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CONTACT: Nancy Harte, Office of Planning and Grants

PHONE: 258-4934

E-MAIL: nharte@co.missoula.mt.us

SILVERTIP APARTMENTS' GROUNDBREAKING SET

Construction project launches Thursday, June 23

The City of Missoula and Rocky Mountain Development Group will move the first shovels of dirt on the Silvertip, an affordable rental apartments project, on East Broadway on Thursday, June 23, at 11 a.m. The event will include Mayor John Engen, representatives of the U.S. Department of Housing and Urban Development (HUD) and the Montana Department of Commerce, representatives of Missoula's Congressional delegation, legislative and City Council representatives, professionals working on the project, neighbors and others interested in affordable housing.

A \$5.05 million HUD Neighborhood Stabilization Program grant was awarded to the City of Missoula by the Montana Department of Commerce, and leveraged an additional \$7.75 million to build the apartments. The total project cost of \$12.8 million also includes a \$1 million grant from the Missoula Housing Authority and a \$6.75 million loan from HUD's Multifamily Housing Program. The Office of Planning and Grants manages the NSP grant for the City.

The exciting public-private partnership will create a campus of five three-story buildings with 115 apartments for low-income, moderate-income and middle-income households at 1311 E. Broadway. Silvertip apartments will be one- and two-bedroom units equipped with all appliances, patios or balconies and additional storage. The complex will feature a community center, central satellite dish receivers, a play area and access to the Clark Fork River.

Rents for 95 percent of the units will be appropriate for households earning up to 80 percent of the federal Area Median Income. For instance, that's \$37,500 for a two-person household and \$42,600 for a three-person household. Rents will range from \$450 to \$750 a month. Twenty units will be public housing managed by the Missoula Housing Authority, and five units will be available for households making up to 120 percent of Area Median Income.

City of Missoula staff members worked hard on this project in response to the need in the community. The federal Department of Housing and Urban Development (HUD) estimates that 52 percent of Missoula's renters are "cost burdened," spending more than 30 percent of their incomes

for housing costs. An estimated 4,000 rental households earning up to 80 percent of Area Median Income are cost-burdened. The Missoula City Council in November 2008 passed by resolution a Community Housing Policy, encouraging development of affordable housing for households earning up to 120 percent of Area Median Income.

“The Silvertip Project is a great example of a public/private partnership, with the City of Missoula, the Missoula Housing Authority and the private Rocky Mountain Development Group bringing resources together to build affordable rental housing that is needed so much in our community,” said Mayor John Engen. “Silvertip will be one small step toward creating more safe, affordable, clean and healthy housing for Missoula families.”

The property is the former site of Missoula Athletic Club, a 3.38-acre parcel that was vacant and blighted. The property was foreclosed on several years ago and was purchased for the project at 16 percent below its appraised value.

Additional contact:

Rick Wishcamper, Rocky Mountain Development Group, 546-3563, rick@rmdg.biz.

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Ginny Merriam, Public Information/Communications Officer, 552-6007; 546-7692