysis section MA-30). Through the Coordinated Entry System, homeless families with children are connected with any and all applicable services and programs and Missoula County Public Schools (MCPS) District School Liaisons identify at-risk and homeless families and youth in Missoula Schools.

Veterans and Their Families

The Veterans Affairs Supportive Housing (VASH) Program combines Housing Choice Voucher rental assistance for homeless veterans with case management and clinical services. The Montana Department of Commerce's

Rental Assistance Bureau administers this assistance to eligible veterans across the state, including Missoula. The Poverello Center provides emergency shelter, and the Valor House provides transitional housing to veterans. These facilities offer the following services: housing, case management, transportation, community service referrals, laundry facilities, internet access, access to Veterans' Affairs and support services (medical, dental, mental health and vision care plus employment services). Additionally, there is a Veteran's Affairs Office in Missoula. The office provides outreach and services to Veterans and receives referrals from primary health care providers. Missoula's Interim Prioritization Policy ensures that chronically homeless households and non-VASH eligible Veterans are prioritized first for Permanent Supportive Housing and the VI-SPDAT score (highest to lowest) is used for Rapid Rehousing. Missoula's Coordinated Entry System ensures that Veterans are receiving VA dollars wherever possible.

Unaccompanied Youth

Open Aid Alliance has a Vista volunteer dedicated to work for unaccompanied homeless youth. They are working on creating a state and local Youth Advisory Board. The Montana Continuum of Care Coalition applied unsuccessfully for a Youth Demonstration Grant in 2018 and plans to reapply in the near future. The City of Missoula participates in this effort and will continue to support reapplication. There currently is a Youth Homelessness Subcommittee of the At-Risk Housing Coalition (ARHC) that works to address youth homelessness. The City uses the Transition Age Youth Vulnerability Index -Service Prioritization Decision assistance tool (TAY VI-SPDAT).

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

Overall, the strengths and gaps of the system for special needs populations mirror those of the system as a whole. There are not enough financial resources to meet the needs of the community and due to this organizations face capacity constraints. There are currently not enough supports for:

- Youth who have been involved in juvenile justice system or the child welfare system;
- LGBTQ individuals and gender nonconforming individuals;
- People who have been sexually exploited or trafficked;
- Youth that are pregnant or parenting;
- Those with mental health needs;
- Racial minorities - Native Americans.

Based on the 2018 Point-in-Time survey, Missoula does not have enough resources to serve the individuals and households experiencing homelessness. Even with emergency shelter and transitional housing beds, Missoula requires at least 45 additional beds just to provide crisis housing to individual adults, families, and veterans experiencing homelessness (not accounting for missing data). The goal in Missoula is to rapidly respond to people experiencing housing crises by ensuring homelessness is rare, brief and one time only.

But the system counts many strengths as well. Many individuals involved in law enforcement are present and supportive of the system. New subcommittees of the At-Risk Housing Coalition (ARHC) are increasing awareness of the needs of these populations (including unaccompanied youth and those reintegrating after

incarceration). Additionally, the Homeless Management Information System (HMIS) is improving daily and the quality of data available to the system tailor programs to meet the needs of special populations is improving with it.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

The primary gaps identified in this section include:

- Financial resource constraints, which often translate into organizational capacity constraints;
- High barrier shelter system;
- Lack of resources for special needs populations;
- The need for increasing and evolving partnerships and relationships community-wide.

The Office of Housing & Community Development's strategies to address these gaps are tailored to these specific identified gaps. Acting as the local Continuum of Care (CoC) organization, the At-Risk Housing Coalition is the appropriate entity to tackle the first three gaps. Through that body, several steps have already been taken and will continue to be supported:

- The Missoula County Public Schools (MCPS) is expected to open a teen drop in center in the next year to support unaccompanied youth;
- The State of Montana has a Statewide Youth Action Board administered by the statewide CoC which includes two youth from Missoula. It will aim to address youth homelessness;
- This Plan aims to more strategically target resources to our highest needs.

Additionally, the Office will continue to encourage a diversion specialist to support the Coordinated Entry System. The Office is also engaged in a Frequent Utilizer System Engagement grant with the Corporation for Supportive Housing to create a local strategic plan to prioritize funding and resources for the most service intense chronically homeless individuals. The Office will also continue to cultivate relationships and strengthen partnerships through the streamlined Goals and Strategies identified in this Plan.

SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Table 51 – Goals Summary

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Rental Housing	2019	2023	Affordable Housing Homeless	N/A	Rental Housing	CDBG: \$798,573 HOME: \$1,354,000 General Fund: \$0 EPA Brownfields: \$100,000	Rental units constructed: 264 Household Housing Unit Housing for Homeless added: 40 Household Housing Unit
2	Homeownership	2019	2023	Affordable Housing	N/A	Homeownership	CDBG: \$1,000,000 HOME: \$0 General Fund: \$0 EPA Brownfields: \$25,000	Homeowner Housing Added: 15 Household Housing Unit Homeowner Housing Rehabilitated: 12 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Homelessness	2019	2023	Homeless	N/A	Homelessness	CDBG: \$408,278 HOME: \$0 General Fund: \$205,000 EPA Brownfields: \$0	Public service activities other than Low/Moderate Income Housing Benefit: 944 Persons Assisted Homeless Person Overnight Shelter: 2552 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 39 Beds
4	Planning and Administration	2019	2023	Planning and Administration	N/A	Planning and Administration	CDBG: \$515,000 HOME: \$150,000 General Fund: \$634,500 EPA Brownfields: \$225,000	Other: 0 Other

Goal Descriptions

Table 52 – Goal Descriptions

1	Goal Name	Rental Housing
	Goal Description	<p>Increase and preserve the supply of safe, healthy, affordable rental units for extremely low, low, and moderate-income households in Missoula. We will focus on addressing known challenges to the construction of new rental housing stock and the preservation of existing stock, including:</p> <ul style="list-style-type: none"> • Supporting targeted infrastructure investments to support rental housing development; • Leveraging our funding sources to provide gap financing to rental housing projects in order to support applications for Low Income Housing Tax Credit (LIHTC) allocations; • Using our funding sources to acquire and preserve existing affordable rental housing in Missoula; • Supporting the development of permanent supportive housing options in Missoula. <p>This list is not exhaustive and may shift as new challenges are identified in this area.</p>
2	Goal Name	Homeownership
	Goal Description	<p>Increase homeownership opportunities and preserve existing affordable homeownership stock, including mobile home parks and manufactured housing, that is safe and healthy for low, moderate, and middle-income households in Missoula. Based on the Needs Assessment and Market Analysis results, we plan to focus these activities on:</p> <ul style="list-style-type: none"> • Directing our resources towards financially supporting the development of new homeownership opportunities in Missoula; • Investing in targeted infrastructure development to support new homeownership opportunities in Missoula; • Helping existing homeowners stay in their homes by supporting homeowner rehabilitation projects to strengthen the health and safety of our aging housing stock.

3	Goal Name	Homelessness
	Goal Description	<p>Expand Missoula's capacity to address homelessness, making it rare, brief, and one time only for those experiencing homelessness in the community. To do this, we plan to invest in capital or public service projects that build systemic capacity in the Coordinated Entry System.</p> <p>This targeted approach aims to address a pressing public need identified in the Community Needs Assessment and Market Analysis while also aligning closely with the other two primary goal areas of rental housing and homeownership. Missoula needs a robust housing continuum in order to meet the needs of the growing and aging population. When one area of the continuum falters, it has cascading effects on other areas. Homeownership opportunities available and accessible to Missoulians alleviate pressure on the rental market. This decreases vacancy rates, creating a healthier rental market for Missoulians who need to move from homelessness into permanent housing. By investing in Missoula's Coordinated Entry System this plan hopes to build capacity in the larger housing continuum, supporting Missoulians no matter where they fall on the housing spectrum and allowing them to transition to safe, healthy, and affordable homes.</p>
4	Goal Name	Planning and Administration
	Goal Description	<p>We will plan annually to ensure we are successfully meeting the first three goals identified in this plan. Ensuring that planning for our HUD-funded programs align and complement other community planning efforts and city housing policy are top priorities over the next five years. Additionally, we will work to establish additional, flexible funding sources to support our housing and community development goals.</p>

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

During this Consolidated Plan cycle, the City of Missoula will be implementing a new, comprehensive Housing Policy. This involves strategically devoting city resources, including CDBG and HOME dollars, to construction and rehabilitation of affordable housing for low- and moderate-income Missoulians. It is anticipated that during this period the City will have the opportunity to support the construction of new rental units, additional housing for the homeless, and new homeownership opportunities. It is estimated that the City will provide housing to approximately 315 extremely low-income, low-income, and moderate-income families through these various efforts during this Consolidated Plan.

SP-50 Public Housing Accessibility and Involvement – 91.215(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

The Missoula Housing Authority has fulfilled the necessary number of accessible units throughout all properties. The housing authority consistently makes efforts to improve the accessibility of units through reasonable accommodations and strategic investments at turnovers or during rehabilitation projects.

Activities to Increase Resident Involvements

Missoula Housing Authority employs a Resident Opportunity Self-Sufficiency Coordinator to work with residents on basic life skills and resident relations. Two Family Self-Sufficiency Coordinators work with residents on job training, job searches, educational opportunities, and overcoming other barriers to self-sufficiency. MHA holds public meetings and regularly hosts resident meetings at properties including holiday gatherings and group meals.

Is the public housing agency designated as troubled under 24 CFR part 902?

No.

Plan to remove the ‘troubled’ designation

Not Applicable. Missoula Housing Authority is not designated as a troubled agency.

SP-55 Barriers to affordable housing – 91.215(h)

Barriers to Affordable Housing

There are a range of institutional obstacles and public policy that may pose barriers to creating affordable housing. These may include outdated regulations that restrict where affordable housing can locate, financial institutions that are reluctant to back innovative housing projects, lack of public funding to subsidize construction of affordable units, and building requirements that add cost to construction.

Barriers and Challenges

In the “Making Missoula Home: A Path to Attainable Housing” report, the following barriers and constraints to affordable housing in Missoula were identified.

Regulatory Environment

1. The City has not completely aligned its land use codes with the goal of infill and providing affordable housing.
2. No performative standards for private developers to meet community housing needs.
3. Land conservation requirements impacting development costs and ultimately, affordability.
4. State subdivision regulations are burdensome, particularly in the county without base zoning and local processes are layered on top of that.
5. No clear long-term strategic approach to annexation.
6. Infill land use policies are at odds with neighborhood preservation.
7. Limited land zoned dense enough for affordable development.
8. Lack of city/county alignment around growth policy and definitions of infill, tension between providing choice for both urban and rural areas

Housing Development

1. High up-front or uncertain infrastructure requirements.
2. Rising development cost driven by labor shortage and material cost inflation.
3. Neighborhood push-back to infill development.
4. Limited models for below-market rate homeownership development being deployed.
5. No meaningful incentives or clear performative standard for meeting ownership needs.
6. City and county lands are restricted due to infrastructure challenges.
7. Limited land for housing development.
8. Health department regulations uncertain.
9. LIHTC allocation on state level are erratic.
10. No base level zoning in the county.
11. Uncertainty in development review processes.
12. Developers feel infrastructure requirements are costly and unpredictable.

Funding

1. No recurring local source of funding for housing construction.

-
2. Potential threats for federal funding.
 3. Perception of high tax rates in the city.
 4. No mechanisms for recapturing and recycling affordable housing funding

Other

1. Lack of community level understanding of housing issues.
2. Collaboration between public/private/nonprofit sectors not being fully leveraged.
3. Lack of communication between real estate industry, banking, nonprofit and public sectors.
4. NGOs need additional financial support to expand housing efforts

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

Most of the barriers to affordable housing identified in this Consolidated Plan are due to regulatory restrictions, a lack of funding sources, and a lack of partnership and community cohesion around affordable housing. Perhaps the single largest and most important strategy to remove these barriers is the City of Missoula's forthcoming Housing Policy. This policy has been developed over a two-year period through a community-driven process involving hundreds of Missoulians volunteering their time to help write the policy. It aims to create a cohesive policy and program approach in the city to minimize barriers and provide financial incentives where possible to promote the production and preservation of diverse, healthy, and safe homes for Missoulians. The policy includes working closely with several affordable housing development partners whose mission-driven approach provides opportunities to increase affordable housing in the City. It also includes recommendations for code changes to reduce regulatory barriers and the creation of a flexible, local funding source to support the construction of affordable housing.

Our Missoula Growth Policy, most recently updated in 2015, also provides important strategies to remove barriers to affordable housing and works closely with the Housing Policy. It notes the need to "grow inward" where infrastructure already exists, and increase "the amount of land zoned for multi-dwelling development." Objectives in the Growth Policy to address barriers to affordable housing include rezoning land for multi-family development, modifying the zoning regulations to provide more options for affordable housing, in-fill development on under-utilized parcels and potential redevelopment of brownfield sites. The Growth Policy also recommends engaging community leaders and community groups to build support for multi-family and affordable housing developments.

The Urban Fringe Development Area Project (UFDA) first started in 2007. This project works to plan how to accommodate a projected 15,000 new dwelling units over the next 15-years. The UFDA project provides the public and decision makers with detailed community demographic profile, growth pattern information and a database of information important to the discussion of growth. The forthcoming update of the UFDA development yearbook will better identify locations where housing (including affordable housing) can be efficiently developed. Criteria such as proximity to services and adequate infrastructure will be considered while at the same time ... "avoiding promotion of costly low-density development and development that impacts natural resources."

SP-60 Homelessness Strategy – 91.215(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Strategic Goals in this Plan contribute to the City's overall effort to reach out to homeless persons by strengthening and contributing to Reaching Home: Missoula's 10 Year Plan to End Homelessness. The city's entire homelessness infrastructure is guided by this 10-Year Plan. The At-Risk Housing Coalition (ARHC), which is Missoula's Continuum of Care organization, implements the Coordinated Entry System of the 10-Year Plan, which aims to prevent and divert households from entering the homeless system, reduce duplication of services, provide data to improve outcomes, and result in prioritizing limited housing resources. Coordinated Entry not only saves lives, but it saves our community money as well.

This Plan's Homelessness Goal (Goal 3), directly speaks to the Coordinated Entry System and aims to strengthen and build capacity in that system. Goals 1 (Rental Housing) and 2 (Homeownership) contribute to this homelessness system by aiming to create more home types that Missoulians can afford, lessening pressure on the rental and homeownership markets.

Addressing the emergency and transitional housing needs of homeless persons

The Strategic Goals in this Plan contribute to the City's overall effort to reach out to homeless persons by strengthening and contributing to Reaching Home: Missoula's 10 Year Plan to End Homelessness. The city's entire homelessness infrastructure is guided by this 10-Year Plan. The At-Risk Housing Coalition (ARHC), which is Missoula's Continuum of Care organization, implements the Coordinated Entry System of the 10-Year Plan, which aims to prevent and divert households from entering the homeless system, reduce duplication of services, provide data to improve outcomes, and result in prioritizing limited housing resources. Coordinated Entry not only saves lives, but it saves our community money as well.

This Plan's Homelessness Goal (Goal 3), directly speaks to the Coordinated Entry System and aims to strengthen and build capacity in that system. This will help address emergency shelter and the transitional housing needs of homeless persons in Missoula. Goal 2 (Rental Housing) will also contribute to these issues by creating more rental home options for transitional housing needs.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

The Strategic Goals in this Plan contribute to the City's overall effort to reach out to homeless persons by strengthening and contributing to Reaching Home: Missoula's 10 Year Plan to End Homelessness. The city's entire homelessness infrastructure is guided by this 10-Year Plan. The At-Risk Housing Coalition (ARHC), which is Missoula's Continuum of Care organization, implements the Coordinated Entry System of the 10-Year Plan, which aims to prevent and divert households from entering the homeless system, reduce duplication of

services, provide data to improve outcomes, and result in prioritizing limited housing resources. Coordinated Entry not only saves lives, but it saves our community money as well.

This Plan's Homelessness Goal (Goal 3), directly speaks to the Coordinated Entry System and aims to strengthen and build capacity in that system. This will help address emergency shelter and the transitional housing needs of homeless persons in Missoula. Goal 2 (Rental Housing) will also contribute to these issues by creating more rental home options for homeless persons seeking to transition to permanent housing and independent living.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The Strategic Goals in this Plan contribute to the City's overall effort to reach out to homeless persons by strengthening and contributing to Reaching Home: Missoula's 10 Year Plan to End Homelessness. The city's entire homelessness infrastructure is guided by this 10-Year Plan. The At-Risk Housing Coalition (ARHC), which is Missoula's Continuum of Care organization, implements the Coordinated Entry System of the 10-Year Plan, which aims to prevent and divert households from entering the homeless system, reduce duplication of services, provide data to improve outcomes, and result in prioritizing limited housing resources. Coordinated Entry not only saves lives, but it saves our community money as well.

This Plan's Homelessness Goal (Goal 3), directly speaks to the Coordinated Entry System and aims to strengthen and build capacity in that system. A key strategy of the Coordinated Entry System and the 10-Year Plan to End Homelessness is Prevention. The At-Risk Housing Coalition works regularly to tackle the particular needs of special needs populations and fill the gaps in the system in order to help individuals and families avoid becoming homeless.

Goals 1 (Rental Housing) and 2 (Homeownership) contribute to this homelessness system by aiming to create more home types that Missoulians can afford, lessening pressure on the rental and homeownership markets.

SP-65 Lead based paint Hazards – 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The City of Missoula works to address LBP hazards as applicable on any city project. This includes new construction on sites that require site contamination cleanup (using Brownfields funds), homeownership rehabilitation projects, and down payment assistance loans. All homeowner rehabilitation or rental assistance projects funded through the City's HOME or CDBG programs require that units constructed prior to 1978 must pass a visual inspection for lead-based paint (LBP) by certified LBP inspectors. Owners or managers are required to complete a disclosure certification of their knowledge of the use of LBP in the unit, potential tenants or buyers are provided a brochure outlining LBP hazards, and a Lead Warning Statement is attached to the rental lease or home purchase documents. If required, mitigation procedures must be successfully completed prior to occupancy and a second inspection is done to verify compliance. If the owner/landlord is unwilling to abate identified LBP hazards, the assisted client is directed to find another unit.

In addition, the Missoula City-County Health Department provides lead testing upon request and provides brochures and a video about the hazards of lead in paint and other materials.

How are the actions listed above related to the extent of lead poisoning and hazards?

Any housing built before 1978 is at risk of containing some amount of lead-based paint. Older housing is more likely to have lead-based paint and the amount of lead pigment in the paint tends to increase with the age of the housing. More than 18,000 or almost 60% percent of the housing units in Missoula were built in 1979 or earlier. Most of the census tracts within the city limits have large percentages of older housing and concentrations of low- and moderate-income residents. Since low-income people often live in older housing throughout the city, they are at much higher risk.

Young children who could ingest lead-based paint are at a higher risk from lead poisoning than adults. Children of very low- and low-income families are disproportionately at risk for lead poisoning, as they tend to reside in older homes. The ACS from 2013 indicated that 8,479 owner occupied units and 9,069 renter occupied units in Missoula were built before 1980 and are susceptible to lead-based paint. Accounting for both renter and owner-occupied units, there was a total of 2,235 pre-1980 units with children present in Missoula. About 14.5% of Missoula children under 5 years old live below the poverty level.

Missoula's actions to screen for LBP, to mitigate when necessary, and to inform homeowners and tenants of the hazards of lead-based paint are actions that will help reduce the extent of lead poisoning, particularly for the low-income households that are served by the City's HOME and CDBG programs.

How are the actions listed above integrated into housing policies and procedures?

All HOME and CDBG contracts entered into between the City and recipients of funding from those programs include language that the recipients must comply with lead-based paint regulations and policies as established by City, State, and Federal laws and regulations, including specific policies related to LBP in the CDBG and HOME programs.

Once under contract, CDBG and HOME subrecipients are required to follow the procedures outlined above to assure that lead-based paint and other health and safety issues are detected and mitigated if present, and that the clients being served through HUD programs are fully informed of hazards and their rights in regards to health and environmental safety.

SP-70 Anti-Poverty Strategy – 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

As demonstrated in the Needs Assessment and Market Analysis chapters of this Plan, the cost of housing in Missoula is an incredible challenge for a large portion of Missoulians. The median home value in Missoula increased 86% between 2000 and 2013 and another 6.5% between 2013 and 2017. That growth has only continued throughout 2018 and 2019. Renters face especially high cost burdens as rents have increased 17.7% between 2013 and 2017. More than half of homeowners in Missoula who make under \$49,999 annually spend more than 30% of their income on housing costs, and a staggering 82.2% of homeowners who make less than \$20,000 annually spend more than 30% of their income on housing costs. Renters are housing cost burdened at even higher rates, while wages in Missoula have seen little growth over the past decade.

The combination of low wages and high housing costs make it extremely difficult for families and individuals living below the poverty line to move up the economic ladder. While wage rates in Missoula have been mostly stagnant for the past several years, a burgeoning technology sector is beginning to change that for some Missoulians. There are several robust economic development organizations in Missoula working to address wage issues. The City of Missoula Office of Housing & Community Development is uniquely positioned to address the failures and challenges of the local housing market. Through this Strategic Plan for HUD-funded programs and the creation of local Housing Policy, we plan to provide more home options at affordable levels for all Missoulians. Providing homes Missoulians can afford is the primary strategy for this Plan to reduce the number of poverty-level families and create stability in home costs for all Missoulians.

The Goals of this plan reflect the Office's overall strategy to impact the Missoula housing market by providing more rental housing options, more homeownership opportunities, and strengthen the homelessness system in order to make homelessness in the community rare, brief, and one time only. The details of how we will achieve these goals are contained in Comprehensive City Housing Policy, as well as through the administration of HUD CDBG and HOME funds annually in accordance with this Plan.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

The City of Missoula and the Office of Housing & Community Development make conscious efforts to coordinate and closely align the Five-Year Consolidated Plan for HUD-Funded Programs with other city planning efforts. This plan and the goals contained within it are meant to work closely with other existing efforts to alleviate poverty in Missoula. The first two goals of this plan, Rental Housing and Homeownership, are intended to bolster and support the City Housing Policy as well as Reaching Home: Missoula's 10-Year Plan to End Homelessness by providing intentionality and resources to meet the goals contained in those plans and policies. These goals also support and speak to Our Missoula Growth Policy and the Urban Fringe Development Area (UFDA) project, both of which aim to help Missoula meet its housing needs through smart, sustainable growth. Goal 3 of this plan, Homelessness, speaks directly to building capacity and supporting the 10-Year Plan to End Homelessness and the At-Risk Housing Coalition in Missoula.

SP-80 Monitoring – 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City of Missoula is responsible for ensuring that Subrecipients comply with all regulations and requirements governing their administrative, financial, and programmatic operations. This includes assuring that performance goals are achieved within the scheduled time frame, budget and when necessary taking appropriate actions when performance problems arise. Monitoring is not a "one-time-event."

Monitoring Process

1. Purpose

City HCD staff will conduct an ongoing monitoring process in order to review the programmatic and financial aspects of the Subrecipient's activities. HCD staff will review draw requests and quarterly reports submitted by the Subrecipient for compliance with federal regulations regarding the use of federal funds and the implementation of the program. The monitoring process is oriented towards resolving problems, offering technical assistance, and promoting timely implementation of programs. To this end HCD staff may require corrective actions of the Subrecipient.

2. Monitoring Plan

Each year, HCD will develop a monitoring plan for both CDBG and HOME. Monitoring will take various forms ranging from desk reviews to on-site monitoring visits. HCD will utilize a risk analysis tool in order to identify those CDBG subrecipients that may require more in-depth and on-site monitoring. HCD staff utilizes Chapter 5 of the Managing CDBG39 guidebook as guidance for CDBG monitoring. HCD will utilize the HOME guidance found in Monitoring HOME40.

3. Programmatic Monitoring

Subrecipients will submit a report detailing the implementation and administration of the activity or program. The programmatic report shall include the following: Progress in meeting stated goals and objectives; Changes in staff or Board of Directors; Problems encountered and steps taken to resolve them; Other general information as appropriate; A "Subrecipient Client Summary". This report shall identify the income, ethnicity, and household status of clients receiving CDBG or HOME-funded assistance within the reporting period.

4. Financial Monitoring

Subrecipients will submit a report concerning the financial and accounting status of the activity or program in conjunction with the status report. The financial report shall include the following: Summary of all disbursements of CDBG or HOME funds; Summary of all requests for reimbursement of CDBG or HOME funds; Report on percentage of CDBG or HOME funds expended and remaining by cost category.

5. On-Site Visits

HCD may conduct on-site visits with all Subrecipients, even for those with strong past performance. Based on monitoring results, City HCD staff may hold discussions with Subrecipients whose performance does not appear to be sufficient to meet the goals and achievements as outlined in the agreement. An on-site visit may occur to discuss the service activity shortfall. On-site monitoring visits may also be conducted in order to ascertain that eligible clients for whom the program was intended are being served and that in the event of an audit; the required client information is being maintained.

6. Intervention and Sanctions

The City is responsible for ensuring that problems areas are corrected. We will make every effort to work with the agency to find solutions. However, agencies will be held accountable for the performance standards outlined in the agency contract and this manual. The City will use three increasingly serious stages with corresponding actions to identify and address Subrecipient problem areas.

Annual Goals and Objectives (Annual Action Plan)

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The City has a history of collaborating with nonprofit service organizations to address priority housing needs. The table that immediately follows and the subsequent text describes Missoula's CDBG and HOME resources for the upcoming year and other anticipated resources over the next five years covered by this Consolidated Plan. This includes federal, state, local, and private resources expected to be available to the city to address the priority needs and specific objectives identified in this Strategic Plan.

HUD Resources

HUD entitlement funding is the primary resource to achieve goals in the Five-Year Consolidated Plan. In PY2019, the City will receive \$529,166 (CDBG) and \$353,625 (HOME). In addition, the City anticipates receiving program income of \$29,370 (CDBG) and \$233,231 (HOME) in PY2019. Program income is earned from loan payments.

Federal Resources

The City of Missoula's Brownfields Program facilitates the expansion, redevelopment, or reuse of real property when complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. This funding is often leveraged to support affordable housing development.

State Resources

Developers may access state resources through the Low Income Housing Tax Credit (LIHTC) Program. This program is administered by the Montana Board of Housing (MBOH). The MBOH also facilitates and operates a number of down payment assistance loans that are available to qualifying households in Missoula.

During the 2019 State of Montana Legislative Session House Bill 16 passed, which allows for the creation of an Affordable Housing Loan Program using \$15 million of the coal tax trust fund. The loan program would be used for the purpose of providing loans for the development and preservation of homes and apartments to assist eligible low-income and moderate-income applicants. Once signed by the Governor, this loan program will need to be established and administered, which may take some time. But we anticipate this program will also be available for affordable housing development in the near future.

Local Resources

Over the next five years, the city will continue to explore using Tax Increment Financing (TIF) funds to meet housing goals. The State of Montana has authorized local governments' to utilize TIF in designated areas. TIF in Montana is segregation of new property taxable value over a base year that may be used for certain activities within the specified areas. Through the Missoula Redevelopment Agency (MRA), the City of Missoula currently administers six urban renewal districts, each of which are unique in terms of size, uses, and TIF capacity. Use of TIF is limited to clearing development sites, providing adequate utility infrastructure, as well as land cost subsidy for permanently affordable housing projects. Several of the urban renewal districts have the capacity to fund or bond for substantial amounts for eligible activities related to construction of affordable housing.

As part of city housing policy development, the City of Missoula Office of Housing & Community Development will recommend in 2019 that the city establish an Affordable Housing Trust Fund locally. This fund will take time to implement, but will likely be available as a resource for affordable housing development during the period of this Consolidated Plan.

Private Resources

Whenever possible, the City works to support projects that leverage private equity through LIHTC. Investments from the private sector make these projects work, and bring new resources into the community.

Anticipated Resources

Table 53 – Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	529,166	29,370	142,457	700,993	2,234,144	Annual allocation awarded to the City of Missoula as an Entitlement City plus program income.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	353,625	233,321.88	7,600	362,025	1,417,700	Annual allocation awarded to the City of Missoula as a Participating Jurisdiction plus program income.
General Fund	public - local	Admin and Planning Other	66,241	0	0	66,241	264,966	Approximately 25% of the Department's General Fund operations budget is allocated toward HUD Program administration, or approximately \$25,241 per year. The City of Missoula contributes \$41,000 towards the administration of our 10 Year Plan to End Homelessness and the daily management of the Missoula Coordinated Entry System.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Housing Multifamily rental new construction New construction for ownership Public Improvements	200,000	0	0	200,000	800,000	The City's Brownfields Program facilitates the expansion, redevelopment, or reuse of real property when complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. Federal funding cycles and the project-specific nature of Brownfields projects make projections challenging, but the City anticipates spending, in the next five years, \$300,000 in Brownfields assessment funding and \$700,000 in cleanup funding. A majority of this funding is expected to benefit the Goals outlined in this plan.

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Federal funding will leverage private, state, and local funds as well as leveraging other types of support such as volunteer labor and in-kind support. In each award decision, the ability of a project or agency to demonstrate sustainable services by both maximizing other sources of funding and minimizing or eliminating the need for ongoing CDBG or HOME support is an important ranking criteria. An agency or project must ensure that they are not duplicating services that are already available and that other sources of funding have been explored.

HOME Match. The HOME Program requires participating jurisdictions to provide a 25 percent match on most HOME entitlement funds expended each program year. Match is a permanent contribution to affordable housing of non-federal funds. Applicants for HOME-CHDO set-aside funds are encouraged to demonstrate matching funds. Matching funds are reported and approved by HCD annually. HOME-funded projects and match resources are reported in the annual CAPER.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City is continuously reviewing its available vacant public lands to see what use might be to address the community's needs. Given the need to produce more affordable housing, the City is evaluating these parcels to determine which may be most appropriate for housing or mixed-use development. Several years ago the City awarded several parcels to the Missoula Housing Authority to construct affordable housing; one of which is a six-unit affordable rental development that was completed in 2016. Two remaining parcels had been functioning as unofficial neighborhood "pocket parks," but have now been developed as community gardens through the efforts of the City's Department of Parks and Recreation and Garden City Harvest, with a number of other community partners. The City of Missoula is in the process of developing a formal public land disposition policy, which will guide the development of two city-owned 5+ acre parcels in Qualifying Census Tracts and a newly designated Opportunity Zone.

Discussion

The resources listed here are all financial and thus are not all-encompassing. Funds come from other sources that are not within the purview of HUD-sponsored programs, but still contribute to the vitality of the City and CDBG- and HOME-funded projects. Missoula staff and volunteers who provide their personal time and money to assist their fellow Missoulians every day cannot be adequately captured here. Most boards are all volunteer, and every nonprofit relies heavily on volunteer support to accomplish its work. Volunteer labor and in-kind support are often captured in project budgets, but are difficult to quantify in all instances. The City's CDBG and HOME funding decisions try to leverage and capture the value of those contributions and support projects with varied and robust funding and support bases.

AP-20 Annual Goals and Objectives

Goals Summary Information

Table 54 – Goals Summary

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Rental Housing	2019	2023	Affordable Housing Homeless		Rental Housing	CDBG: \$0 HOME: \$350,000 General Fund: \$0 EPA Brownfields: \$20,000	Rental units constructed: 200 Household Housing Unit
2	Homelessness	2019	2023	Homeless		Homelessness	CDBG: \$65,000 HOME: \$0 General Fund: \$41,000 EPA Brownfields: \$0	Public service activities other than Low/Moderate Income Housing Benefit: 30 Persons Assisted Homeless Person Overnight Shelter: 1650 Persons Assisted
3	Homeownership	2019	2023	Affordable Housing		Homeownership	CDBG: \$218,780 HOME: \$0 General Fund: \$0 EPA Brownfields: \$5,000	Public service activities other than Low/Moderate Income Housing Benefit: 1044 Persons Assisted Homeowner Housing Rehabilitated: 12 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Planning and Administration	2019	2023	Planning and Administration		Planning and Administration	CDBG: \$105,833 HOME: \$35,363 General Fund: \$126,900 EPA Brownfields: \$45,000	Other: 2 Other

Goal Descriptions

1	Goal Name	Rental Housing
	Goal Description	In PY2019 HOME funding will support the development of a 200-unit affordable rental project that will contribute to the overall Consolidated Plan Goal of Rental Housing.
2	Goal Name	Homelessness
	Goal Description	In PY2019 HOME funding will support three projects related to homelessness in the community. The first is a homeless shelter's intake and assessment of new clients (Poverello Center Rapid Intake). The second is an emergency housing program for homeless families (YWCA Ada's Place Emergency Housing). The third is a housing retention program where a specialist works with recently-housed chronically homeless individuals to help keep them housed (Poverello Center Housing Retention Specialist). Each of these projects supports the Missoula Coordinated Entry System.
3	Goal Name	Homeownership
	Goal Description	In PY2019 CDBG funds will support a homeowner rehabilitation project operated by the Human Resource Council. This project supports the homeownership goal by helping existing homeowners remain in their homes by supporting severed rehabilitation needs that might otherwise go unmet. In this program year CDBG funds will also support Homeward's Financial and Homeownership Education Programs.

4	Goal Name	Planning and Administration
	Goal Description	In PY19 Missoula's Office of Housing & Community Development will continue to undertake annual planning and administration tasks for CDBG and HOME, including grants administration, financial reporting, and development of the Annual Action Plan and Consolidated Annual Performance and Evaluation Report (CAPER).

AP-35 Projects – 91.220(d)

Introduction

Missoula’s Office of Housing & Community Development (HCD) recommends 6 projects for funding and funding for administration and planning up to HUD limits. The 6 projects will be funded with 2019 CDBG-HOME allocations, as well as prior year funds. Four of the projects fall into the public services category for CDBG and service the needs of homeless Missoulians and provide financial and homeownership education to the community. One of the projects is a CDBG housing and public improvement project that provides owner-occupied rehabilitation for income qualifying homeowners. This year’s highest scoring HOME-funded project is the Villagio project, which will add 200 units of affordable housing to the city’s stock. This project was funded in Program Year 2018 and as a result of increased labor and construction costs this gap financing was necessary. This year we did not award funds to a CHDO project so the CHDO set-aside for PY2019 will be withheld for future allocation. In addition to the 6 projects listed above, HCD also has administration and planning projects for the year.

On April 22nd, 2019, HCD received CDBG and HOME funding allocation amounts for 2019. HCD will comply with all federally-mandated percentage limits including:

- HOME: 15% minimum CHDO set-aside; 10% maximum Administration and Planning; 5% maximum CHDO Operating Assistance; 10% maximum CHDO predevelopment loan (as percentage of total CHDO set-aside)
- CDBG: 15% maximum Public Services; 20% maximum Administration and Planning.

Any HOME project funding changes will be subject to underwriting and subsidy layering. The City may make necessary adjustments to project funding amounts based on applicable federal requirements.

Projects

Table 55 – Project Information

#	Project Name
1	YWCA Missoula - Ada's Place Emergency Housing
2	Poverello Center - Housing Retention Specialist
3	Poverello Center - Rapid Intake and Assessment
4	Homeword - Financial, Renter, and Homebuyer Education and Counseling
5	HRC - Owner-Occupied Housing Rehabilitation Program
6	Missoula Housing Authority - Villagio, LLP

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Applications for HOME and CDBG funding are reviewed by staff from the Office of Housing & Community Development (HCD), an employee of the City-County Health Department, and a member of the City Council, and ranked according to criteria established in the grant package guidelines. HCD staff also reviewed these criteria with prospective applicants and members of the public at the CDBG-HOME Application Workshop on

January 8, 2019. After review, the staff recommendations are presented to City Council for its review and approval. Recommendations for Federal Fiscal Year 2019 CDBG and HOME awards were presented to City Council May 8, 2019.

Requests for funding from HOME and CDBG usually far exceed available funds, and that is the primary obstacle to addressing underserved needs. Ranking criteria for the funds include the following criteria: Alignment with Missoula's Consolidated Plan, Low-to-Moderate Income Benefit (focused not only on numbers served but larger community impact), Project Feasibility, Match (applicants received points based on amount of confirmed financial match to the project), Organizational Capacity, and Community Priorities such as homelessness and creation or preservation of low-to-moderate income housing units.

The review team assigned points based on these criteria and then ranked the projects based on average points received. Once this ranking was complete, funds were awarded to the top-ranking projects until there was no further money to allocate. Also of note, one of the Review Team members abstained from scoring one of the applications because the applying agency is exploring working in conjunction with that reviewer's agency on the project being reviewed.

AP-38 Project Summary

Project Summary Information

1	Project Name	YWCA Missoula - Ada's Place Emergency Housing
	Target Area	
	Goals Supported	Homelessness
	Needs Addressed	Homelessness
	Funding	CDBG: \$25,000
	Description	The YWCA Ada's Place Emergency Housing (EH) Program provides intakes, assessment, and case management to assist unsheltered homeless one- and two-parent families in obtaining mainstream resources, employment, and permanent housing. The program offers temporary emergency housing by providing up to 30-day stays in local motel rooms and one-to-three night motel vouchers for literally homeless families. Goal #1: Provide 100 homeless families with emergency shelter through one- to three-night emergency motel vouchers or 30-day stays at Mountain Valley Inn. Goal #2: Provide case management to 150 homeless families.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 250 families will benefit from overnight shelter and case management.
	Location Description	
	Planned Activities	Motel or local studio apartment stays for 100 homeless families and case management for 150 homeless families.
2	Project Name	Poverello Center - Housing Retention Specialist
	Target Area	
	Goals Supported	Homelessness
	Needs Addressed	Homelessness
	Funding	CDBG: \$15,000
	Description	A Housing Retention Specialist will work with individuals housed through MCES and the Poverello Center to support them in maintaining housing long term. The main goal of Housing Retention is to prevent recurring episodes of homelessness.
	Target Date	6/30/2020

	Estimate the number and type of families that will benefit from the proposed activities	An estimated 30 individuals will receive direct housing supports.
	Location Description	
	Planned Activities	A Housing Retention Specialist will provide one-on-one support to help chronically homeless individuals stay stably housed.
3	Project Name	Poverello Center - Rapid Intake and Assessment
	Target Area	
	Goals Supported	Homelessness
	Needs Addressed	Homelessness
	Funding	CDBG: \$25,000
	Description	In keeping with HUD priorities and the Missoula Reaching Home Plan, Rapid Intake and Assessment will continue the Poverello Center Rapid Intake Program. Rapid Intake will continue and improve our efforts to connect homeless individuals with appropriate resources and services as quickly as possible through the Missoula Coordinated Entry System (MCES).
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 1,300 homeless individuals will benefit from this project.
	Location Description	The Poverello Center Shelter
	Planned Activities	Homeless individuals will be connected to appropriate resources and shelter.
4	Project Name	Homeward - Financial, Renter, and Homebuyer Education and Counseling
	Target Area	
	Goals Supported	Rental Housing Homeownership
	Needs Addressed	Rental Housing Homeownership
	Funding	CDBG: \$18,780
	Description	Homeward anticipates serving 1044 total unduplicated people through financial, renter and housing education and counseling programs. Of those served, 642 of those people will be living on low-to-moderate incomes. The activities will include financial education/counseling, rental education/counseling, and housing education/counseling.

	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	Homeward anticipates serving 1044 total unduplicated people through our financial, renter and housing education and counseling programs. Of those served, 642 of those people will be living on low-to-moderate incomes.
	Location Description	
	Planned Activities	<p>Homeward anticipates serving 1044 total unduplicated people through our financial, renter and housing education and counseling programs. Of those served, 642 of those people will be living on low-to-moderate incomes.</p> <p>Goal #1: Provide financial education/counseling to 306 unduplicated households, including 232 LMI households (76%). Anticipated outcomes: increasing financial literacy and financial stability.</p> <p>Goal #2: Provide rental education/counseling to 110 unduplicated households, including 94 LMI households (85%). Anticipated outcomes: housing stability and increased access to housing.</p> <p>Goal #3: Provide housing education/counseling to 628 unduplicated households, including 316 LMI households (50%). Anticipated outcomes: increased access to homeownership.</p>
5	Project Name	HRC - Owner-Occupied Housing Rehabilitation Program
	Target Area	
	Goals Supported	Homeownership
	Needs Addressed	Homeownership
	Funding	CDBG: \$200,000
	Description	HRC plans to use \$200,000 in CDBG funds to continue an owner-occupied rehabilitation program in Missoula, which will provide loans for up to twelve owners with incomes at 0-80% of AMI. A financial capacity analysis will be conducted for each applicant to compute repayment ability and loan terms. HRC prioritizes health- and safety-related needs, structural integrity, energy conservation, accessibility modifications, and overcrowding. HRC will provide rehabilitation services addressing conditions necessary to assure that the housing is safe, decent and sanitary, that its structural integrity is preserved, that further deterioration is prevented and the unit is brought up to applicable codes.
	Target Date	6/30/2020

	Estimate the number and type of families that will benefit from the proposed activities	Approximately 12 low-income, owner-occupied households will receive home rehabilitation support.
	Location Description	
	Planned Activities	Approximately 12 households will receive home rehabilitation support.
6	Project Name	Missoula Housing Authority - Villagio, LLP
	Target Area	
	Goals Supported	Rental Housing
	Needs Addressed	Rental Housing
	Funding	HOME: \$350,000
	Description	Villagio will be a 200 unit affordable housing development located in Missoula's North Side neighborhood. The development will provide quality housing for families by offering 99 two bedroom units and 101 three bedroom units. The project will be located in an area of growth and will offer convenience to downtown amenities and employment opportunities. Villagio will offer a mix of 24 units at 30% of Area Median Income (AMI), 175 units at 60% AMI and 1 manager's unit. The 24 units at 30% AMI will be supported by project based vouchers that are committed by the Missoula Housing Authority.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	In an attempt to alleviate the lack of affordable housing in our community, the Missoula Housing Authority is partnering with BlueLine Development, Inc. and Madison Crossing, LLC to develop Villagio, a new construction 200 unit affordable housing development on the north side of Missoula. The development will be located on the Northeast corner of Otis Street and Shakespeare Street on a site that is approximately 5 acres. Villagio will be a family development providing a mix of 2 bedroom, 3 bedroom and 4 bedroom units. The development will be 100% affordable and will offer rents at 30% of Area Median Income (AMI) and 60% AMI to qualifying tenants. The Missoula Housing Authority is also providing 24 project based vouchers to the project. Based on the standard assumption of 1.5 people per bedroom and Villagio's unit mix, the proposed development will directly impact and provide housing for 769 people.
Location Description	Project Address: TBD Otis Street, Missoula, MT 59802 Legal Description of the Property: Block 22, Tract 22, T-13, R-19, Section 16, School Addition, Missoula # of Acres: 5	

Planned Activities	<p>In an attempt to alleviate the lack of affordable housing in our community, the Missoula Housing Authority is partnering with BlueLine Development, Inc. and Madison Crossing, LLC to develop Villagio, a new construction 200 unit affordable housing development on the north side of Missoula. The development will be located on the Northeast corner of Otis Street and Shakespeare Street on a site that is approximately 5 acres. Villagio will be a family development providing a mix of 2 bedroom, 3 bedroom and 4 bedroom units. The development will be 100% affordable and will offer rents at 30% of Area Median Income (AMI) and 60% AMI to qualifying tenants. The Missoula Housing Authority is also providing 24 project based vouchers to the project. Based on the standard assumption of 1.5 people per bedroom and Villagio's unit mix, the proposed development will directly impact and provide housing for 769 people.</p>
---------------------------	--

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City directs its efforts to projects that identify specific needs for low- and moderate-income (LMI) persons and households rather than direct its allocations of CDBG or HOME to any particular geographical section of the City. Missoula is small enough that concentrations of minorities vary throughout the City. According to the 2013-2017 ACS, about 8.5% of Missoula’s population were non-white races and 3.1% were classified as Hispanic of any race. An area of minority concentration is defined as census tracts where the minority concentration is at least 5% greater than the City as a whole. Therefore, census tracts or areas with 13.5% or greater minority population would be considered an area of minority concentration. Missoula is not racially diverse and there are no census tracts in Missoula that meet the definition of area of minority concentration. The largest minority groups are “Two or More Races,” “Hispanic,” and “American Indian.”

The City has identified six Urban Renewal Districts (URD) within City limits, which are designated as revitalization areas. HCD staff will collaborate with initiatives in these URD’s focused on comprehensive neighborhood revitalization.

Geographic Distribution

Table 56 – Geographic Distribution

Target Area	Percentage of Funds
City of Missoula	100

Rationale for the priorities for allocating investments geographically

Missoula does not prioritize how it allocates its investments in the community on a geographic basis. All awards are made based on need of low- and moderate-income persons and households. Some CDBG awards are made on the basis of a neighborhood consisting of census tracts that have more than 51% of their residents whose incomes are less than 80% of the area median income. That is the only geographic distinction made for Missoula CDBG or HOME projects.

Discussion

N/A.

AP-55 Affordable Housing – 91.220(g)

Introduction

In the past several years, Missoula has seen remarkable growth in its economy and population. This growth and vitality, however, has brought challenges. Home prices have steadily increased in recent years, outpacing wage growth and causing housing affordability to be a real challenge for many Missoulians. From young families to retirees, students to large employers, the increasingly expensive housing market is unaffordable to more than half of households in Missoula. Surveying in 2017 revealed a widespread perception of affordability problems in the City, with 92.6% rating housing as either expensive or very expensive.

The cost of housing in Missoula is an incredible challenge for a large portion of Missoulians. The median home value in Missoula increased 86% between 2000 and 2013 and another 6.5% between 2013 and 2017. That growth has only continued throughout 2018 and 2019. Renters face especially high cost burdens as rents have increased 17.7% between 2013 and 2017. More than half of homeowners in Missoula who make under \$49,999 annually spend more than 30% of their income on housing costs, and a staggering 82.2% of homeowners who make less than \$20,000 annually spend more than 30% of their income on housing costs. Renters are housing cost burdened at even higher rates, while wages in Missoula have seen little growth over the past decade.

During the 2019 Program Year, HOME and CDBG funds will be used to assist low-income persons in at least 12 households by providing homeowner rehabilitation, addressing social health determinants while allowing households to remain in their homes and communities. Additionally, supplemental funding will be provided to a PY18 project to address construction cost increases, ensuring the successful development of 200 Low Income Housing Tax Credit units. CDBG funds will also provide supportive services to over 2,724 individuals who will benefit from emergency shelter, coordinated entry system assessment and entry, housing retention support, and financial and renter education.

Table 57 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households to be Supported	
Homeless	1,650
Non-Homeless	1,074
Special-Needs	0
Total	2,724

Table 58 - One Year Goals for Affordable Housing by Support Type

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	200
Rehab of Existing Units	12
Acquisition of Existing Units	0
Total	212

Discussion

There are a range of institutional obstacles and public policy that may pose barriers to creating affordable housing. Most of the barriers to affordable housing identified in the Missoula community are due to regulatory restrictions, a lack of funding sources, and a lack of partnership and community cohesion around affordable housing. Perhaps the single largest and most important strategy to remove these barriers is the City of Missoula's forthcoming Housing Policy. This policy has been developed over a two-year period through a community-driven process involving hundreds of Missoulians volunteering their time to help write the policy. It aims to create a cohesive policy and program approach in the city to minimize barriers and provide financial incentives where possible to promote the production and preservation of diverse, healthy, and safe homes for Missoulians. The policy includes working closely with several affordable housing development partners whose mission-driven approach provides opportunities to increase affordable housing in the City. It also includes recommendations for code changes to reduce regulatory barriers and the creation of a flexible, local funding source to support the construction of affordable housing.

This policy will be adopted in the PY 19 Action Plan year and will be fully implemented during this Consolidated Plan cycle. This involves strategically devoting city resources, including CDBG and HOME dollars, to construction and rehabilitation of affordable housing for low- and moderate-income Missoulians. It is anticipated that during this period the City will have the opportunity to support the construction of new rental units, additional housing for the homeless, and new homeownership opportunities. It is estimated that the City will provide housing to approximately 315 extremely low-income, low-income, and moderate-income families through these various efforts during this Consolidated Plan.

Additionally, the City is continuously reviewing its available vacant public lands to support residential development. Given the need to produce more affordable housing, the City is evaluating these parcels to determine which may be most appropriate for housing or mixed-use development. Several years ago the City awarded several parcels to the Missoula Housing Authority to construct affordable housing; one of which is a six-unit affordable rental development that was completed in 2016. Two remaining parcels had been functioning as unofficial neighborhood "pocket parks," but have now been developed as community gardens through the efforts of the City's Department of Parks and Recreation and Garden City Harvest, with a number of other community partners. The City of Missoula is in the process of developing a formal public land disposition policy, which will guide the development of two city-owned 5+ acre parcels in Qualifying Census Tracts and a newly designated Opportunity Zone.

AP-60 Public Housing – 91.220(h)

Introduction

The City of Missoula’s public housing authority is the Missoula Housing Authority. The Missoula Housing Authority (MHA) provides quality housing solutions for low- and middle-income households in Missoula and the surrounding area.

Missoula voters created the Missoula Housing Authority in 1978. Currently, Montana state law states that public housing authorities shall address the problems of poor building conditions, improper planning, excessive land coverage, and unsafe conditions caused by overcrowding. To solve these problems, MHA is authorized to purchase property, demolish and rebuild areas of unsafe housing, and build new housing projects.

MHA operates and administers public housing, Housing Choice Vouchers (previously known as Section 8), Shelter Plus Care, Single Room Occupancy (SRO), and housing for homeless veterans programs. It also develops affordable rental properties and provides rental management services to a number of affordable housing projects in Missoula. MHA provides subsidized housing (PH, HCV, SPC) for over 1,000 families, and owns (sometimes in partnership) and manages affordable housing for 486 other households.

Actions planned during the next year to address the needs to public housing

In July 2018 Missoula Housing Authority converted the application process for Public Housing and Housing Choice Vouchers from a paper application to online applications, making it easier and much more convenient for people to apply. Major upgrades to siding, windows, kitchens, bathrooms, and flooring in about 20 properties are scheduled to be completed in 2019-2020. Interior work will be scheduled in vacant units, minimizing the disruption to tenants. Also scheduled for 2019-2020 is the development of a new 200-unit affordable housing complex called Villagio, which will include 24 units of project-based vouchers, allowing the project to reach down to lower income levels than would be possible without the vouchers.

Missoula Housing Authority also plans to construct a 12-unit apartment complex that will house chronically homeless individuals in the community who are frequent utilizers of services. They hope to begin construction in 2019-2020.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The Housing Authority's Resident Advisory Board meets once a year and advises staff and the Board of Commissioners on policies of interest to them. MHA has had for many years a Housing Choice Voucher Homeownership program which is open to voucher and public housing program participants. Residents are offered the services of ROSS (Resident Opportunities and Self-Sufficiency) and FSS (Family Self-Sufficiency) Coordinators. A key component of the PH FSS program are the escrow accounts made available to families, many of whom utilize these funds for homeownership. Currently 24 families in PH FSS have escrow accounts established and 18 are currently making monthly deposits in their accounts. The average family earns \$244.00 per month. These amounts have nearly doubled since August of 2017, where the monthly deposit was \$2,237.00.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

The Missoula Housing Authority is not a troubled agency.

Discussion

None.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Missoula’s Continuum of Care (CoC) strategy includes triage, diversion, crisis stabilization through outreach, emergency shelter, and information and linkages using the coordinated entry system; assistance with securing resources and essential social services; housing stabilization through prevention programs, rapid re-housing assistance, transitional housing, and case management; permanent supportive housing, and finally, interdependency in the market economy. Missoula’s strategy was developed and is implemented and coordinated by the At-Risk Housing Coalition (ARHC). ARHC is an ongoing formal task force comprised of representatives of health and human service agencies and City and County governmental agencies. Since its inception in 1992, ARHC has worked to establish a common understanding of the issues surrounding low-income housing and homelessness in Missoula, and to develop a comprehensive plan with long- and short-term solutions. Projects are supported by ARHC-member agencies, and through grant funding administered on behalf of the community by local government or private non-profit entities.

The City and County have been key collaborators in the Missoula CoC and in community-wide planning processes designed to address the issue of providing adequate housing for low-income residents. The Office of Housing and Community Development (HCD) guides the work of ARHC by providing meeting coordination, facilitation of communications and strategies, and clerical support.

In October of 2012, the Reaching Home Work Group, convened by Mayor John Engen, released “Reaching Home: Missoula’s 10-year plan to end homelessness (2012-2022).” In September 2013, a Reaching Home Coordinator was hired to begin implementation of the 10-year plan. The ARHC Executive Committee, comprised of the executive directors or upper-level managers of governmental and social service agencies that give direct assistance to people who are homeless or are at-risk of becoming homeless, works closely with the Reaching Home Coordinator on plan development and implementation.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including: Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

In 2019, the City will reach out to homeless persons through the following grant-funded programs and activities: the Poverello Center, which will provide Housing Navigation Services as well as Rapid Intake and Assessment to homeless individuals, the YWCA of Missoula for the Ada’s Place Emergency Housing Program, which offers motel vouchers for homeless families.

There are several programs in Missoula that specialize in reaching out to homeless persons, assessing their individual needs and providing a wide-range of unduplicated services. As part of our Coordinated Entry System implementation, Missoula operates a Coordinated Outreach Team comprised of staff from the Poverello Center’s Homeless Outreach Team (H.O.T.), Western Montana Mental Health Center’s federally-funded PATH program (Projects for the Assistance in Transitioning from Homelessness), Open Aid Alliance’s Peer Support and harm reduction “Uncovery” treatment program, Volunteers of America and Union Gospel Mission. The group assesses need and identifies access barriers for people experiencing chronic homelessness and for households that need to be met “where they are at.”

This team serves as a Coordinated Entry Service Access Point, providing basic need survival items, like food, tents and clothing items. They also provide short-term case management as well as testing services (HIV, HEP C and Syphilis), syringe exchange services, overdose prevention training and supplies and peer services.

In January of each year, the At-Risk Housing Coalition organizes Project Community Connect, a one-day, one-stop event aimed at connecting homeless persons and those at-risk of becoming homeless with critical social services. In 2019, more than 90 community volunteers and 60 government agencies, non-profit providers, and 115 local business members came together to provide 2,563 direct services to approximately 300 Missoulians. The next Project Community Connect event is scheduled for January, 2020, in conjunction with the annual nationwide point-in-time homeless count.

Addressing the emergency shelter and transitional housing needs of homeless persons

The Poverello Center serves as Missoula's primary emergency shelter for homeless individuals who are not acutely intoxicated. The Poverello Center offers 115 individual beds, and has 40 overflow beds. In December of 2018, the Salvation Army opened a winter warming center to meet a growing need for evening shelter during the most extreme weather. The warming center was behavior based, and provide services to individuals struggling with active addiction. This facility was open for operation through March and provided overnight shelter to an average of 60 individuals per night. Between the two facilities, it was estimated that Missoula had a total nightly shelter demand of 235 individuals.

Although Missoula does not have an emergency shelter for homeless families, the YWCA Gateway Assessment Center and Ada's Place Emergency Housing Programs (which receive CDBG public service funds) provide intake, assessment, and case management to assist homeless one- and two-parent families with obtaining resources, employment, and permanent housing. The programs offer two types of temporary emergency housing: one- to three-night emergency motel vouchers through the Gateway Assessment Center, and 50-day motel stays through Ada's Place Emergency Housing Program. There are consistently between 4-6 families on the wait list for four or five weeks for the Ada's Place program. The YWCA also manages the Pathways domestic violence shelter, which offers emergency shelter for women and children in crisis from domestic violence and/or sexual violence. The shelter contains 5 individual beds and 14 family beds.

Additional emergency shelter programs include Family Promise of Missoula, which offers emergency shelter and case management to homeless families for up to 90 days through a network of congregations. The Missoula Interfaith Collaborative (MIC) and YWCA have partnered to make available transitional housing for families experiencing homelessness. First Presbyterian Church owns a house that the church has dedicated for use as transitional housing for a family that would otherwise be homeless. The MIC and YWCA conduct intake and placement, as well as ongoing case management for families living in the house. The two organizations are working towards adding more church-sponsored houses to their transitional housing inventory.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Missoula currently provides several forms of rental assistance and supportive housing to shorten the length of homelessness and facilitate a successful transition into safe, stable, and permanent housing. The YWCA's rapid re-housing program can serve up to 60 homeless families in Missoula County who are living on the street, in emergency shelters, or who are fleeing domestic violence with rapid re-housing assistance and case management. Priority placement is given to chronically homeless families; and short-term (up to 2 months), and/or medium-term (up to 12 months), tenant-based rental assistance and social services are offered to participating families, depending on their needs.

The YWCA rapid re-housing program works in coordination with the HRC Emergency Solutions Grant (ESG) rapid re-housing program and The Salvation Army Emergency Winter Shelter program to connect eligible individuals and families with the most appropriate forms of housing assistance. The rapid re-housing service providers meet as needed to coordinate services in a manner that maximizes the collective impact of rapid re-housing funding in the Missoula community.

In Missoula, ESG funding is awarded directly to the Human Resource Council (HRC). The ESG rapid re-housing (RRH) program can be used to assist homeless individuals in a three-county area with any of the following: one to three months of rental assistance, a rental security deposit equal to no more than two months' rent, last months' rent, a utility security deposit, rental application fees, utility payments, utility arrears up to six months, and arrears from a prior rental. The ESG RRH program targets individuals who meet the literally homeless definition (at a homeless shelter, place not meant for human habitation, hotel if paid for by charitable organization and transitional housing if they were homeless at the time of entry).

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The Missoula community has a robust collaborative effort that engages in system level planning aimed at addressing prevention, systems of care, and planning for successful discharges.

The At-Risk Housing Coalition (ARHC) convenes and monitors The Salvation Army's Winter Shelter program. This program operates each December through April with the mission of keeping people housed during the coldest months by providing eviction prevention rental assistance to those at risk of homelessness. A committee comprised of ARHC members from four agencies screens applications for Winter Shelter funds and selects recipients. Additionally, the Youth Crisis Diversion Project works to keep youth from becoming

homeless and unaccompanied by working with families in crisis and providing them with the necessary counseling and case management to work through issues in the home.

In 2013, the Montana Legislature created a statewide Re-entry Task Force to bring a multi-agency focus to the state's re-entry efforts. The task force has recognized that a coordinated and streamlined approach to providing social services is the most critical component when discharging from the correctional system. The Reentry Task Force has identified housing as one of its main priorities. Individuals reentering the community from prison face significant barriers in locating and maintaining affordable housing. Since homelessness is closely associated with recidivism, it is important that former inmates have access to stable housing. Affordable, stable housing for offenders contributes to more stable relationships with children and other family members, and within the wider community.

Currently, when an offender is preparing to leave an institution, correctional staff offer assistance and referral to resources in the community. Most housing must be secured with outside family backing and financial resources. If an offender is a resident of a prerelease center, the goal is to work through the program and obtain housing, employment and a support system to strengthen the offender's ties to the community. This is accomplished through assistance given by prerelease staff and the funds an offender has obtained through employment in the community.

In addition to this work, Partners for Reintegration (PFR), a community coalition of local agencies, faith congregations, service providers, and community volunteers, including previously incarcerated individuals, is addressing homelessness and lack of access to safe, affordable housing for returning citizens and their families.

Discussion

The Strategic Goals in the action plan and in the five-year Consolidated Plan contribute to the City's overall effort to reach out to homeless persons by strengthening and contributing to Reaching Home: Missoula's 10 Year Plan to End Homelessness. The city's entire homelessness infrastructure is guided by this 10-Year Plan. The At-Risk Housing Coalition (ARHC), which is Missoula's Continuum of Care organization, implements the Coordinated Entry System of the 10-Year Plan, which aims to prevent and divert households from entering the homeless system, reduce duplication of services, provide data to improve outcomes, and result in prioritizing limited housing resources. Coordinated Entry not only saves lives, but it saves our community money as well.

This Plan's Homelessness Goal (Goal 3), directly speaks to the Coordinated Entry System and aims to strengthen and build capacity in that system. Goals 1 (Rental Housing) and 2 (Homeownership) contribute to this homelessness system by aiming to create more home types that Missoulians can afford, lessening pressure on the rental and homeownership markets.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

A range of barriers to affordable housing development were identified in the 2018 report commissioned by the City and Missoula Organization of Realtors entitled “Making Missoula Home.” This report served as a gaps and needs analysis to kick off the development of city Housing Policy. Barriers identified tended to fall into one of four categories: regulatory environment, housing development costs, funding resources, and community awareness and alignment around the problem. City Housing Policy is due to be released in the spring of 2019 and aims to address these barriers.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Most of the barriers to affordable housing identified in this Consolidated Plan are due to regulatory restrictions, a lack of funding sources, and a lack of partnership and community cohesion around affordable housing. Perhaps the single largest and most important strategy to remove these barriers is the City of Missoula’s forthcoming Housing Policy. This policy has been developed over a two-year period through a community-driven process involving hundreds of Missoulians volunteering their time to help write the policy. It aims to create a cohesive policy and program approach in the city to minimize barriers and provide financial incentives where possible to promote the production and preservation of diverse, healthy, and safe homes for Missoulians. The policy includes working closely with several affordable housing development partners whose mission-driven approach provides opportunities to increase affordable housing in the City. It also includes recommendations for code changes to reduce regulatory barriers and the creation of a flexible, local funding source to support the construction of affordable housing.

Our Missoula Growth Policy, most recently updated in 2015, also provides important strategies to remove barriers to affordable housing and works closely with the Housing Policy. It notes the need to “grow inward” where infrastructure already exists, and increase “the amount of land zoned for multi-dwelling development.” Objectives in the Growth Policy to address barriers to affordable housing include rezoning land for multi-family development, modifying the zoning regulations to provide more options for affordable housing, in-fill development on under-utilized parcels and potential redevelopment of brownfield sites. The Growth Policy also recommends engaging community leaders and community groups to build support for multi-family and affordable housing developments.

The Urban Fringe Development Area Project (UFDA) first started in 2007. This project works to plan how to accommodate a projected 15,000 new dwelling units over the next 15-years. The UFDA project provides the public and decision makers with detailed community demographic profile, growth pattern information and a database of information important to the discussion of growth. The forthcoming update of the UFDA development yearbook will better identify locations where housing (including affordable housing) can be efficiently developed. Criteria such as proximity to services and adequate infrastructure will be considered while at the same time ...“avoiding promotion of costly low-density development and development that impacts natural resources.”

Discussion:

The Office of Housing & Community Development plans to begin the implementation process for city housing policy in PY2019, which will address some of the barriers to affordable housing discussed in prior sections. HCD will also continue to work with and partner with City Development Services and partner organizations in the community to address these barriers and further access to affordable housing community-wide.

AP-85 Other Actions – 91.220(k)

Introduction:

The Office of Housing and Community Development (HCD) administers the City of Missoula’s HOME and CDBG allocations, though additional funding efforts add value to these investments. The Missoula Redevelopment Agency administers Tax Incremental Financing (TIF) in six Urban Renewal Districts. Whenever possible, HCD leverages TIF resources from MRA to support HOME and CDBG-funded projects. In addition, the City of Missoula administers EPA Brownfields Assessment and RLF Cleanup funds and often utilizes these funds to facilitate affordable housing development.

Actions planned to address obstacles to meeting underserved needs

Missoula holds an annual Community Needs Assessment (CNA) meeting to gather comments from the public and community housing and public service providers as to what are perceived as the needs of the community in the areas of housing, economic development, public improvements and public services. The CNA meeting will continue to take advantage of media and other outreach avenues to reach areas of underserved needs.

The primary obstacle to addressing underserved needs is the fact that funding levels are simply insufficient to meet the needs. Requests for funding from HOME and CDBG usually far exceed funds available. To address the obstacle of limited funding, the City employs ranking criteria for the funds weighing most heavily on the community impact that will result from these investments.

The Office of Housing and Community Development has also been working for the past few years to develop a comprehensive city Housing Policy. This policy will be adopted in 2019 and aims to leverage all city assets and funding sources available to support underserved needs, especially in the realm of housing affordability.

Actions planned to foster and maintain affordable housing

Most of the barriers to affordable housing identified in Missoula are due to regulatory restrictions, a lack of funding sources, and a lack of partnership and community cohesion around affordable housing. Perhaps the single largest and most important strategy to remove these barriers is the City of Missoula’s forthcoming Housing Policy. This policy has been developed over a two-year period through a community-driven process involving hundreds of Missoulians volunteering their time to help write the policy. It aims to create a cohesive policy and program approach in the city to minimize barriers and provide financial incentives where possible to promote the production and preservation of diverse, healthy, and safe homes for Missoulians. The policy includes working closely with several affordable housing development partners whose mission-driven approach provides opportunities to increase affordable housing in the City. It also includes recommendations for code changes to reduce regulatory barriers and the creation of a flexible, local funding source to support the construction of affordable housing.

Our Missoula Growth Policy, most recently updated in 2015, also provides important strategies to remove barriers to affordable housing and works closely with the Housing Policy. It notes the need to “grow inward” where infrastructure already exists, and increase “the amount of land zoned for multi-dwelling development.” Objectives in the Growth Policy to address barriers to affordable housing include rezoning land for multi-family development, modifying the zoning regulations to provide more options for affordable housing, in-fill

development on under-utilized parcels and potential redevelopment of brownfield sites. The Growth Policy also recommends engaging community leaders and community groups to build support for multi-family and affordable housing developments.

The Urban Fringe Development Area Project (UFDA) first started in 2007. This project works to plan how to accommodate a projected 15,000 new dwelling units over the next 15-years. The UFDA project provides the public and decision makers with detailed community demographic profile, growth pattern information and a database of information important to the discussion of growth. The forthcoming update of the UFDA development yearbook will better identify locations where housing (including affordable housing) can be efficiently developed. Criteria such as proximity to services and adequate infrastructure will be considered while at the same time ...“avoiding promotion of costly low-density development and development that impacts natural resources.”

Actions planned to reduce lead-based paint hazards

The City of Missoula works to address LBP hazards as applicable on any city project. This includes new construction on sites that require site contamination cleanup (using Brownfields funds), homeownership rehabilitation projects, and down payment assistance loans. All homeowner rehabilitation or rental assistance projects funded through the City’s HOME or CDBG programs require that units constructed prior to 1978 must pass a visual inspection for lead-based paint (LBP) by certified LBP inspectors. Owners or managers are required to complete a disclosure certification of their knowledge of the use of LBP in the unit, potential tenants or buyers are provided a brochure outlining LBP hazards, and a Lead Warning Statement is attached to the rental lease or home purchase documents. If required, mitigation procedures must be successfully completed prior to occupancy and a second inspection is done to verify compliance. If the owner/landlord is unwilling to abate identified LBP hazards, the assisted client is directed to find another unit.

In addition, the Missoula City-County Health Department provides lead testing upon request and provides brochures and a video about the hazards of lead in paint and other materials.

Actions planned to reduce the number of poverty-level families

The City of Missoula and the Office of Housing & Community Development make conscious efforts to coordinate and closely align action plan goals for HUD-Funded Programs with other city planning efforts. This plan and the goals contained within it are meant to work closely with other existing efforts to alleviate poverty in Missoula. The first two goals of this plan, Rental Housing and Homeownership, are intended to bolster and support the City Housing Policy as well as Reaching Home: Missoula’s 10-Year Plan to End Homelessness by providing intentionality and resources to meet the goals contained in those plans and policies. These goals also support and speak to Our Missoula Growth Policy and the Urban Fringe Development Area (UFDA) project, both of which aim to help Missoula meet its housing needs through smart, sustainable growth. Goal 3 of this plan, Homelessness, speaks directly to building capacity and supporting the 10-Year Plan to End Homelessness and the At-Risk Housing Coalition in Missoula.

Actions planned to develop institutional structure

The Office of Housing and Community Development (HCD) is a relatively new division within the City of Missoula’s government created in July 2016. Currently, HCD consists of a Director, two CDBG-HOME Grants

Administrators, a Reaching Home Coordinator, and an EPA Brownfields Grants Administrator. In the new fiscal year, beginning July of 2019, HCD will also assume oversight of two existing city departments, the Office of Neighborhoods and Energy Conservation/Climate Action. These department's mission to empower our neighborhoods, increase quality of life, and address sustainability across the community will strengthen the work of HCD and further capacity to achieve our goals. The office also currently has an AmeriCorps VISTA through January 2020, as well as interns from the University of Montana.

With the adoption of this new five-year Consolidated Plan and the adoption of City Housing Policy, HCD will go through a staffing audit in 2019 to determine which roles make the most sense given the office's new workload. Future hires may include additional grants administration staff, data and reporting staff, or other roles as determined this year.

Actions planned to enhance coordination between public and private housing and social service agencies

Missoula has a number of different avenues through which activities are coordinated between various public and private housing and social services agencies.

The At-Risk Housing Coalition (ARHC), a coalition of health, human service, and local government agencies that was formed in 1992, works on issues concerning low-income housing and homelessness in Missoula and coordinates local efforts to plan and deliver comprehensive services through a Continuum of Care (CoC). In January of each year, ARHC organizes a Project Community Connect event: a one-day, one-stop event aimed at connecting homeless persons (sheltered and unsheltered) and those at-risk of becoming homeless with core social service agencies. The event offers an opportunity to assess and address the needs of many of Missoula's homeless persons who are unassisted.

Nonprofit housing developers, primarily Community Housing Development Organizations, meet occasionally to discuss future projects and local issues affecting housing. Private for-profit housing developers, realtors, nonprofits, and others are also part of those discussions from time to time. The annual HOME and CDBG workshop has also become an avenue for discussion and coordination of efforts, as well as a key time to synchronize timing of applications for local and state funding for projects to maximize available funds and increase the success rate for projects to be developed in Missoula.

Missoula participates in the statewide Montana Housing Coordinating Team which is organized by the Montana Department of Commerce. Meetings are held quarterly to discuss affordable housing, new developments, funding opportunities and other currently available resources and plans.

Additionally, through the implementation of comprehensive housing policy, the City of Missoula will create several citizen lead advisory groups to assist in successful policy implementation. These will include an implementation team to set goals and ensure accountability to the plan, and a citizen advisory group, ensuring diversity in homeowners, renters, and incomes, to provide guidance on annual assessment and goal setting.

Discussion:

None.

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

All CDBG funds expected to be available during the program year include program income that will have been received before the start of the next program year. Because the City does not have programs for Section 108 loans, surplus from urban renewal settlements, line of credit for planned use not included in prior plans, or float-funded activities, there is subsequently no program income from these programs. All program income will be expended before or in conjunction with allocated CDBG or HOME funds, and for activities that benefit persons of low- and moderate-income.

HOME funds expected to be available during the program year include program income that will have been received before the start of the next program year, and will be spent for activities that benefit persons of low- and moderate-income. HOME funds are not used to refinance existing debt secured by multifamily housing that may be rehabilitated with HOME funds.

The City of Missoula does not have program funds for ADDI, HOPWA or ESG.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	11,083
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	11,083

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income	85.00

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as

follows:

24 CFR 92.205 describes the following as forms of investments allowed by the HOME program:

(1) A participating jurisdiction may invest HOME funds as equity investments, interest-bearing loans or advances, non-interest-bearing loans or advances, interest subsidies consistent with the purposes of this part, deferred payment loans, grants, or other forms of assistance that HUD determines to be consistent with the purposes of this part. Each participating jurisdiction has the right to establish the terms of assistance, subject to the requirements of this part.

(2) A participating jurisdiction may invest HOME funds to guarantee loans made by lenders and, if required, the participating jurisdiction may establish a loan guarantee account with HOME funds. The HOME funds may be used to guarantee the timely payment of principal and interest or payment of the outstanding principal and interest upon foreclosure of the loan.

Missoula does not intend to use any other form of investment beyond those listed above.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

In awarding HOME funds for homeownership, including down payment assistance, closing costs or other HOME assistance provided directly to the homebuyer, the City of Missoula has adopted the **recapture** provisions as specified by 24 CFR 92.254 and described in detail below. Homebuyers assisted under HOME will be required to adhere to recapture guidelines applied to their home. An organization awarded HOME funds (the "Subrecipient") for homebuyer assistance will be instructed to use the recapture method, and must submit their policy for the applicable recapture method if a home is sold during the period of affordability.

In accordance with 24 CFR 92.254(a)(5)(ii)(A)(5), which states "If the HOME assistance is only used for the development subsidy and therefore not subject to recapture, the resale option must be used," if the City of Missoula provides HOME assistance as development subsidy only, it will follow the **resale provisions** detailed in the full City of Missoula Resale and Recapture Policy. In accordance with HUD guidance, these resale provisions will apply to all Program Year 2018 HOME-assisted housing development activities as well as any homebuyer development projects that were approved in previous program years and are completed during PY2018.

To see the full City of Missoula Resale and Recapture Policy, contact the Office of Housing & Community Development at (406) 552-6396 or visit <https://ci.missoula.mt.us/2086/Housing-Community-Development>.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

To enforce HOME Program requirements, a Restriction Agreement, Subordinate Deed of Trust, and

Promissory Note are used and contain the following provisions:

- Principal residency requirement.
 - Equity share provision upon sale of the home purchased with HOME fund assistance.
 - Equity sharing based on the ratio of subsidy provided to the purchase cost of the home.
 - Recapture provision is based on net proceeds available from sale, transfer or foreclosure of the home.
 - The Restriction Agreement, Subordinate Deed of Trust, and Promissory Note are executed at the closing for the home purchase and are recorded at that time.
4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City of Missoula does not currently use or plan to use HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

The City of Missoula is committed to complying with all applicable CDBG and HOME regulations.

Discussion:

None.

Appendices