

Agenda

- Project Description
- Development Team & Partners
- Financing
- Rehabilitation
- New Construction (Video)
- Lessons Learned & Highlights
- Operations
- Q & A



Richland Apartments

- Senior 62+ community
- Rehabilitation of 111 Existing Scattered Site Units (5 phases)
- New Construction of 50 units
- New complex amenities such as a community room, fitness room and equipment, library and movie room
- Renewal of HAP contracts from HUD and Bloomington Housing Authority
 - Increased rents post-rehabilitation
- New HAP contract for new construction



Development Team & Partners

- **IHCDA Multifamily Team**
- **Owner:** Ellettsville Senior Citizens Housing, Inc.
- **Developer:** Allied Real Estate Partners, LLC
- **Property Management:** Lenzy Hayes, Inc.
- **General Contractor:** Argenta Construction, LLC
- **LIHTC Investor:** Cinnaire
- **Lender:** Merchants Bank of Indiana
- **Lender Participation:** Owen County State Bank
- **Town of Ellettsville**
- **Town of Stinesville**
- **Monroe County**
- **Bloomington Housing Authority**
- **HUD**
- **Area 10 on Aging**



Financing

4% Tax Credit Equity (Cinnaire): \$7,751,168

Enrolled Act PILOT agreement from Cities of Ellettsville and Stinesville

Lenders: Merchants Bank of Indiana, Merchants Capital & Owens State Bank
(Participation)

Construction Financing:

Merchants Bridge Loan \$400,000

Merchants Series B Loan \$3,710,000

Merchants Bank of Indiana Series A Loan
\$8,790,000

Permanent Financing:

Merchants MTEB \$8,790,000

Seller Loan \$5,500,000

IHCDA Loan \$500,000

Total Project Costs: \$24,151,004



Rehabilitation



New Construction (Video)



Lessons Learned & Highlights

- Combining rehabilitation of existing units with the production of new affordable units.
- Scattered sites are complex but possible.
- Rehabilitation of Senior properties requires more attention to relocation.
- Communication is key amongst all stakeholders.
- IHCDA Development Loan Payment Structure
 - Principal and interest are structured to be repaid within 8 years
 - Promoting a revolving loan fund for more Indiana Affordable Housing Projects
 - A true testament to IHCDA's financing group
- Enrolled Act PILOT Statute
 - Project closed while the Enrolled Act was making its way through the State legislature
 - Project involved working with local officials to secure abatement; Enrolled Act PILOT allowed for a streamlined underwriting process

Operations

- 2 FTE office staff
- 2 FTE maintenance staff
- Continuous management since 1974
- Nonprofit sponsor was formed in mid-1960s
- Strong programming by Area 10
- Strong partnership with Bloomington Housing Authority
- Currently have a 2-year waitlist



Q & A





Housing Opportunities Prominence Commons

Development Team

<u>Owners:</u>	Prominence Commons, L.P.
<u>Developer:</u>	Housing Opportunities - Valparaiso, Indiana
<u>Architect:</u>	Shive-Hattery - Valparaiso, Indiana
<u>Engineer:</u>	Great Lakes Engineering - Portage, Indiana
<u>Contractor:</u>	CORE Construction - Schererville, Indiana
<u>Consultant:</u>	Milestone Ventures - Indianapolis, Indiana



HOUSING OPPORTUNITIES

Resolving and preventing homelessness.

- 25 years as developer, owner, property manager, and services provider
- 200 units of affordable rentals, supportive housing, & emergency shelter
- Committed to implementing model for continuum of programs, encompassing prevention, crisis intervention, and permanent housing
- State-certified Community Housing Development Organization (CHDO)

*"HO should focus on developing affordable housing in all communities. HO is the best social services, housing agency around. You already know. Keep up the good work, we/I am dead without you all."
- HO Resident, 2021 Survey*

*"I didn't know who to call for help, except Housing Opportunities."
- Anonymous*

Prominence Commons I

Number of Units:

50 Total

20 Open Occupancy up to 60% of Porter County AMI

30 Supportive with Continuum of Care Rent Subsidy

Type:

22 1BR, 22 2BR, 6 3BR

Open Occupancy Unit Rents:

1BR \$475-\$500

2BR \$600-\$650

Portage Site Locations:

Dixie Drive

Creekview

Court East

Tulip Court

Whittier Street

Evergreen Avenue

Site Info:

Housing Opportunities – rehab units

Portage Resale Shop land donation – new construction

Long-term 99-year affordability commitment

Rehab Units:

38 units at 4 site locations

New Construction:

12 units on part of 3.2 acres of undeveloped land
zoned multi-family

Evergreen Avenue Design

Phase I:

One 2-story apartment building
One 1-story resource center

Phase II:

One 2-story apartment building

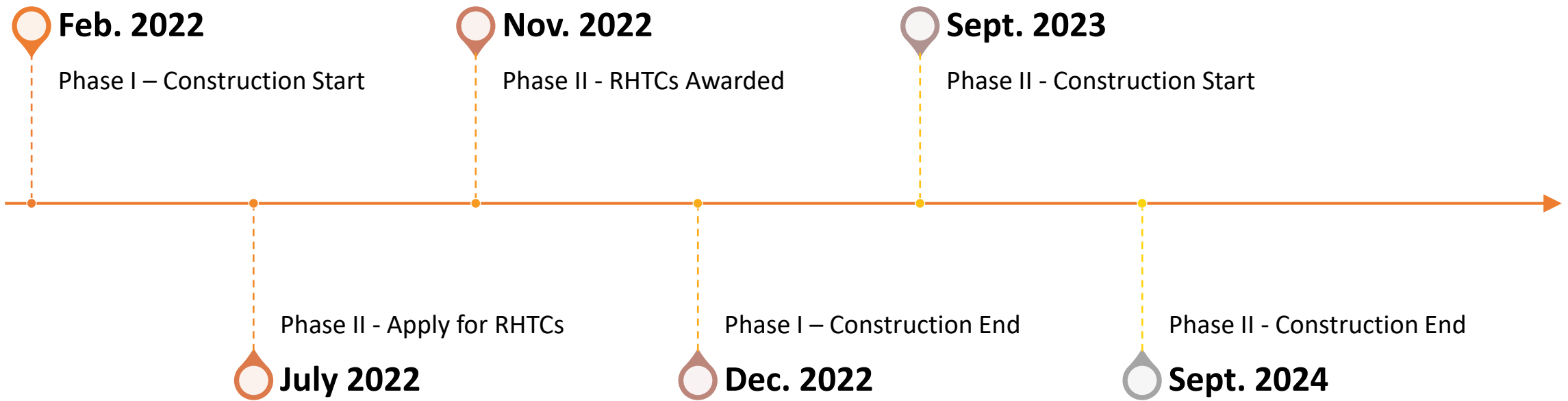
Resource Center:

Meeting area, offices, exercise room, computer center, showers (both phases share)



Evergreen Avenue Site Plan





Development Timeline

Capital Budgets

Phase I - Sources	Amount
Porter County ARPA	\$250,000
IHCDA Development Fund Loan	\$500,000
FHLBI AHP Grant	\$500,000
HO Sponsor & General Partner Loans	\$340,292
Centier Bank Donation	\$25,000
RHTC Equity	\$9,378,620
Total Sources	\$10,993,912

Phase I - Uses	Amount
Construction & Contingency	\$7,161,612
Soft Costs, Fees, & Relocation	\$2,587,174
Reserves (rent-up, operating, services)	\$438,934
Acquisition	\$806,192
Total Uses	\$10,993,912

Phase II - Sources	Amount
Porter County ARPA	\$750,000
NHF Grant	\$1,500,000
FHLBI AHP Grant	\$250,000
Local Funds / HO Sponsor Loan	\$1,200,000
Centier Bank Donation	\$25,000
RHTC Equity (pricing to be negotiated)	\$10,000,000
Total Sources	\$13,725,000

Phase II - Uses	Amount
Construction & Contingency	\$10,395,000
Soft Costs & Fees	\$2,573,153
Reserves (asset mgmt, rent-up, operating, replacement, services)	\$756,847
Acquisition	\$0
Total Uses	\$13,725,000



Prominence Commons

Evergreen

PROMINENCE COMMONS



Before



After

CREEKVIEW



Before



After

TULIP



Before



After

DIXIE



Before



After

WHITTIER



Before



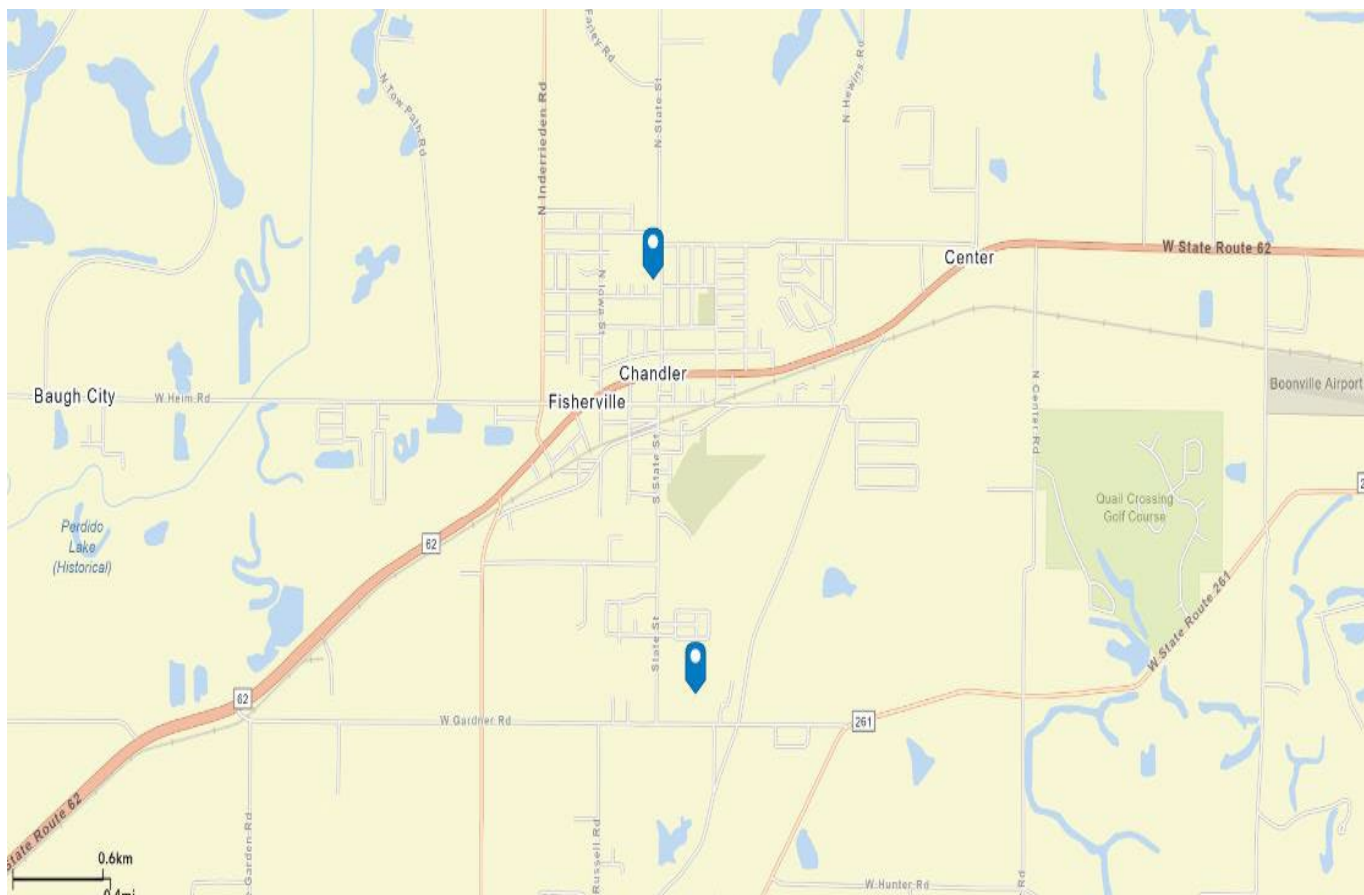
After



Emmie June Cove, Chandler Indiana

Affordable Duplex Housing for all ages





Development Amenities

- (20) two bedroom 1.5 bath duplexes with 1 car garage
- (20) three bedroom 2 bath duplexes with 1 car garage
- Multi-purpose community room with full kitchen and TV
- Onsite leasing office
- Raised gardens
- Neighborhood-style designs with accessible sidewalks
- 100% of units meet visitability standard
- 10% of units fully ADA-compliant

Gardner Rd: Before







State Street: Before











How Emmie June Cove came about

- ❑ **A focus of Keller Development to bring an affordable housing choice to a rural southwest Indiana community that had none previously**
- ❑ **Welcoming support from the Town of Chandler and their Town Council**
 - **Introduction meeting with the Planner leading to a meeting with the Town Council**
 - **An effort to remove a dilapidated nursing home that was vacant for 10+ years**
 - **A concentrated effort by the Town to find a companion site to make the project feasible**
 - **10-year 100% property tax abatement**

Local Amenities

- North and south site locations providing resident options
- Several local services nearby
 - Restaurants
 - Banks
 - Local Retail
 - School
 - Parks
 - Library
- Fixed route transportation as well as point-to-point transportation offered

Supportive Services

Old National Bank

Offering financial literacy through a literacy curriculum including topics such as banking, saving, money management, credit and debt reduction. Classes are held virtually and in person.

Lincoln Hills Development Corporation

Provide Housing Choice Vouchers to provide income qualified households the ability to apply for rental assistance, as needed.

Ride Solution

Transportation offered as a low-cost fixed route and pre-scheduled point-to-point services

TRI-CAP

- Offers housing counseling education, credit counseling and financial literacy for potential homeownership as well as Individual Development Account education.
- Provides early childhood development via their Head Start Program
- Utility Assistance through the Energy Assistance Program

Challenges

❑ COMPROMISE

- Reduced allocation from initial application based on availability of credits

❑ TIMING

- Started construction in spring, ground conditions were not ideal, too wet, spent much of contingency hauling in good dirt

❑ SCHEDULE

- Construction starting in the spring of 2022 was at the height of material price increases, particularly for lumber. Duplex units require more lumber per unit than other multi-family housing types.

❑ BUDGET

- 21.4% Increase in construction related hard cost from inception to completion

Sources of Funds

- ❑ **IHCDA - \$660,553 allocation of 9% Low Income Housing Tax Credits**
 - **Syndicated by Merchants Capital**
- ❑ **FHLBI – Affordable Housing Program funds \$500,000**
- ❑ **IHCDA - Development Fund Loan \$400,000**
- ❑ **IHCDA - TCAP Loan \$500,000**
- ❑ **Old National Bank – Construction and Permanent Loans**
- ❑ **Developer – Deferred Fee**

EMMIE JUNE COVE TODAY

CONSTRUCTION COMPLETE

- First site completed in 15 months with 2nd site shortly after, just over original schedule despite construction weather and material delays

FULLY LEASED

- All 40 units leased in 4 months based on word of mouth

COMMUNITY BENEFIT

- First affordable housing development in Chandler Indiana

Special Thank You

- IHCDA
- FHLBI
- Old National Bank
- Merchants Capital
- Town of Chandler



Seymour
LOFTS



Panelist Bio



RYAN KELLY **VICE PRESIDENT, TAX CREDIT DEVELOPMENT**

Ryan Kelly, CPA, CGMA, joined TWG in 2017 and acts as the Vice President of Tax Credit Development. He oversees TWG's LIHTC development efforts and is responsible for sourcing new tax credit opportunities nationwide through building market relationships, networking, and his familiarity with market specific factors and state agency considerations.

TWG was recognized by Affordable Housing Finance in the Top 5 of Affordable Housing Developers in 2022.

Ryan belongs to the American Institute of Certified Public Accountants and served on the Indiana CPA Society Leadership Cabinet.

He graduated from Ball State University in 2005 earning his B.A. in Accounting. Ryan is active in his community and serves on various boards.

Project Summary

Strong Team

- City of Seymour
- Midwest Support Foundation
- Innovative Veterans Affairs Real Estate
- Centerstone
- First Farmers Bank & Trust
- CREA
- First Financial Bank
- IHEDA

Location

- Great location with incredible impact on community
- Improved infrastructure for connectivity - across from school
- Opportunity Zone
- Parks, schools, health care, transit, largest employers are less than a mile away
- Lease-up within two months

Capital Stack

- 9% LIHTC
- TCAP
- Permanent Loan
- Deferred Developer Fee
- AHP

Unit Mix

- 29 2-Bedroom
- 21 3-Bedroom
- 13 @ 30% AMI
- 12 @ 50% AMI
- 25 @ 60% AMI

Thank You to Our Partners

Midwest Support
Foundation

Seymour Housing
Authority

CREA

first[®]

first financial bank

ihcda   
Indiana Housing & Community Development Authority

 **FIRST FARMERS
BANK & TRUST**