

Section I: Description of Project and Site

A: Project Site/Building Information

Riley Area Community Development Corporation and Newport Indiana, LLC (Riley-Newport) will form a joint venture, providing the capacity and experience necessary to redevelop a portion of the near eastside called Willard Park. Willard Park is located in a four block by three block area northeast of State Avenue and Washington Street. Willard Park is located 1.5 miles from center of the city of Indianapolis, where plenty of public transportation and access to services are readily available. Appendix A includes a Memorandum of Understanding between Riley Area Development Corporation and Newport Indiana, LLC.

The project in Willard Park is a redevelopment of 80 housing units located in a target area neighborhood. The neighborhood contains approximately 250 parcels. Sixty-five of the 250 are vacant lots where houses have been demolished. More than 60 percent of the existing structures are vacant/abandoned and boarded. Demolition of abandoned structures continues today. The redevelopment of 80 parcels in such a small area would be immediately visible, make a great impact and spur further development and interest by addressing slightly more than half of the off-line or abandoned properties in the area. Homes will be acquired and renovated/built in phases.

The first phase will concentrate on those properties involving houses that have been inspected by an engineer and determined to be economical rehab structures. These first 20 units will be made available as lease units for the referrals from agencies working with candidates from Connected by 25. Connected by 25 began in April 2005 as a community plan to help a vulnerable population in Central Indiana and Marion County. The target population is individuals 25 years and younger who have aged out of the foster care system. This young population is struggling to prosper upon reaching adulthood despite the current social service network. The Connected by 25 plan charges three area agencies, the Children's Bureau, Adult and Child Counseling, and Villages, with helping find housing for children aging out of care. In addition, the agencies support and educate youth to be self-sufficient adults by the age of 25. The proposed time frame is 4-12 months from funding through rehabilitation to lease of each unit. Funding from this grant will cover the predevelopment costs of the first phase of rental units in Willard Park, those reserved for youth aging out of foster care through Connected by 25.

The second phase will overlap with the first and continue acquisition and rehabilitation of existing structures for another 20 units of affordable rental units. The target population for the second phase will include military veterans returning to the U.S. who are at risk of homelessness, particularly those with families. The third phase will utilize 40 vacant lots to construct new homes for sale to eligible first-time home buyers in a broad affordability range, including households with incomes not to exceed to 50 percent to 120 percent of Area Median Income. These will be built in four batches of ten units. Riley Area Development Corporation will also utilize green building and sustainable building techniques where possible as part of the Willard Park project. Other funding, such as Neighborhood Stabilization Program funding and home sale proceeds, will be used to complete the additional phases.

The following are addresses controlled by Riley Area Development Corporation and Newport Indiana, LLC that are under consideration for the 20 units needed by Connected by 25. All properties for the first phase of redevelopment are under the control of both partner agencies and are zoned for residential development.

The project is a scattered site project, but all units are located within two or three blocks of each other, making it easier to provide continuity of services.

Table A-1 – List of Potential Sites

| | |
|----------------------|-----------------|
| 44 Hendricks | 14/16 Randolph |
| 222/224 Hendricks Pl | 211 Hendricks |
| 225/227 Randolph | 18 Randolph |
| 302/304 Walcott | 246 Parkview |
| 265 Parkview | 220 Parkview |
| 24 Walcott | 31 Hendricks Pl |
| 301 Walcott | 269 Parkview |

Riley Area Development Corporation and Newport Indiana’s current control of the above properties would allow for the rehabilitation of all the properties to be completed by April 2010. The properties are zoned for residential development, have no environmental issues and are vacant. Riley Area Development Corporation is prepared to move forward quickly with rehabilitation of the structures, beginning revitalization of the entire Willard Park area. Appendix A includes all the appraisals and any information on environmental issues for the acquired properties. Not all acquisition is complete as Riley Area Development Corporation is still accessing additional capital.

Final design elements and amenities will not be known until the acquisition phase is complete. Riley Area Development Corporation is seeking funding from this organization to fund the design and other predevelopment costs for the Connected by 25 units. Information on the zoning and other details of these properties are included in Appendix A.

B. Neighborhood Characteristics

Willard Park is 95 percent residential with commercial uses found on Washington Street and the corner of New York and State Streets. Of the 362 properties, 96 properties are habitable. The conditions of the remaining properties are blighted (101), vacant structures (84), and vacant lots (81). Homeownership in the target area is low. The rate of homeownership is 20 percent of all residential property (including residential lots) and 37 percent of all occupied and residential property. The Indianapolis average for homeownership is 60.5 percent.

Table B-1 Willard Park Target Area – Property Ownership

| Type of Property | Number of Units | Percent |
|---------------------------------------|-----------------|---------|
| Vacant Lots | 81 | 22% |
| Vacant Structure | 84 | 23% |
| Owner Occupied Residential Structure | 69 | 20% |
| Renter Occupied Residential Structure | 116 | 32% |
| Commercial Occupied Structure | 12 | 3% |
| Total | 362 | 100% |

The Willard Park Target Area is a dense, residential neighborhood of detached houses that range from single family to doubles to quads. A few multi-family buildings (more than four units) are also in the Willard

Park Target Area. As the unit count of the structures increases, property condition worsens and ownership decreases. Fifty percent of single family homes are habitable compared to 36 percent of the doubles. Thirty-three percent of the single family homes are owner-occupied versus 22 percent of the doubles. The median house value has declined 1.15 percent since the previous year.

The Neighborhood Stabilization Program by the U.S. Department of Housing and Urban Development (HUD) rated census tracts across the county on the basis of foreclosure risk and vacancy risk, with a maximum score of 20. The two census tracts covering the Willard Park, 3545 and 3547, had a foreclosure risk of 18 and 20, respectively. Both census tracts rated a 20 for vacancy risk. According to the 2009 U.S. Postal Service, 16.43 percent of homes are vacant in 3545 and 40.28 percent of homes are vacant in 3547.

The population living in the area is mostly white and lives below the poverty level. Table B-2 illustrates the racial and ethnic make-up of the two census tracts for Willard Park.

| | 3545 | 3547 |
|------------------|--------|--------|
| White | 67.25% | 59.65% |
| African American | 21.24% | 26.96% |
| Hispanic | 11.95% | 20.15% |

Over one-third of the households living in Willard Park live below the poverty line. This may be attributed to the low educational attainment of the residents residing in the area. Approximately thirty (30) percent of the residents in Willard Park have not obtained a high school diploma or the equivalent and 14.16 percent of the area's residents has less than a ninth grade education. With little education, the residents of the community have little choices by way of employment. According to the data on STATSIndiana.com, the unemployment rate for Marion County in May 2009 was 9.1 percent.

In addition to all the aforementioned housing and population characteristics, the neighborhood has been plagued by increasing crime rates, decreasing retail and business opportunities and negative media coverage about activities in the neighborhood. Despite these challenges, Willard Park has several assets to capitalize upon when stakeholders are revitalizing the neighborhood:

- Committed homeowners who maintain their homes and work diligently with existing residents and Near eastside stakeholders to improve the landscape and quality of life in Willard Park
- Efforts by near eastside stakeholders to assist existing renters to rent or own affordable, well-managed, and high-quality housing (examples are Homeownership Incubator, Women in Motion and Center for Working Families)
- Established neighborhood of tree-lined streets and traditional street grid
- Within a 10-minute walk of public bus lines and transportation
- Architecturally significant homes that preserve and enhance the historic legacy of Willard Park and the near eastside
- Proximity to downtown while living within a single-family housing neighborhood
- Minutes away from major employers in health and medicine, higher education, finance and insurance and government
- Close to a neighborhood community center that offers a variety of services, including employment training, food pantry, case workers and youth services

- Access to cultural and sporting events, restaurants, shopping, museums and nightlife

Willard Park will overcome the stigma of being a transient, dangerous neighborhood by coupling the aforementioned strengths of the neighborhood with a series of intense and sequential interventions that

- Market the proximity to downtown to attract new homebuyers
- Retain existing, committed homeowners
- Revitalize the neighborhood and its corridors with high-value new construction and rehabilitation; and
- Leverage the HOTIF district to facilitate redevelopment

Fortunately, the many stakeholders have already been made aware of and have expressed support for this project. Through community outreach and as part of the Willard Park Revitalization Plan planning process, this project has been endorsed by the community and is in line with the goals of the Willard Park Revitalization Plan and Great Indianapolis Neighborhoods Initiative - Near eastside Quality of Life Plan.

In the Willard Park project, the following stakeholders have shown their support and involvement in this project, which includes the support of the rehab of the targeted properties:

- City of Indianapolis Department of Metropolitan Development
- Local Initiatives Support Corporation – Indianapolis
- Great Indy Neighborhoods Initiative
- John H. Boner Community Center
- Willard Park Neighborhood Association
- Marion County Health and Hospital

These agencies supported the development of the Willard Park Project by participating with ideas and financial support of the Willard Park Revitalization Plan. This plan outlines strategies for balanced housing development.

The stakeholders most closely affected by the project include the neighbors in Willard Park who have signed a petition in support of the redevelopment plan and the Willard Park project, which specifically outlines the rehab and rental of these units to the Connected by 25 program. Seventy-four neighbors have signed this petition. In addition, the local service agencies, including the United Way, are the service organizations supporting social services to be provided to these tenants as they age out of foster care, as proposed in Connected by 25. All agencies are excited to be a part of another project that will enable them to serve their clientele in an environment away from institutionalized living.

Willard Park is a well-supported project; however, due to other development in a nearby area, it is in competition for housing and redevelopment funding. This has placed Willard Park at odds with some members of the community organizations working on the other project. However, as a whole, the community is in support of the project.

Nina Lusk from Newport Partners is a non-voting member of the Willard Park Neighborhood Association. This membership enables Nina Lusk and Riley Area Development Corporation to inform and connect with the direct beneficiaries of the Willard Park project. This membership is also an outlet for members of the

community to voice complaints, address concerns, arrange neighborhood beautification efforts and provide general input on the project through its duration.

C. Target Tenancy and Conditions of Occupancy

At least 20 supportive housing units will be developed to serve Connected by 25, a community plan under the United Way of Central Indiana. Connected by 25 began in April 2005 as a community plan to individuals 25 years and younger in Central Indiana and Marion County who have aged out of the foster care system. This young population is struggling to prosper once reaching adulthood despite the current social service network. The Connected by 25 plan charges three area agencies, the Children's Bureau, Adult and Child Counseling, and Villages, with helping find housing for children aging out of care. The State of Indiana funding for foster care ends when the child turns 18. This program targets young adults ages 18 to 25, striving to support and educate youth by the age of 25 to be self-sufficient adults.

Youth who qualify for this program will meet one of the following criteria:

- Youth who move directly from foster care into their own housing at age 18 up to age 21
- Youth who leave care voluntarily at age 18 without accepting assistance but return prior to turning age 21
- Youth verified eligible for voluntary services that include room and board by an Independent Living Field Specialist within the Indiana Department of Child Services

The above agencies place the youth in clean, safe and affordable rental units once they exit the foster care system. In an effort to increase permanent supportive housing for these individuals, the agency referring a qualified youth/tenant would also provide a case manager. Funding for the rental subsidies and case management is from several sources and is the responsibility of the social service agency, along with United Way of Central Indiana. An annual rental subsidy and case management expense for one youth equals approximately \$8,000 per year. Appendix B includes all support letters from participating agencies.

D. Supportive Service Program Planning

The Chafee Foster Care Independence Program (CFCIP) provides independent living (IL) services that consist of developmental activities that provide opportunities for young people to gain the skills required to live healthy, productive and responsible lives as self-sufficient adults. Independent living services should be seen as a service to young people that will help them transition to adulthood, regardless of whether they end up on their own, are adopted, or live in another permanent living arrangement. CFCIP provides funding for housing and social services youth aging from foster care, which will help fund the Connected by 25 program.

The youth will be offered guidance on financial issues, assessment services, housing, health care, counseling, employment, education opportunities and other support services that are unique for the development of self-sufficiency. Youth leaving foster care or former foster youth requesting CFCIP independent living services must participate on a voluntary basis and sign an agreement with the service provider for case management services. This agreement outlines the services to be provided, the length of time expected for the service, and the plan for the youth's contribution. The youth must participate directly in designing their program activities, accept personal responsibility for achieving independence, and have

opportunities to learn from experiences and failures. In addition, the independent living plan must include an operational plan describing how the young adult is going to assume responsibility once assistance ends.

Table D-1 lists the agencies that will be responsible for providing the supportive services and their experience. Riley Area Development Corporation will work through the United Way of Central Indiana to qualify tenants for its Connected by 25 rental units and coordination of reporting on the progress of tenants. The United Way of Central Indiana will use three primary social service agencies to provide the case management and other supportive services. These agencies will be responsible for working with the youth to sign their leases with Riley Area Development Corporation, connect youth to local complimentary service agencies and provide case management services to the youth.

Table D-1 – Social Service Agency Expertise

| Organization | Experience |
|---------------------------------------|--|
| Connected by 25, a United Way Program | United Way of Central Indiana has extensive experience in coordinating efforts between and among social service agencies. This organization funds local social service organizations, coordinates reporting on programs, initiates strategic planning and implements capital campaigns and fundraising efforts. |
| The Children's Bureau | Started in 1849 as the Women's and Orphan's Asylum of Indianapolis, the Children's Bureau of Indianapolis has a 156 year history of serving as an advocate for children in need. Through their Scatter Site Apartment Living program, the case workers and social workers help youth transition from foster care into independent living. The Children's Bureau works with youth ages 17 and older through this program. |
| Adult and Child Counseling | Adult and child is a provider of mental health and child welfare programs in Indianapolis and central Indiana. With roughly 350 full time employees, they provide mental health services to over 4,500 individuals and families every year. Since 2004, they have helped youth transition from foster care through its Transitional Living Program. |
| Villages | The Villages, founded in 1978, is dedicated to enhancing services for the critical early childhood years through the development of child-care services and the expansion of the Healthy Families program. They are equally committed to the continued growth and diversification of our foster care program, as well as the transitional living, family services and adoption programs. |

Examples of services provided to the individuals include

- Providing tutoring support as needed and assistance with GED preparation if applicable
- Assisting with locating driver's education training

- Assisting with transportation to College Goal Sunday program to help the youth understand the financial aid process
- Assisting with completion of the Free Application for Financial Student Aid (FAFSA) and gathering needed documents
- Transporting the youth to the local Work One Center and assisting the youth in requesting aptitude testing and résumé writing
- Assisting with exploring career options, Job Corps, AmeriCorps, Vista, and the Armed Forces
- Assisting the youth in obtaining job services through the Work One Center and exploring possible intern positions through this program
- Transporting the youth to visit the local community health clinic, mental health clinic, hospital emergency room, and urgent care facilities to familiarize the youth with the location of these facilities, services available and how to access services when needed
- Providing education on obtaining a primary care physician and dentist and the importance of preventative medical and dental care to avoid urgent medical care facilities when possible
- Providing age-appropriate education regarding basic hygiene and nutrition, medical and dental care, substance abuse prevention/intervention, pregnancy prevention, teen parenting education, and sexually transmitted diseases and HIV prevention
- Giving information about public assistance that is available for eligible applicants through the State, such as TANF and food stamps, local food pantries, and township trustees
- Making opportunities available to interact with other foster youth in small and large groups in learning activities related to independent living
- Offering experiential learning opportunities in the areas of problem-solving, time management, conflict resolution, stress management, communication skills, interpersonal skills, community resources, support systems, and goal-setting
- Supplying experiential learning opportunities in accessing community resources, such as 211, Department of Family Resources, local library, locating businesses or services in the yellow pages, locating businesses or services in the use of city, street, and state maps, and so on

As part of the transitional services, all agencies will connect the youth to services that will aid their ability to become self-sufficient. The youth will find connections to GED programs, TANF and Work One and other employment programs. Case managers will provide guidance to the youth about the opportunities available to them and provide programs that can help them transition into adulthood.

Tenants with substance abuse issues will not be permitted to reside in the Willard Park housing. Adult and Child Counseling provides substance abuse services and will work with all tenants facing those issues, regardless of the specific agency providing the case management services. As part of these services, Adult and Child Counseling will locate other housing that accommodates individuals with substance abuse issues.

E. Property Management Plan

Athena Real Estate Services will provide property management services for the 40 rental units, including the 20 set aside for Connected by 25 tenants. Athena Real Estate Services is an Indianapolis-based property management company located on the near eastside of the city at 55 South State Street. Close proximity and the corporate culture of Athena Real Estate Services allow them to be in the field every day to visit all the properties. Athena Real Estate Services prides itself on a low overhead, small business approach while maintaining the high standards of larger management companies. Athena Real Estate

Services not only has the experience to create success in Willard Park as a property manager but also serves as a stakeholder because they are located just outside the target neighborhood.

F. Tenant Involvement Plan

The tenants may attend meetings of the Willard Park Neighborhood Association. As part of these meetings, the tenants may express concern about future development around the area, participate in neighborhood beautification efforts and learn about civic involvement through the neighborhood association. The neighborhood association will provide valuable input and support through the entire redevelopment of Willard Park. The tenants of the Connected by 25 will play a role in that support.

Section II: Sponsor and Development Team Information

A: Organizational Background and Purpose

In 1979, the Riley Lockerbie Ministries Association formed the Riley Area Revitalization Program with the purpose of facilitating business growth, social and human service development and affordable housing in the Riley area, northeast of downtown. In 1997, the organization changed its name to the Riley Area Development Corporation (RADC). CDCs are catalysts for community-led neighborhood rebirth through housing revitalization, economic development, and partnerships with crucial self-sufficiency programs. CDCs maximize public funds through alliances with financial institutions, equity investors, and individual donors.

RADC is a non-profit 501 c 3 organization, dedicated to developing quality affordable housing opportunities in both rental and homeownership markets. RADC represents low to moderate income individuals and families who want to live and work downtown or in the near eastside. RADC has a small team to staff that works with outside contractors and experts to bring projects to fruition.

The mission of RADC is to

- Develop, support and enhance a diverse urban community fabric through the efficient use of its resources
- Select, develop and support quality affordable housing for low to moderate income residents in our target geographic areas
- Encourage and support increased density and essential commercial services in mixed-use development for an economically and socially diverse urban environment
- Encourage and support sustainable, well-planned, connected open space to provide an aesthetically pleasing urban experience

Three staff members report to an Executive Director. The Executive Director, in turn, reports to a Board of Directors. Project partners will work with the RADC staff for the primary needs of the project. The Executive Director and Board of Directors will intervene as needed.

Appendix C includes copies of the IRS determination letter and articles of incorporation.

B: Relevant Organizational Experience

Over the years, Riley Area Development Corporation has rebuilt the Massachusetts Avenue corridor, created 125 units of affordable rental housing, sold 50 units for affordable homeownership and assisted 212 homeowners with repairs. The organization also assisted with the renovation of the John H. Boner Community Center and the creation of 20 supportive housing units. This project, completed in 2008, expanded the community center and created 20 new affordable rental units for persons earning less than 30 percent of the median family income. The John H. Boner Community Center provides supportive services, including case management, in conjunction with the units. The renovation was possible due to the use of low-income housing tax credits, the Community Development Block Grant, the United Way of Central Indiana and other private resources. The team at RADC has a vast experience creating affordable housing and working with various funding sources.

RADC will work with a private development firm, Newport Indiana, LLC, in a joint venture to redevelop Willard Park and renovate 20 units of affordable housing for youth aging out of foster care. The joint venture will be named Riley-Newport. Both RADC and Newport Indiana, LLC have experience with low and moderate income housing development, including the use of low-income housing tax credits.

Since its founding in 1998, Newport Partners, the parent company to Newport Indiana, LLC, has successfully closed over 130 projects representing 10,300 units of affordable housing. Nina Lusk, the Vice President of Development, has over 30 years of experience as a real estate professional in the Indianapolis market. In 1995, she began her own business to assist affordable home builders and organizations with marketing needs. Since that time she has worked with several area non-profits with affordable housing development, including Riley RADC.

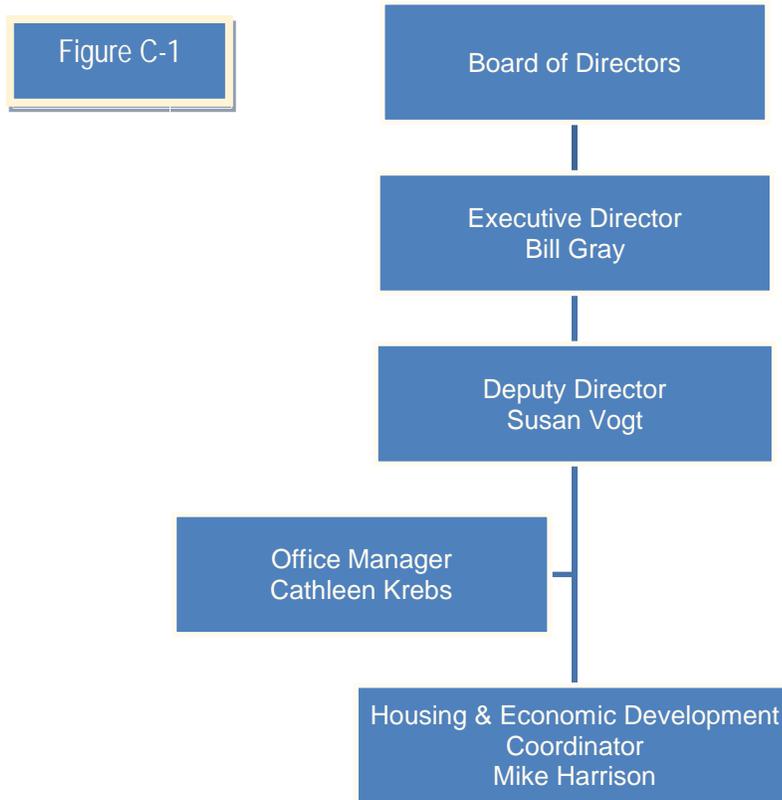
Riley-Newport firmly believes in the importance of collaboration between the public and private sectors in order to create the highest-quality product. The team of collaborating organizations for Willard Park will provide the acquisition, development, rehabilitation, disposition, brokerage and legal services in order to a turn-key NSP program for the State of Indiana. In a phrase, Riley-Newport Partners provides a "one-stop shop." RADC and Newport Indiana, LLC will lead the team. This "one-stop shop" approach will create efficiencies for the State by minimizing redundancies, communication gaps and oversight.

Athena Real Estate Services will provide property management services for the all rental units in Willard Park, including the 20 set aside for foster care tenants. Athena Real Estate Services is an Indianapolis-based property management company located on the near eastside of the city at 55 South State Street. Close proximity and the corporate culture of Athena Real Estate Services allow them to be in the field every day to visit all the properties. Athena Real Estate Services prides itself on a low overhead, small business approach while maintaining the high standards of larger management companies. Athena Real Estate Services not only has the experience to create success in Willard Park as a property manager but also serves as a stakeholder because it is located just outside the target neighborhood.

Appendix D includes letters from each of the partner organizations in support of the Willard Park project.

C. Key Staff and Board Information

The Riley Area Development Corporation has a small staff structure. Figure C-1 is an organizational chart for RADC. Each member of the staff reports to the Deputy Director and the Executive Director. While small, the staff has vast experience in affordable housing development and is effective in the implementation of large-scale housing projects.



Bill Gray, Executive Director, provides RADC with expertise in housing project management, construction management, specification writing and property management. He is also licensed in real estate sales. He has spearheaded a number of similar projects, including the Davlan and Avenue Condos. He has experience in working with various funding sources, private and public, including the Community Development Block Grant, the HOME Investment Partnerships Program, Low Income Housing Tax Credits, the Federal Home Loan Bank, and so on. He will provide general oversight of the program.

Susan Vogt, Deputy Director, is knowledgeable in small business operation and management. She is experienced in the administration of the Community Development Block Grant, fiscal management, fund raising and marketing. Ms. Vogt will provide the daily record keeping for the project, as well as general grant management. She will complete the quarterly reports, submit claims and review invoices.

Mike Harrison, Housing & Economic Development Coordinator, is experienced in housing project management and construction management. He has over 20 years of experience in economic development and small business initiatives. At RADC, Mr. Harrison has managed various housing programs, including the owner occupied repair program and the rental housing program. As such, he has

worked with the HOME Investment Partnerships Program and the Community Development Block Grant. He will provide daily supervision of the project and is a contact person at RADC regarding the program.

Cathleen Krebs, Office Manager, manages the daily operation of the organization. She works directly with the Deputy Director to help with paperwork, communication throughout the office and preparation for Board of Directors meetings. Cathleen also provides general support to the other staff.

In addition to the staff, the RADC has a Board of Directors consisting of 27 members. A complete list of Board members is included in Appendix E. The Board of Directors provides general oversight of the organization, implements strategic plan initiatives and reviews the performance of the Executive Director. The Board of Directors meets once per month to discuss RADC's progress towards the goals of its strategic plan and the status of current projects.

Members have the opportunity to serve on one of five committees. The committees are Executive, Project Development & Asset Management, Finance, Governance and Fundraising & Marketing. Each of these committees provides more project specific guidance to the staff on the development of projects, management of affordable housing assets, fundraising, financial audits and organization policies.

D. Organization Financial Information

The Riley Area Development Corporation (RADC) has extensive fiscal operating policies. The policies define procedures for recording deposits and payments, paying invoices, financial reporting and audit. To maintain a division of responsibilities, the financial procedures spell out clear guidelines for staff responsibilities regarding cash receipts, cash disbursements, opening of mail, cash disbursements of restricted funds, and petty cash.

RADC hires the assistance of M.M. Lett Associates to provide bookkeeping services. RADC staff is authorized to work with daily paperwork and a representative from M.M. Lett Associates comes to the RADC office on a weekly basis to cut checks, reconcile accounts and compose financial reports.

At the completion of each fiscal year, RADC hires Joel L. Gauthier, CPA, to audit the books of the organization. The audit complies with Generally Accepted Accounting Principles and follows the guidelines of the OMB A-133 single audit.

Copies of the previous two year's audits and unaudited financial statements are included in Appendix F.

E. Development Team

Riley-Newport Partners is comprised of many organizations, with each group bringing specific strengths to the program. The role of each partner is explained in Table E-1.

Table E-1 Partnership Organizations and Roles

| Organization | Role within Riley-Newport Partners |
|---|---|
| Newport Indiana, LLC, an Indiana limited liability company | Rehabilitation, brokerage, disposition and team management services |
| Riley Area Community Development Corporation, an Indiana nonprofit public benefit corporation | Acquisition of foreclosed homes, rehabilitation, leverage NSP and/or CDBG and local subsidy funds |
| Connected by 25, a United Way Program, an Indiana nonprofit public benefit corporation | Tenant outreach and foster child program coordination |
| Athena Management Company | Property management |
| First American Title | Title services |
| Bank of Indianapolis Indianapolis Neighborhood Housing Partners | Mortgage brokerage services and home buyer training |
| Mark D. Grant Ice Miller, LLP, a Professional Legal Corporation | Legal services |
| Halstead Architects | Architectural services and green building & sustainability consultant |
| Lynch & Sons Construction Company | General construction management |

Section III: Project Financing Information

A: Development Budgets and Financing

Riley Area Development Corporation (RADC) will use the funding requested for the design of the units. Newport Indiana LLC and RADC have accessed private resources to pay for acquisition of units through tax sales and the Indianapolis Land Bank and paid for environmental and title work for each of the properties. Table A-1 is a complete pre-development budget.

| Table A- 1: Predevelopment Budget | Total Cost | Per Unit Cost |
|---|------------|---------------|
| As-Built Appraisals (for construction lender) | \$7,000 | \$350 |
| Architect & Structural Engineer | \$10,000 | \$500 |
| Asbestos & Lead Based Paint Testing | \$10,000 | \$500 |
| Legal Fees | \$25,000 | \$1,250 |
| Title and Closing Fees | \$50,000 | \$2,500 |
| Total Predevelopment: | \$102,000 | \$5,100 |

Funding from the Corporation for Supportive Housing will be used within the first five months of the initial award to complete the design and specification work for the Connected by 25 units. Within 12 months, RADC will complete construction of the units and lease up all units within 15 months of the initial award. Services will begin with each client once he or she begins a lease for a housing unit.

B: Operating Budget, Rents and Subsidies

Riley Area Development Corporation and its partners have worked hard to develop an operating proforma to ensure the sustainability of the units. Raising enough capital to eliminate debt from the development will enable Riley Area Development Corporation to utilize fund to maintain the units more regularly and minimize annual rent increases to sustain the affordability of the units for the clients.

Please see the 15-year proforma in Appendix G.

C: Supportive Services Program Budget and Funding

For those youth who have been emancipated, have room and board payments up to a maximum of \$3,000 for assistance up to age 21. Youth may access this assistance as long as they continue to participate in case management services and receive Supplement Security Income through Social Security or participate in a full or part time schedule of work (or are actively seeking employment) until the \$3,000 limit is exhausted.

The United Way of Central Indiana and the agencies responsible for services will provide the remaining dollars necessary for services. At the time of this application, the social service agencies are determining and writing the budget for this program. Riley Area Development Corporation and its partners will submit the budget to the Corporation for Supportive Housing upon its completion.

D. Development Service Planning Schedules

The proposed time frame is 4-12 months from funding through rehabilitation to lease of each unit. Within 12 months, RADDC will complete construction of the units and lease up all units within 15 months of the initial award. Services will begin with each client once he or she begins a lease for a housing unit. The timeline is explained in Table A-2.

| | Month 4 | Month 5 | Month 6 | Month 7 | Month 8 | Month 9 | Month 10 | Month 11 | Month 12 | Month 13 | Month 14 | Month 15 |
|----------------|---------|---------|---------|---------|---------|---------|----------|----------|----------|----------|----------|----------|
| Construction | 4 Units | | | 4 Units | | 4 Units | | 4 Units | | 4 Units | | |
| Lease Up | | | 4 Units | | | 4 Units | | 4 Units | | 4 Units | | 4 Units |
| Services Begin | | | | 4 Units | | | 4 Units | | 4 Units | | 4 Units | 4 Units |