Southeast Neighborhoods

Housing Strategic Plan

Summer 2021

SMITH SOLUTIONS

send
SOUTHEAST NEIGHBORHOOD DEVELOPMENT

This document was prepared in partnership with the staff and board of directors of Southeast Neighborhood Development.

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Executive Summary

Southeast Neighborhood Development (SEND) has entered era of growth and expansion. Under the direction of President Kelli Mirgeaux, SEND has expanded service delivery and staff, and set new goals for the organization's impact. Housing has always been at the core of SEND's mission since its founding in 1991, and that focus remains intact.

Expansion of housing development initiatives has been slow, but successful. SEND drafted a neighborhood strategy for the Norwood Neighborhood to leverage development happening at the Community Justice Center (CJC). In 2018, SEND restarted its new construction development program with an application to the City of Indianapolis Department of Metropolitan Development. The application was successful and SEND was awarded a 2019 contract to complete three new construction houses. SEND also received a 2021 allocation of HOME funds to further expand the Norwood housing strategy and has entered a partnership with UPHoldings Development to execute a supportive housing development.

Partnership will continue to be a critical component of SEND's housing program. They serve to increase reach, brand recognition, and credibility while providing a network. SEND is currently adding staff to accommodate work in-progress and build capacity to take on additional projects, but growth will take time. Partnerships provide an opportunity for hands-on learning, as well as the chance to build financial capacity through additional developer fees.

As the organization turns its focus from the Norwood Neighborhood, three census tracts of opportunity were revealed in this analysis: 355600, 355700, and 357300. In addition to being well-served by transit, near amenities, and close to the new investment at the Community Justice Center (CJC), acquisition prices are still attainable. However, that is changing quickly. Market conditions started to change with investor interest surrounding the CJC but gained momentum as the Covid crisis revealed a housing crisis. High market demand and historically low supply accelerated price increases across the country and were felt locally as well.

SEND is developing a long-term strategy and establishing a foundation to have a lasting impact on the availability of affordable housing on the southeast side. Programming will continue to expand alongside capacity. Board and staff leadership have the will to evaluate new and innovative ways to deliver housing, which will serve the organization well in a changing environment.

Introduction

Southeast Neighborhood Development (SEND) was founded in 1991 due to the merger of the Fountain Square & Fletcher Place Investment Corporation and the Fountain Square Church & Community Project. The new organization had the mission to rebuild affordable housing after the construction of Interstate 65 segmented neighborhoods and created pockets of isolation in the once-thriving area. Over time, SEND's mission has expanded to include economic development, public beautification, partnerships, and advocacy.

Still, housing remains core to the organization's mission. SEND holds 75 units of rental housing in its diverse portfolio. Unit types include single-family homes, cottage-style units, live-work townhomes, and traditional apartments. In addition, the organization recently brought property management services in-house, diversifying their business lines to include another potential revenue-generating activity.

Additionally, the organization has reinvested in new construction, single-family housing production focusing on the Norwood Neighborhood as part of a strategy to leverage investment associated with the Community Justice Center (CJC) campus. The CJC is the physical manifestation of a priority of the Criminal Justice Reform Task Force, which combines mental health, addiction services, and other social services with the functions of the criminal justice system to improve outcomes for those in the criminal justice system. This $590M investment is expected to result in significant spinoff development and transform the Twin Aire neighborhoods. The project is expected to be complete in 2022. Initial home sales in the Norwood neighborhood have been strong, and a second phase of construction is in progress.


SEND
Oil & Lube
Brakes
Tune-ups

Study Area

For this document, the Study Area is defined by the 16 census tracts bound by Washington Street to the north, Emerson Avenue to the east, Troy Avenue to the south, and Delaware Street and the White River to the west (see figure 1).

This geography is large and diverse, covering approximately 14 square miles and including more than 46,000 people. This presents several challenges, as the needs are as diverse as the population. It also covers many large and small neighborhoods and smaller sub-neighborhoods. While the City of Indianapolis GIS shows six large neighborhoods included in the study area, several sub-neighborhoods have their own identities and leadership. More detailed analysis will refer to the sub-neighborhood wherever possible.

Demographics

The study area had a population of 47,601 in 2019. This is largely unchanged from 2010 when the population was 47,114, but the population has not been stagnant. The population spiked in 2016 at 49,965 persons. The population is predominantly white (70.9%), with the second-largest population being black (14.6%) and the third-largest being Hispanic (11%). With 29.1% persons of color, the study area is more racially and ethnically diverse than the state overall (18.9% being per-

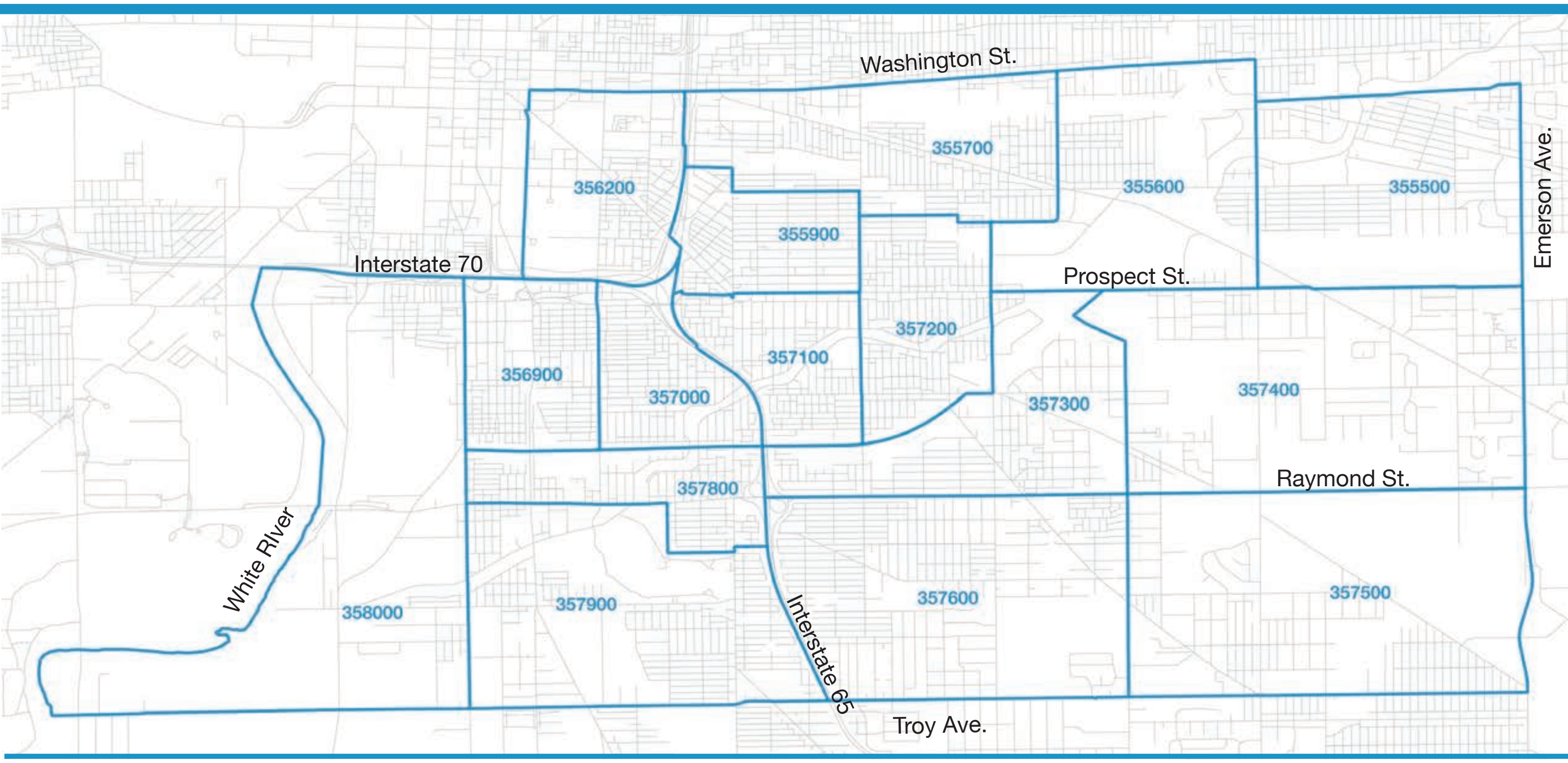


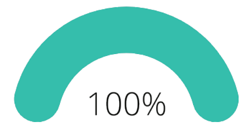
Figure 1: Study Area with 2010 census tracts labeled

sons of color) but is less diverse than Marion Co. (where 44.8% of people are persons of color). The average household includes 2.56 people, and within these households, 90.3% spoke only English. 6.8% of households in the study area spoke Spanish, slightly lower than Marion Co. (7%) but higher than the state (4.7%).

The population of the study area has a median age of 35.2 years. This is higher than Marion Co. (34) but lower than the state (38). In addition, 12% of the study area's population is over the age of 65, which is lower than the county (12.3%) and state (15.4%). Three census tracts have a higher concentration of seniors (persons over 65), which are 355700 (14.7%), 358000 (16.3%), and 357000 (17.8%).

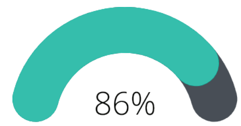
The median household income of the study area is $37,579. This is lower than both Marion Co. ($48,318) and the state ($56,303). However, there are census tracts with higher concentrations of wealth. For example, tract 356200 has a median household income of $76,471. Figure 2 illustrates the median household income in 2019 and labels the percent change from the median household income in 2010. You can see where income has risen significantly, in part due to new investment in the neighborhoods. Conversely, areas where the median income has fallen substantially, are also evident, especially along the northern boundary of the Study Area.

The median household income in the **State of Indiana** is



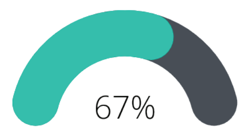
$56,303

The median household income in **Marion County** is



$48,316

The median household income in the **Study Area** is



$37,579

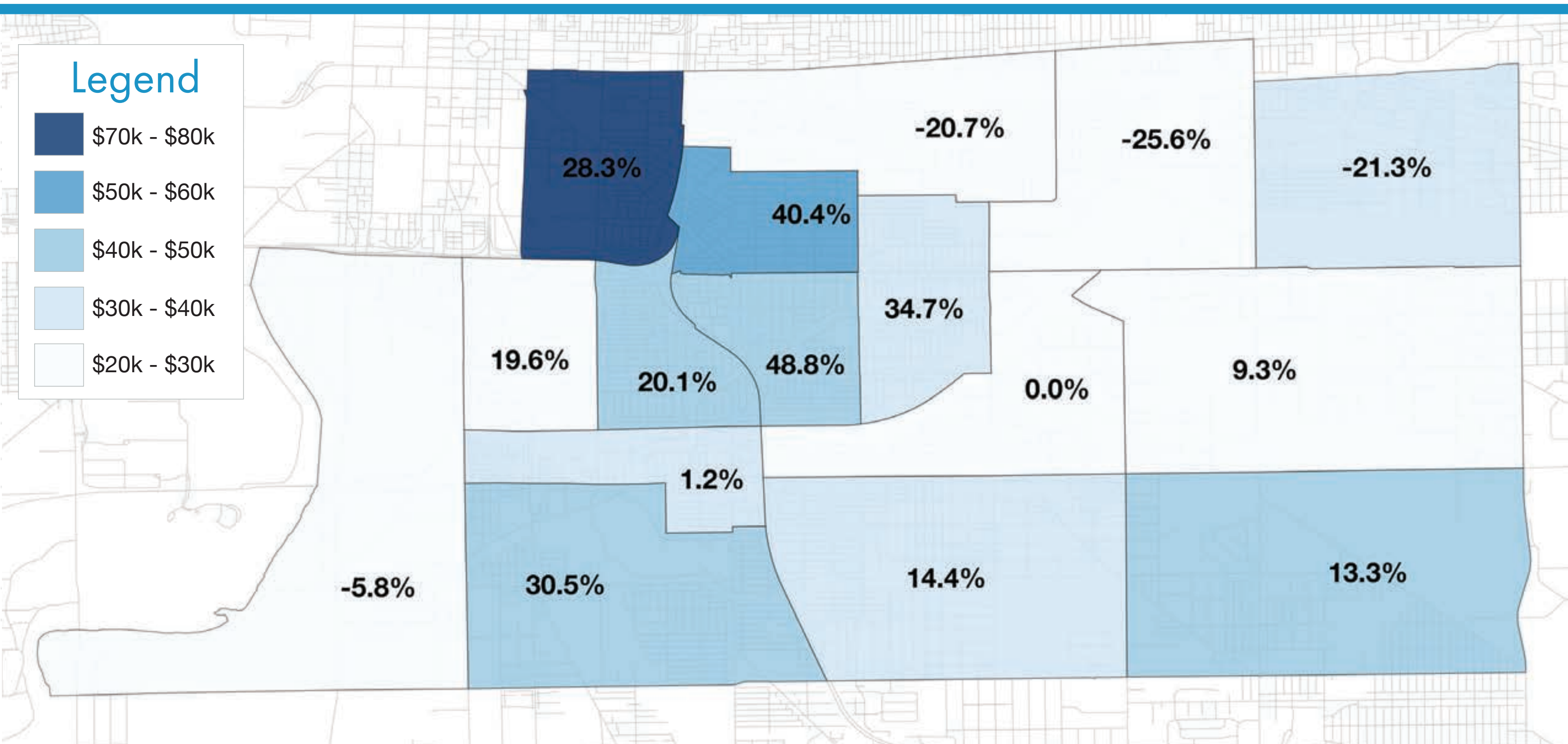
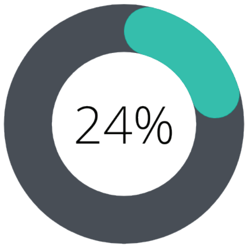


Figure 2: 2019 median income by census tract with % change in last decade labeled

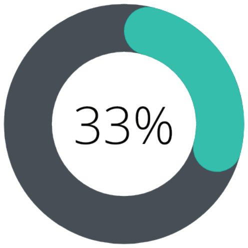
The Department of Housing and Urban Development (HUD) recommends that households not spend more than 30% of their income on housing. If adhering to this guideline, this means the median household in the Study Area should spend no more than $939 per month on housing. This number should include the cost of utilities, insurance, and taxes (if applicable). As such, 37% of households are housing cost burdened. This is higher than Marion Co. (33%) and the state (24.4%). Therefore, the HUD standard of 30% of household income spent on housing will be used throughout the housing needs assessment.

The Study Area also has a high number of residents relying on non-car transportation. In 2019, 8.7% of commuters to work relied on a transportation method that was not a car. This was significantly higher than Marion Co. (5%) and the state (4.5%). This high level of transit dependency is also reflected in its transit service density score. Published by IndyGo, this dataset measures the number of revenue miles driven each week per square mile of area. The number increased from 612.7 in 2016 to 1,048 in 2019. This increased score demonstrates that service has been expanded to meet demand by adding new routes, increasing the frequency, and adding extended hours to popular routes.

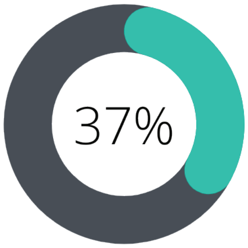
The percentage of households experiencing housing cost burden in the **State of Indiana** is



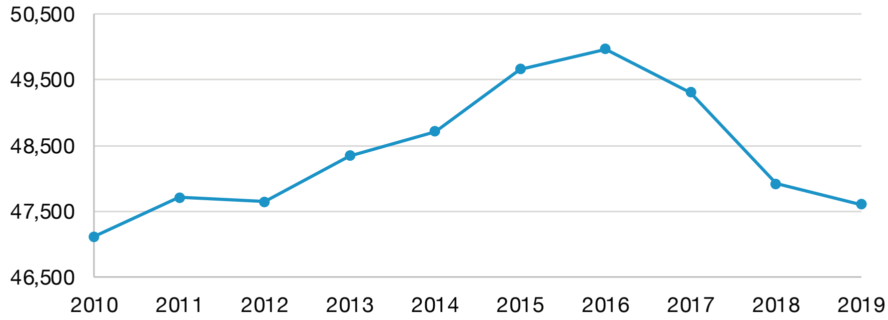
The percentage of households experiencing housing cost burden in **Marion County** is



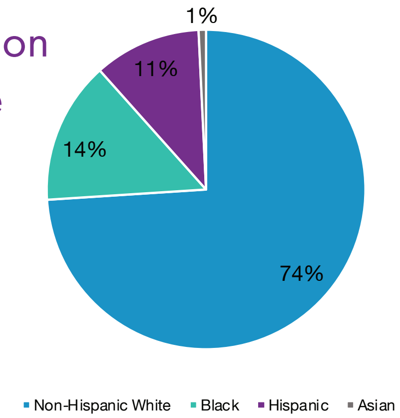
The percentage of households experiencing housing cost burden in the **Study Area** is



Total Population



Population by Race



Percentage without a High School Diploma

26%
Study Area

13.9%
Marion Co.

10.3%
Indiana

Needs Assessment

Of the approximately 17,364 households in the Study Area, around 6,425 are housing cost burdened. Reducing this number is in alignment with SEND's mission and is the focus of this plan. However, affordable housing takes a number of different forms. There are rental units, units for homeownership, single-family, townhomes, apartments, condominiums, tiny homes…the list goes on and new types are evolving. Additionally, delivering affordable housing to the population that needs it means understanding not only the demographics of the area, but the historic context that has created the conditions. The following will examine these three questions:

- Should focus be placed on rental or homeownership units?
- What form should the housing take?
- Who is the target market?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Ownership vs. Renting

There are benefits to both renting and homeownership. Renting requires much less capital upfront, usually simply a deposit and application fee. It is also flexible. A tenant can move at the end of a lease term with no penalty. Additionally, repairs are the responsibility of the landlord, shielding the tenant from significant expenses. However, a landlord can increase rent each year to the point where it is no longer affordable. Homeownership fixes most monthly housing costs in a mortgage, but is inflexible, has a high upfront cost (down payment), and owners risk high, one-time costs associated with extensive repairs. While homeownership can be a wealth-building vehicle over time, many owners invest more in their property than is realized in appreciation.

Anecdotally, the SEND Housing Committee felt more focus should be placed on affordable rental units, but 55.8% of residents living in the Study Area are homeowners. Therefore, to analyze the cost of renting vs. ownership in the Study Area, median gross rent and median selected monthly owner cost data from the 2015 American Community Survey were compared. These two data points were chosen because they both include a comprehensive look at all costs associated with housing. Gross rent consists of the rental payment and utilities paid by the tenant. Selected Monthly Owner Costs include principal, interest, taxes, insurance, secondary mortgage payments or home equity

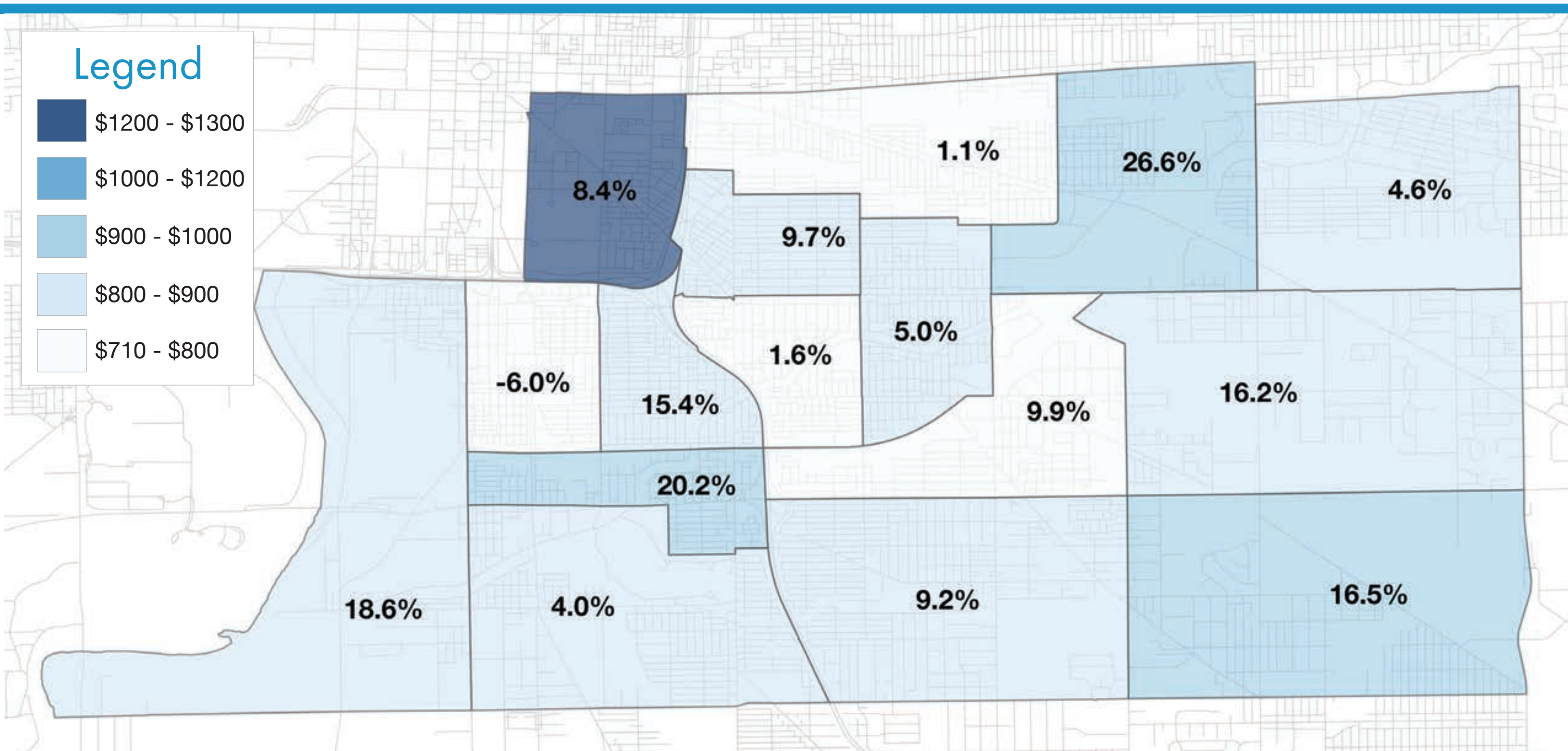
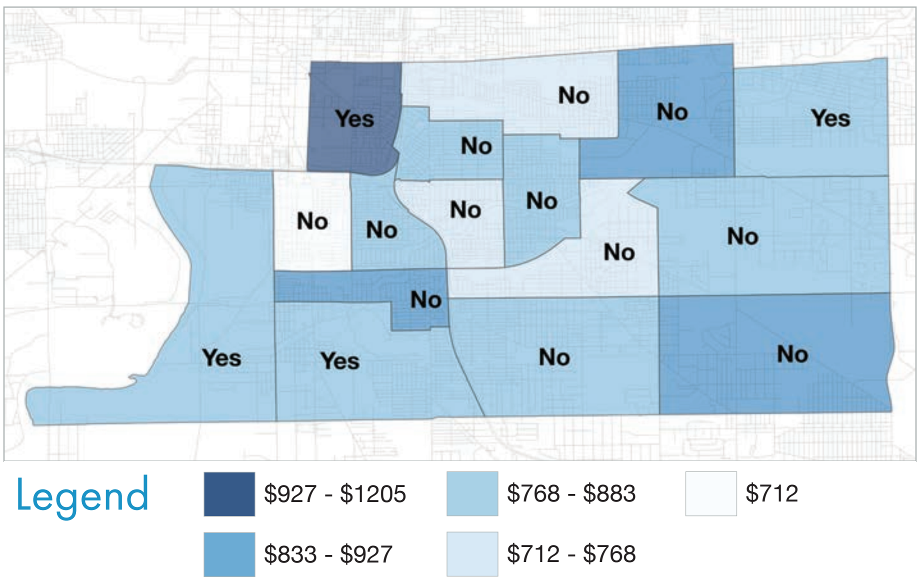


Figure 3: Cost of homeonwership in the study area by census tract, with the percentage increase from the cost of renting labeled. Note that in Tract 3569, it is 6% less expensive to own than to rent (2015 ACS).

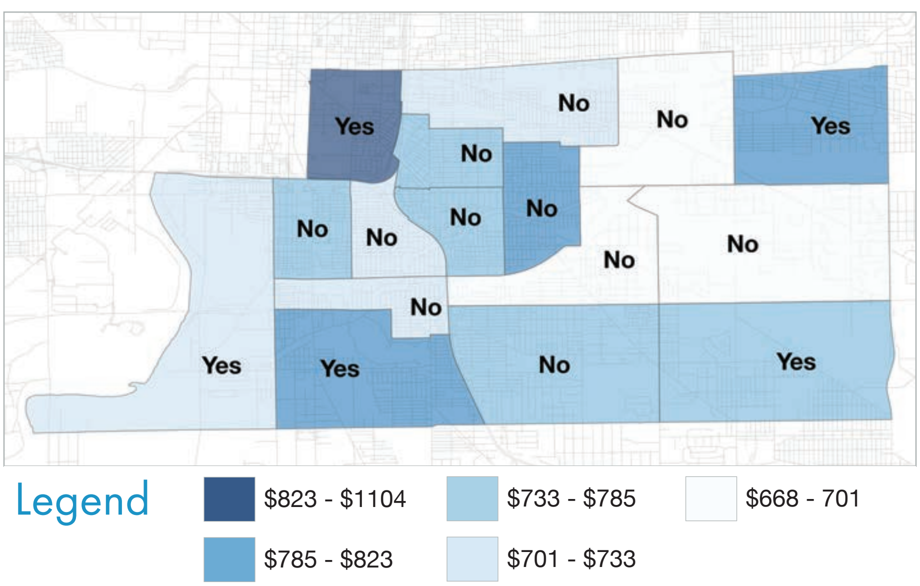
payments, condo fees, and utility costs. Figure 3 illustrates the cost of homeownership and the percentage increase from the cost of renting. In 2015, the median cost of homeownership was less than $1,000 in all census tracts except one (356200). Also notable was that the cost of ownership was within 10% of the cost of renting in 10 of 16 census tracts. In fact, in tract 356900, the cost of renting was higher than ownership. This indicates that a barrier to homeownership is not the monthly cost but attributable to other factors such as credit history or a lack of down payment and closing costs.

While this data helps compare the costs of renting vs. homeownership, the cost of housing has risen significantly since 2015. While the median monthly rent for the Study Area was $776 in 2015, it rose to $863 by 2019, increasing 10%. While more current data from the ACS is not yet available, all indicators point to the costs growing further.



Where is Homeownership Affordable for the Median Representative Household?

This figure illustrates the median cost to a homeowner in the census tract and indicates whether the mortgage and utilities are affordable to a tract resident with the median income. There are only four census tracts where the median household can afford the median cost of ownership.



Where is Renting Affordable for the Median Representative Household?

This figure illustrates the median total cost to rent by census tract and indicates whether the rent and utilities are affordable to a resident of the same census tract with the median income. There are only five census tracts where the median household can afford the median rent.

While large cities saw vacancy rise and rental rates fall for renters, small cities such as Indianapolis saw rents increase with the onset of the Covid-19 pandemic. Zillow reported Indianapolis saw a 4.8% annual increase in rent during the Covid-19 pandemic (Menton, 2020). Vacancy rates remained at near-record lows, bolstered in part by eviction moratoriums set to expire at the end of July 2021. This will likely trigger a high volume of eviction filings for tenants unable to catch up on back rent.

The for-sale housing market saw even more dramatic cost increases. In the first quarter of 2015, the S&P CoreLogic Case-Shiller Home Price Index (which reflects the national change in home prices) placed the Indianapolis Metro at a 90.8 on the index with an annual growth rate of 4.3%. By the first quarter of 2021, the Indianapolis metro was at 138.7 on the home price index, with an annual growth rate of 11.9% (Joint Center for Housing Studies, 2021). Still, the impact of mortgage forbearance has not yet been measured. CNBC reports that only 35% of US households that entered into a forbearance program remained in the program in March of 2021. However, those still in forbearance tended to be the most vulnerable, having lower credit scores and homes in lower-income neighborhoods where they are less likely to sell their home quickly to take advantage of increased property values and avoid foreclosure. In addition, they reported that 70% of those still in forbearance are not making payments, and researchers estimate that the worst-case jump in delinquency would go from the current .9% to 3.8%. While this is significant, it is lower than the delinquency rate of 2010 (the height of the recession), which was 6.3% (Leonhardt, 2021).

A successful affordable housing strategy will include a mixture of rental and homeownership opportunities. However, given the lower incomes in the study area and the quickly rising cost of homeownership, more focus should be placed on providing new rental opportunities. Where the cost of homeownership is within 10% of renting, matching potential homebuyers looking at existing housing stock with low-upfront cost mortgage products could provide a strategy to connect affordable buyers with existing homes.

Form

The southeast neighborhoods are home to various real estate types, ranging from mid-rise apartment buildings to smaller, low-density single-family homes. Additionally, the communities contain various lot configurations as originally platted, including 30’, 40’, and 50’ wide lots. This invites an opportunity to explore different forms of structure to more efficiently address housing needs.

The concept of “Missing Middle Housing,” coined and made popular by Daniel Parolek and his design firm Opticos Design, addresses form in the urban environment. He defines Missing Middle Housing as

"House scale buildings with multiple units in walkable neighborhoods." The movement challenges planners, developers, and the public to explore building types such as duplexes, fourplexes, cottage courts, and courtyard buildings that have been largely forgotten due to modern zoning code and its tendency to dictate single-family homes within neighborhoods. It also relies on walkability and access to multimodal transportation to create connection and vibrancy.

Figure 4: Illustration of the "Missing Middle" housing types (copyright Opticos Design, Inc.).

With the cost of land rising, density becomes an important tool to lower the cost of housing. First, however, it is imperative to match the form and scale of existing housing stock in neighborhoods with an existing character. The following are examples of housing types included in the "Missing Middle." Each has its ideal site configurations, which can help assemble property in specific neighborhoods and match the existing architecture.

Duplex: Side-by-side

Ideal Specifications	
Lot	
Width	50 feet
Depth	100 feet
Area	5,000 sq. ft.
	0.115 acres
Units	
Number of Units	2 units
Typical Unit Size	612 sq. ft.
Density	
Net Density	17 du/acre
Gross Density	12 du/acre
Parking	
Parking Ratio	2 per unit
On-street Spaces	2
Off-street Spaces	2
Setbacks	
Front	15 feet
Side	5 feet
Building	
Width	36 feet
Depth	34 feet
Height (to eave)	14 feet
Floors	1 story

Duplex: Stacked

Ideal Specifications	
Lot	
Width	35 feet
Depth	100 feet
Area	3,500 sq. ft.
	0.08 acres
Units	
Number of Units	2 units
Typical Unit Size	1,008 sq. ft.
Density	
Net Density	25 du/acre
Gross Density	18 du/acre
Parking	
Parking Ratio	1.5 per unit
On-street Spaces	1
Off-street Spaces	2
Setbacks	
Front	15 feet
Side	5 feet
Building	
Width	24 feet
Depth	42 feet
Height (to eave)	21 feet
Floors	2.5 stories

Triplex: Stacked

Ideal Specifications	
Lot	
Width	40 feet
Depth	105 feet
Area	4,200 sq. ft.
	0.096 acres
Units	
Number of Units	3 units
Typical Unit Size	1,008 sq. ft
Density	
Net Density	31 du/acre
Gross Density	23 du/acre
Parking	
Parking Ratio	1.67 per unit
On-street Spaces	2
Off-street Spaces	3
Setbacks	
Front	15 feet
Side	5 feet
Building	
Width	24 feet
Depth	42 feet
Height (to eave)	30 feet
Floors	3 stories

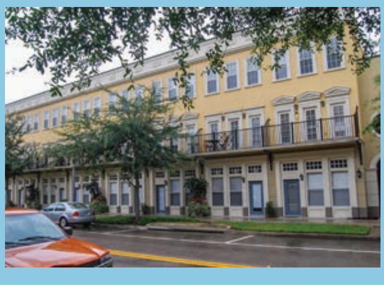
Fourplex: Stacked

Ideal Specifications	
Lot	
Width	50 feet
Depth	120 feet
Area	6,000 sq. ft.
	0.138 acres
Units	
Number of Units	4 units
Typical Unit Size	1,200 sq. ft
Density	
Net Density	29 du/acre
Gross Density	22 du/acre
Parking	
Parking Ratio	1.5 per unit
On-street Spaces	2
Off-street Spaces	4
Setbacks	
Front	15 feet
Side	5 feet
Building	
Width	40 feet
Depth	60 feet
Height (to eave)	21 feet
Floors	2 stories

Townhouse

Ideal Specifications	
Lot	
Width	25 feet
Depth	110 feet
Area	2,750 sq. ft.
	0.063 acres
Units	
Number of Units	1 unit
Typical Unit Size	1,750 sq. ft
Density	
Net Density	16 du/acre
Gross Density	12 du/acre
Parking	
Parking Ratio	3.0 per unit
On-street Spaces	1
Off-street Spaces	2
Setbacks	
Front	10 feet
Side	0 feet
Building	
Width	25 feet
Depth	35 feet
Height (to eave)	28 feet
Floors	2 stories

Live-Work



Ideal Specifications	
Lot	
Width	25 feet
Depth	120 feet
Area	3,000 sq. ft.
	0.069 acres
Units	
Number of Units	1 unit
Typical Unit Size	1,750 sq. ft
Density	
Net Density	15 du/acre
Gross Density	11 du/acre
Parking	
Parking Ratio	3.0 per unit
On-street Spaces	1
Off-street Spaces	2
Setbacks	
Front	10 feet
Side	0 feet
Building	
Width	25 feet
Depth	35 feet
Height (to eave)	38 feet
Floors	3 stories

It is important to note that financing for housing types considered "non-traditional" in the current market might be more difficult to obtain, as lenders and appraisers find it challenging to assess valuation with comparable sales. While this is less important if the units are held as rentals, smaller units and condominium structures are often conservatively valued as there are fewer in the market, meaning buyers will be able to finance less to maintain loan-to-value ratios desired by banks. This challenge can be overcome but should be considered early in a development strategy.

Cottage Court

Ideal Specifications	
Lot	
Width	110 feet
Depth	150 feet
Area	16,500 sq. ft.
	0.4 acres
Units	
Number of Units	8 units
Typical Unit Size	840 sq. ft.
Density	
Net Density	21 du/acre
Gross Density	16 du/acre
Parking	
Parking Ratio	1.625 per unit
On-street Spaces	5
Off-street Spaces	1 per unit max.
Setbacks	
Front	15 feet
Side	5 feet
Building	
Width	24 feet
Depth	35 feet
Height (to eave)	15 feet
Floors	1 story

Courtyard Building

Ideal Specifications	
Lot	
Width	85 feet
Depth	110 feet
Area	9,350 sq. ft.
	0.215 acres
Units	
Number of Units	6 units
Typical Unit Size	778 sq. ft
Density	
Net Density	28 du/acre
Gross Density	20.5 du/acre
Parking	
Parking Ratio	1.67 per unit
On-street Spaces	4
Off-street Spaces	6
Setbacks	
Front	15 feet
Side	5 feet
Building	
Width	67 feet
Depth	47 feet
Height (to eave)	22 feet
Floors	2 stories

Multiplex: Medium

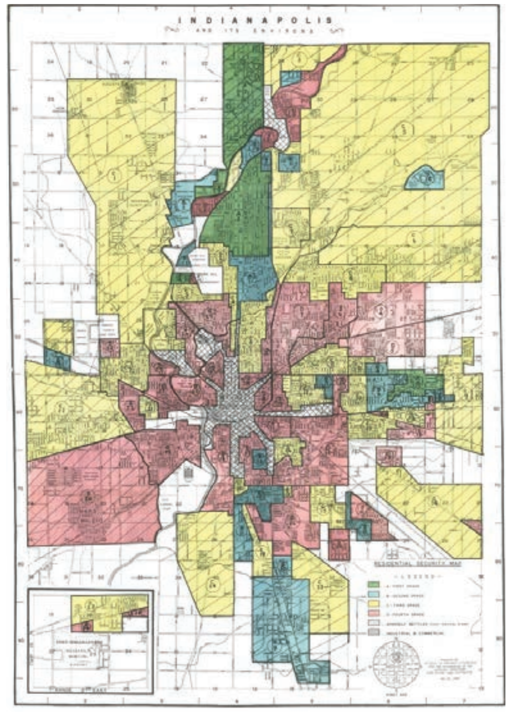
Ideal Specifications	
Lot	
Width	95 feet
Depth	115 feet
Area	10,925 sq. ft.
	0.251 acres
Units	
Number of Units	12 units
Typical Unit Size	765 sq. ft
Density	
Net Density	48 du/acre
Gross Density	35 du/acre
Parking	
Parking Ratio	1.08 per unit
On-street Spaces	4
Off-street Spaces	9
Setbacks	
Front	15 feet
Side	5 feet
Building	
Width	75 feet
Depth	65 feet
Height (to eave)	28 feet
Floors	2.5 stories

Target Market

While the demographic analysis outlines the need for more affordable housing, we must also be aware of the history of disinvestment on the southeast side. In the 1930s, the Home Owner's Loan Corporation (HOLC) classified the risk of neighborhoods in US cities to help the federal government offer balanced financing to homeowners after the Great Depression. The data was then mapped into four classifications: A, B, C, and D. Class D properties were denoted in red and labeled as high risk, beginning the process now referred to as redlining. A significant factor in the analysis was the race of the neighborhood population.

Not only did the practice make obtaining financing for housing in these areas difficult in the past, but it also has created long-term implications for the residents of these communities. For example, the Journal of Public and Environmental Affairs analyzed historically redlined neighborhoods with less tree cover, higher intensity development, more environmentally impacted sites (brownfields and superfund sites), and more miles of interstate highway (Moxley & Fischer, 2020).

Redlined properties were concentrated on the south side of the city. When the districts are overlayed onto a modern street map, it is clear that except for near-downtown development, properties in historically redlined neighborhoods are still below the median value for the county (see figure 5). When evaluating the median monthly mortgage cost of households in the Study Area, almost all are less than the median for Marion County ($1,169). This has impacted the ability of persons of color to secure stable housing and build wealth. 44.8% of Marion County's population are persons of color, and 29.1% of the Study Area are persons of color. Even now, when we evaluate the Study Area, three of the top five tracts with the highest percentage of persons of color align with the lowest mortgage approval rates (see figure 6). Additionally, lending discrimination is one of many factors that kept persons of color from purchasing real estate. The same analysis, when applied to the percentage of renters, also shows that three of the five tracts with the highest rate of persons of color align with tracts that



Indianapolis HOLC valuations map published in 1937. Areas in red were labeled "Class D" and considered "hazardous."

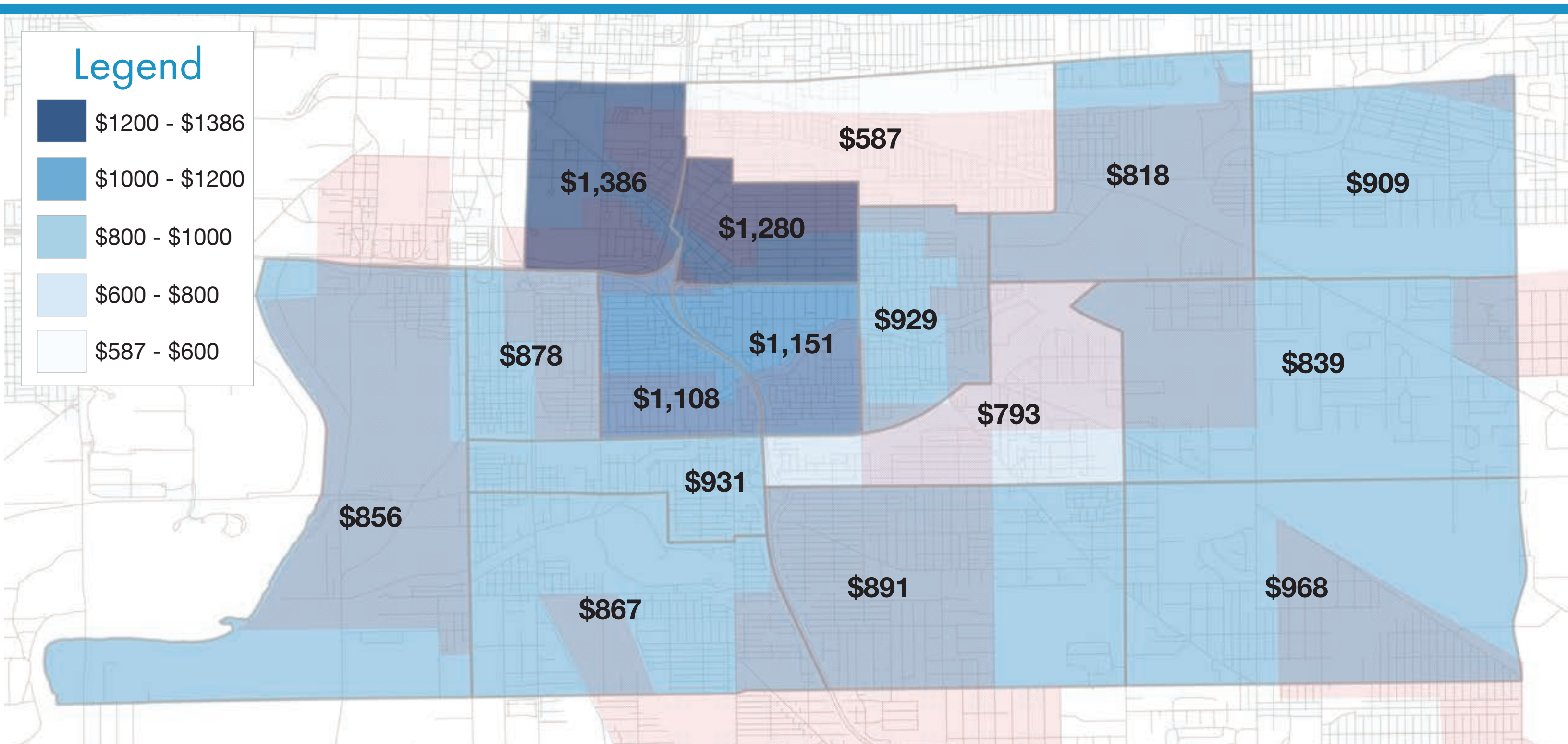


Figure 5: Illustrates the median monthly mortgage cost by census tract (labeled) with historically redlined areas projected over. With the exception of near downtown investment in the northwest corner, the longterm impact of redlining is visible. The median mortgage in Marion Co. is $1,169 (2019 ACS).

have the most renters (see figure 6).

Given the history of racist lending practices, equity must be at the center of SEND's housing strategy. This begins with a marketing strategy and robust implementation of a Fair Housing Marketing Plan. Within the multifamily portfolio, internal screening policies and procedures should be audited through the lens of anti-racism. For example, do tenant screening metrics disproportionately impact persons of color? In addition, frontline staff should be current on Fair Housing training. SEND should also consider implicit bias training for leasing agents, as many examples of housing discrimination occur during a first visit and application.

On the for-sale housing side, SEND must work to income qualify a household quickly. Once eligibility is determined, the household must prequalify for a mortgage. SEND should develop relationships with a portfolio of lenders and familiarize themselves with their varying mortgage products and terms. If a household cannot prequalify due to their credit, a direct referral to partner organization Southeast Community Services for assistance should be the next step in the intake process. The intent is to overcome barriers that would have traditionally stood in the way for prospective homeowners by utilizing all available tools.

Tract	Percentage Persons of Color	Percentage Mortgage Loans Originated from Application
358000	26.2%	67.0%
355500	25.6%	75.0%
355600	43.8%	37.5%
355700	24.9%	81.0%
355900	17.3%	71.7%
356200	45.4%	69.7%
356900	22.4%	70.2%
357000	11.9%	64.4%
357100	25.7%	72.4%
357200	21.5%	72.5%
357300	42.6%	85.0%
357400	43.0%	58.0%
357500	12.3%	76.1%
357600	34.2%	70.2%
357800	12.5%	77.8%
357900	28.6%	73.0%

Figure 6: This table highlights the 5 census tracts with the highest % persons of color and the lowest rates of mortgage origination. Three of the top 5 align.

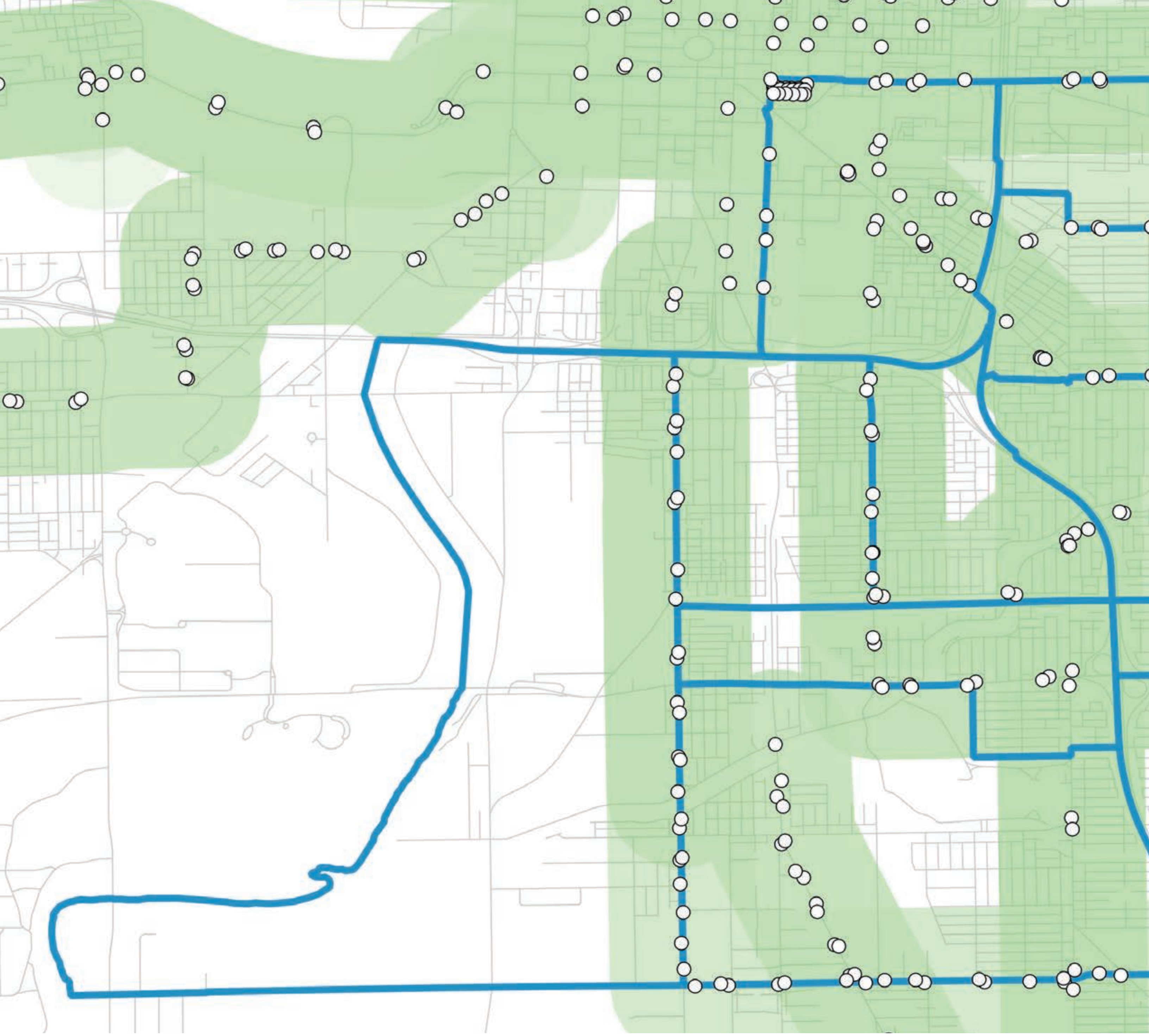
Tract	Percentage Persons of Color	Percentage Renters
358000	26.2%	43.2%
355500	25.6%	41.3%
355600	43.8%	55.5%
355700	24.9%	61.4%
355900	17.3%	44.6%
356200	45.4%	67.6%
356900	22.4%	56.4%
357000	11.9%	43.4%
357100	25.7%	42.0%
357200	21.5%	47.6%
357300	42.6%	63.8%
357400	43.0%	55.4%
357500	12.3%	19.7%
357600	34.2%	50.2%
357800	12.5%	49.6%
357900	28.6%	38.7%

Figure 7: This table highlights the 5 census tracts with the highest % persons of color and the highest percentage of renters. Three of the top 5 align.

Implementation Plan

Many factors can be used to determine the best location for new housing investment. When focusing on affordable housing, access to transportation, employment, and other resources are essential. The focus should also be placed on proximity to amenities such as parks. Existing land use also plays a role, as housing near heavy industrial land uses is not desirable. It is also important to include economic factors into the decision-making matrix, as access to subsidy is limited and not guaranteed. Thus, identifying areas of high opportunity becomes critical.

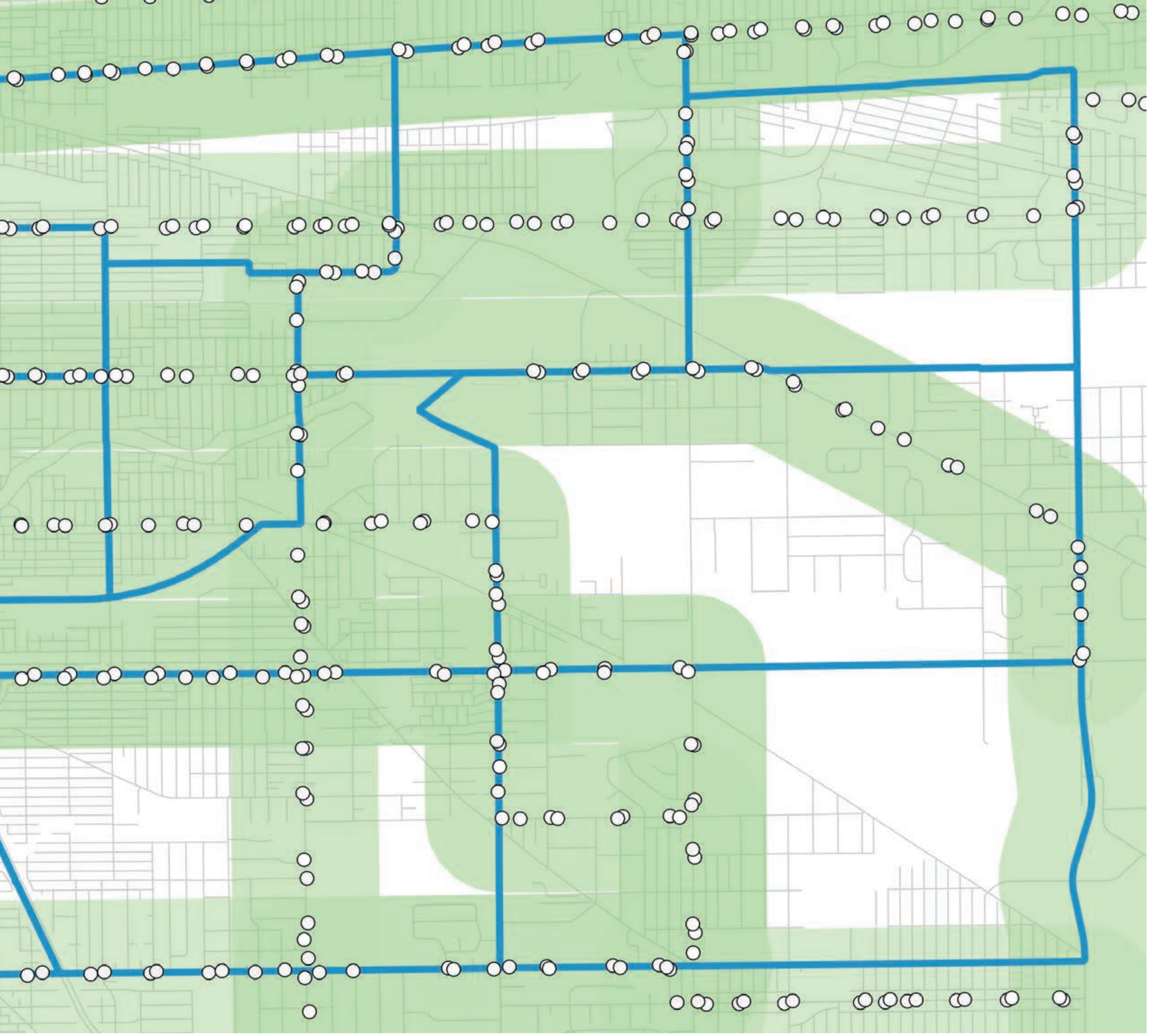
The following pages will examine several factors that should be considered when selecting a neighborhood for targeted investment. These will be mapped individually and then overlayed to determine high opportunity areas for single- and multifamily development.



Transportation Infrastructure

Reliable transportation can unlock entrée to the rest of the city, making it possible to seek and dependably get to jobs and provide access to household shopping in neighborhoods with limited availability. The southeast side is fortunate to have many IndyGo routes running through the Study Area. The Federal Highway Administration reports that most people are willing to walk 1/4 - 1/2 mile to reach a transit stop (Pedestrians and Transit - Safety | Federal Highway Administration, n.d.). This translates to a 5 – 10-minute walk (respectively). The figure above illustrates a ¼ mile radius around all transit stops, masking areas with adequate transit coverage.

This analysis shows significant areas south and east of Garfield Park with substantial housing development without easy access to transit and the area north of the railroad in the Near Southeast neighborhood. There are also narrow bands that lack coverage in the Christian Park neighborhood and a small area south of the I-70 and I-65 split in the Bates Hendricks neighborhood.

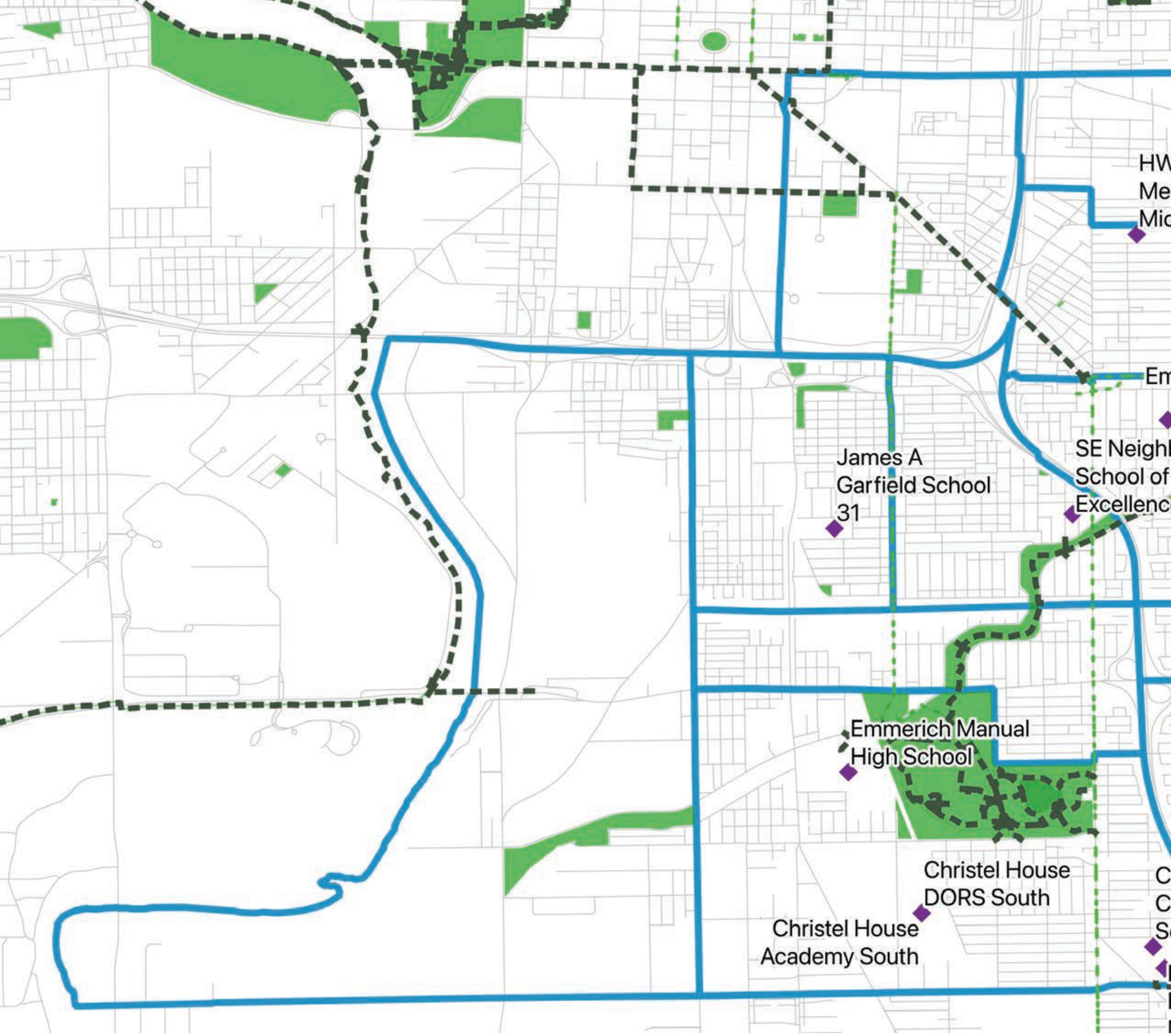


Legend

Census tract boundary

1/4 mi walkshed

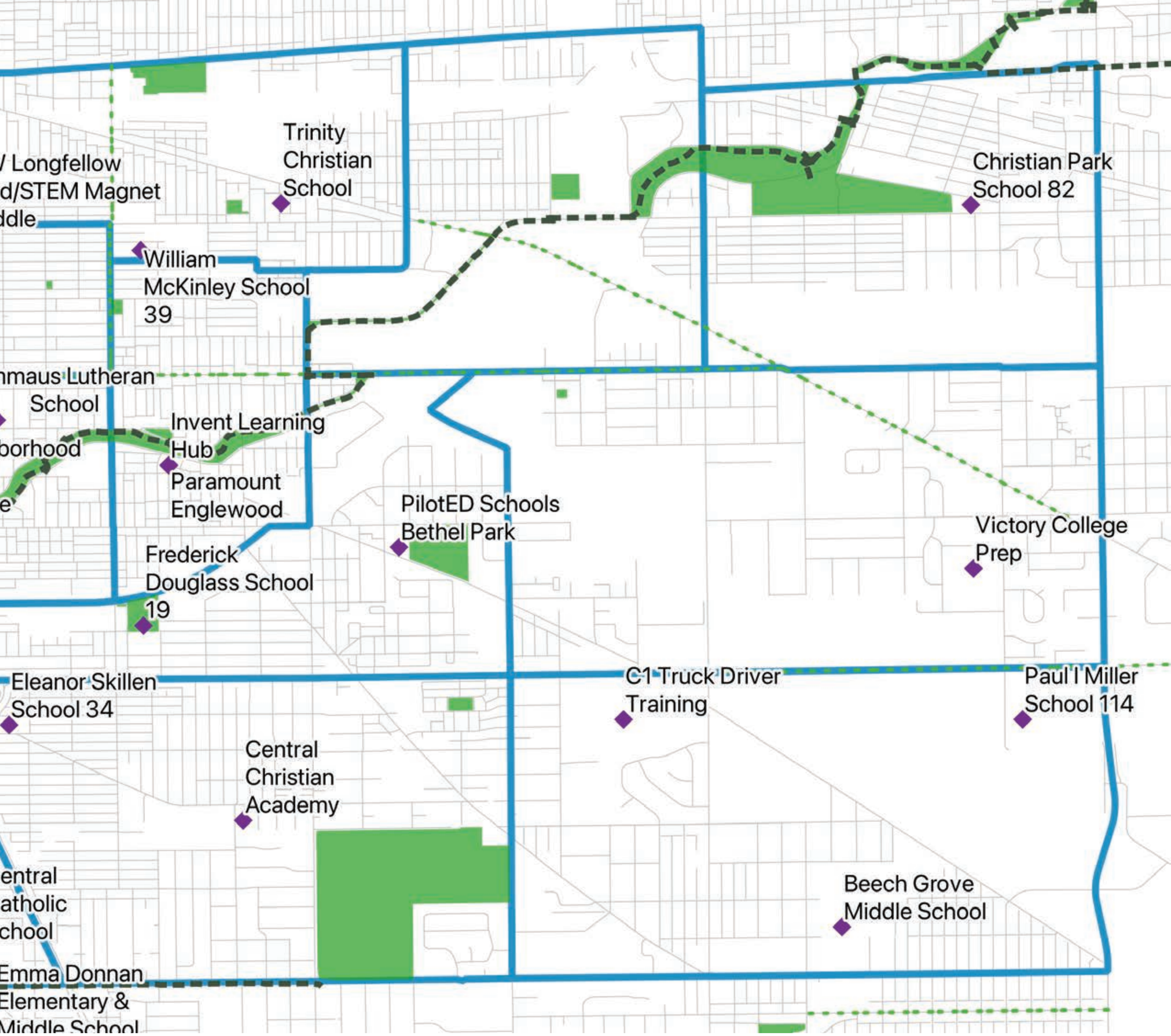
IndyGo bus stop



Access to Amenities

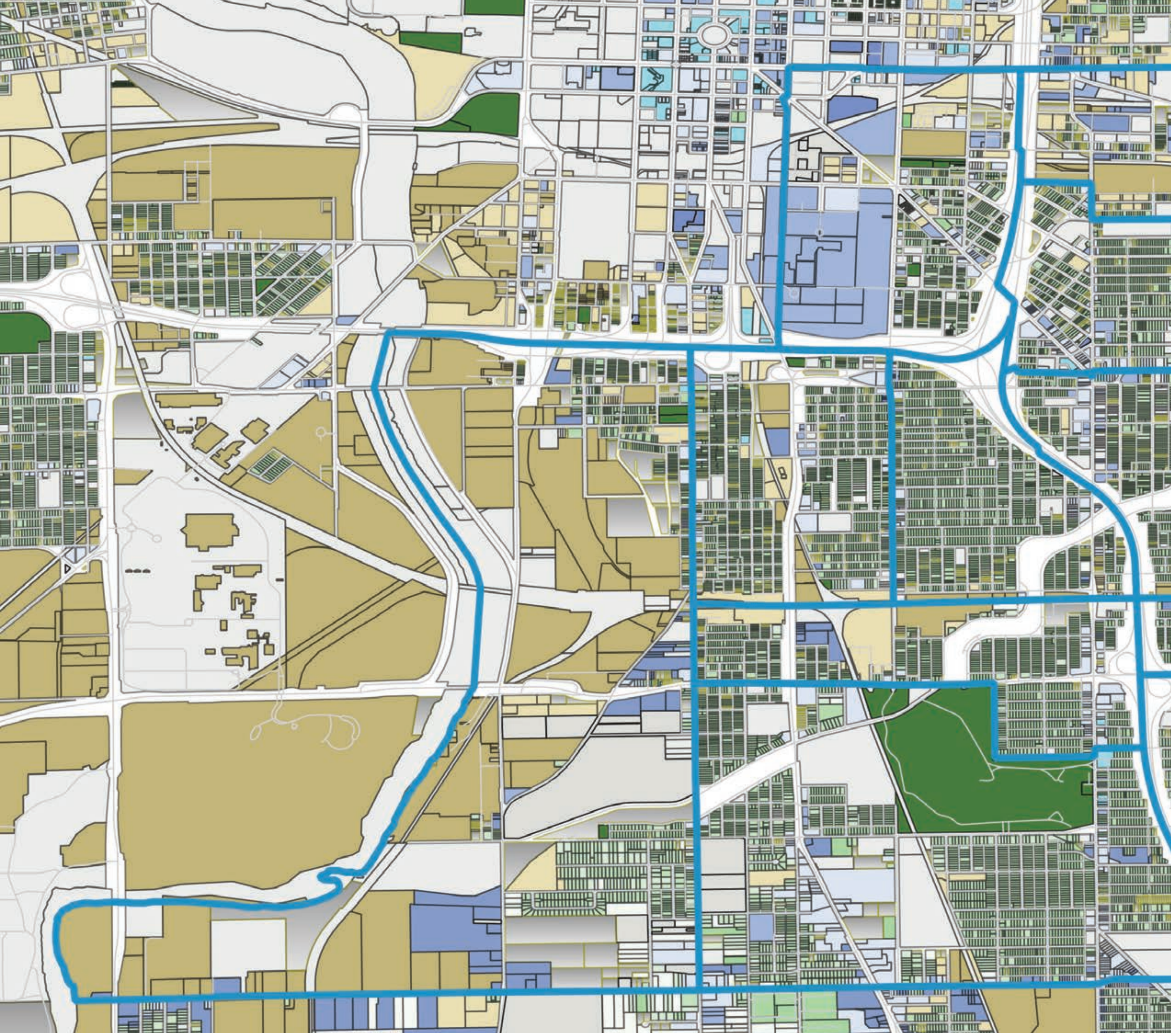
Amenities create community and provide opportunities for neighbors to socialize and engage. While proximity to schools is important to families with children, parks and trails provide benefits to all. For example, the City Parks Alliance (Wagoner, n.d.) reports that parks encourage active lifestyles and reduce healthcare costs, strengthen local economies and create job opportunities, make cities more resilient by managing stormwater and mitigating flooding, increase community engagement, help clean the air and improve public health, and can become a tool for achieving equity goals. Further, the presence of trails and bike lanes provides better connectivity through multimodal transportation.

This analysis shows a strong network of parks at all scales. However, there is a notable lack of park space in the far southeast quadrant. Bike lane infrastructure is present but limited, and expansion of this network should be continually supported.


/ Longfellow
d/STEM Magnet
ddle
Trinity
Christian
School
Christian Park
School 82
William
McKinley School
39
nmaus Lutheran
School
Invent Learning
Hub
borhood
Paramount
Englewood
PilotED Schools
Bethel Park
Victory College
Prep
Frederick
Douglass School
19
Eleanor Skillen
School 34
C1 Truck Driver
Training
Paul I Miller
School 114
Central
Christian
Academy
entral
atholic
chool
Beech Grove
Middle School
Emma Donnan
Elementary &
Middle School

Legend

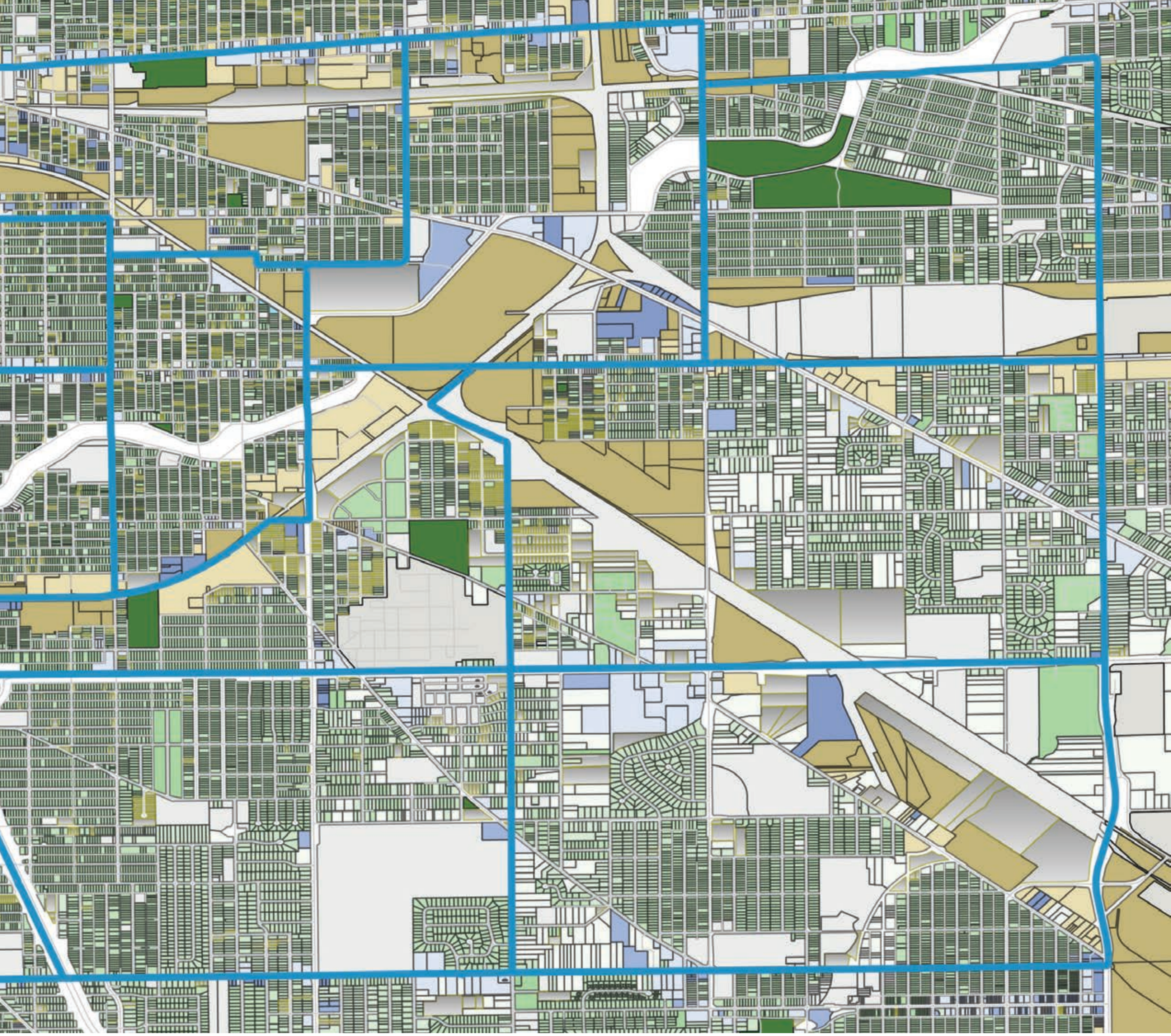
Census tract boundary
Trails
Bike Lanes
School
Park



Land Use

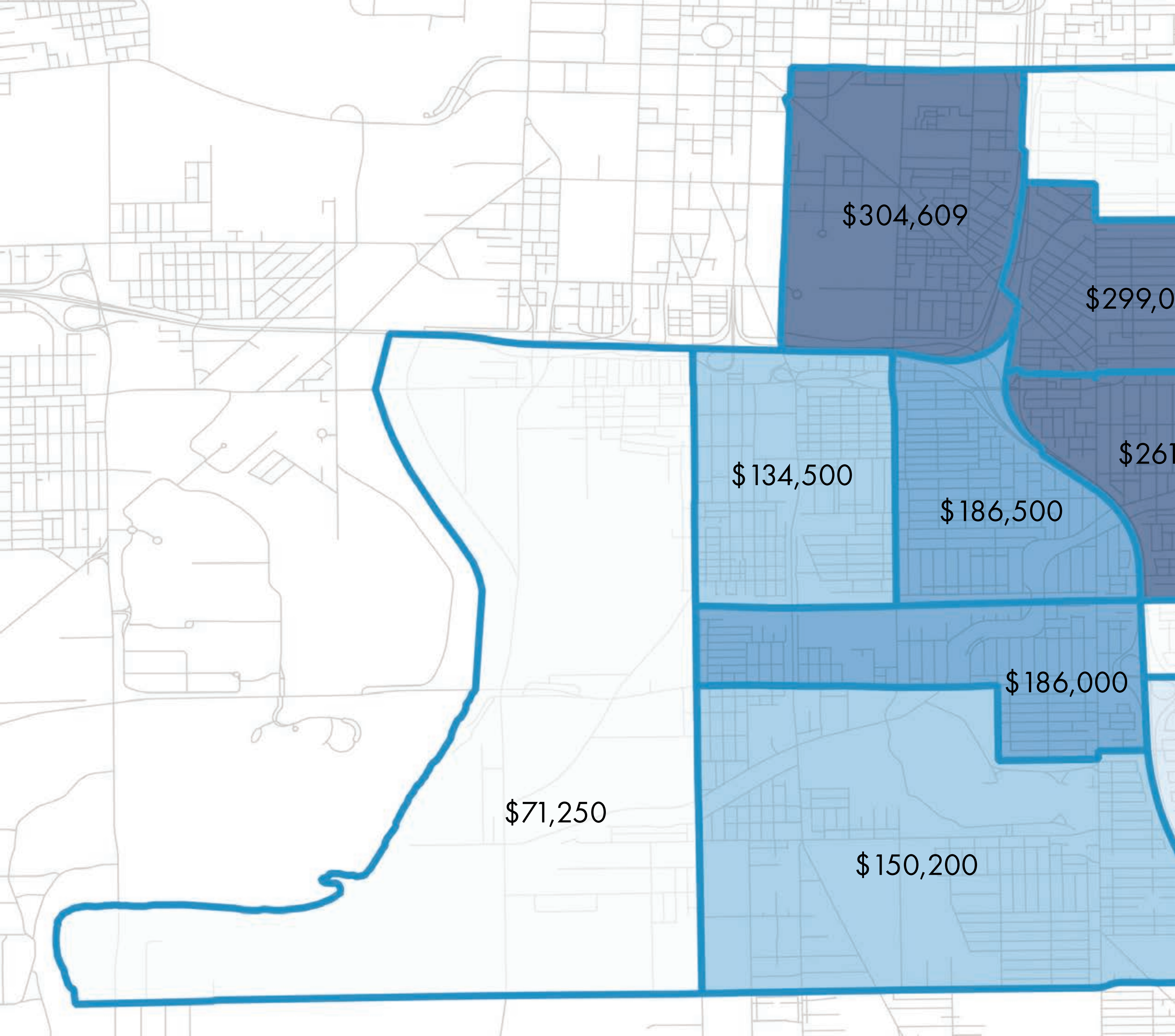
Surrounding land use plays a significant role in selecting a neighborhood. Intense industrial land uses negatively impact property values and quality of life, while park space and educational institutions can increase both. Communities for targeted investment should consider surrounding land uses.

A snapshot of current land use reveals a significant industrial land use on the far west side of the Study Area, an industrial corridor along the north (near Washington Street), and bands of industrial use surrounding existing rail lines. Pockets of commercial use are sparse and at a lower intensity, typical of neighborhood scale. Park land is in a deep green, and residential development is shown in shades of lighter green.



Legend

- Census tract boundary
- Park
- Other Use
- Commercial Use
- Industrial Use
- Residential Use

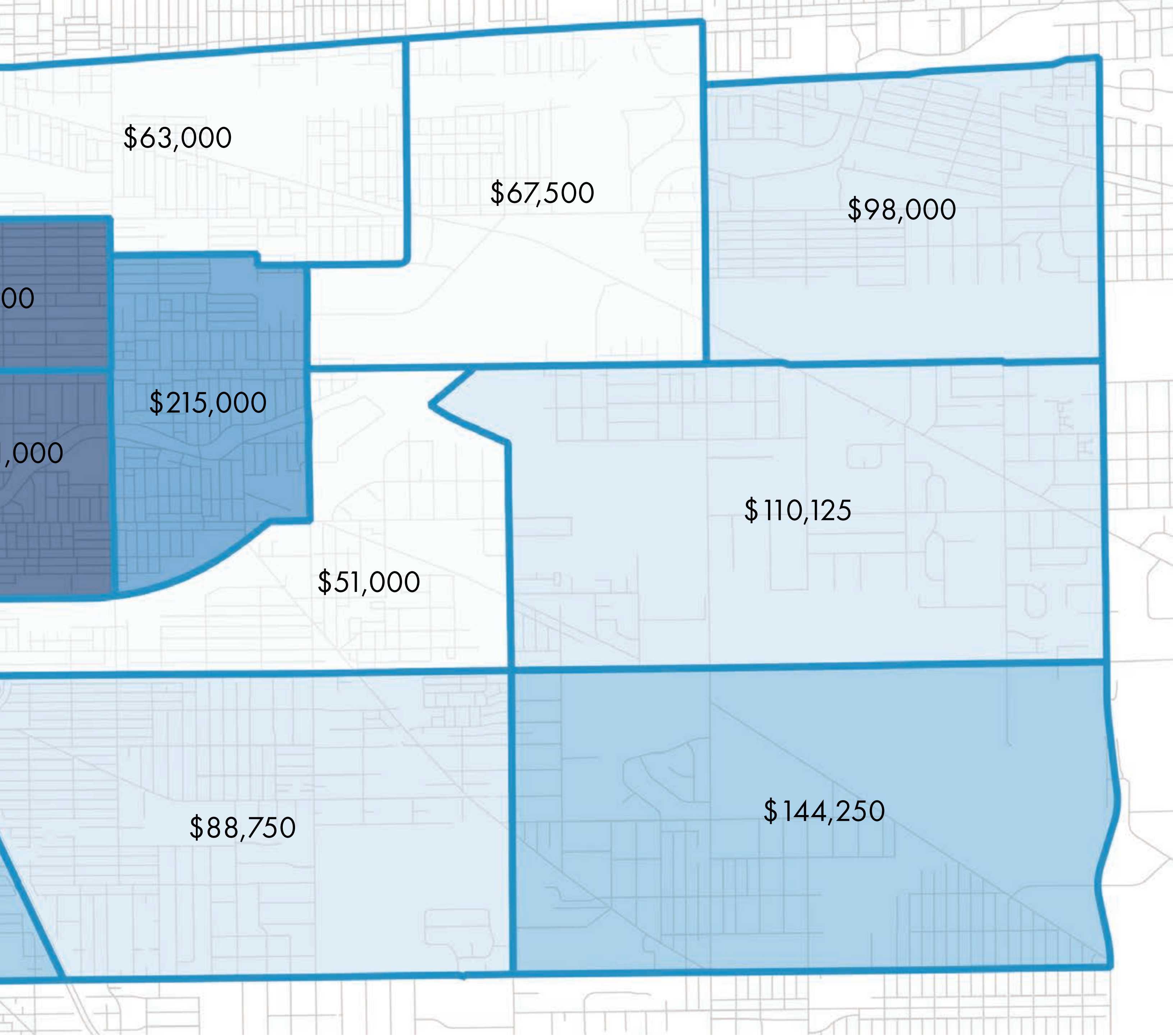


Property Values

Developers of affordable housing need to be good stewards of limited resources. While gap funding exists, it is a finite resource that should be deployed thoughtfully. For example, to identify a neighborhood for strategic investment, lower acquisition costs can help offset higher construction and rehabilitation costs. However, the intent is to identify a community of opportunity, not an undesirable location.

Real estate prices have been rising steadily in recent years but accelerated quickly, with Covid-19 impacting supply. Homeowners that may have considered relocating did not list their homes due to economic uncertainty or fears of having an open house in a potentially unsafe environment. In addition, new construction slowed due to backups in the supply chain and the inability to get products and materials, further reducing housing supply.

The sample sales data from the MLS, 2020 median home sale prices varied greatly by census tract, ranging from $51,000 to $304,609. The near-downtown property continues to appreciate rapidly, with other neighborhoods remaining affordable.



Legend

Census tract boundary	$150,201 - $215,000	$71,251 - $110,125
$215,001 - $304,609	$110,126 - $150,200	$51,000 - $71,250

Evaluating Opportunity

A weighted analysis was performed to identify high-opportunity reas for focused investment considering each census tract's access to transportation, amenities present, land use mix, and real estate. First, each census tract was given a score of 1-3 in each category. Then these scores were weighted by a multiplier to determine a final score. Categories were scored as follows:

Transportation
- **3:** Nearly 100% of the area is within a ¼ mi. of a transit stop.
- **2:** Good transit coverage for most residential area.
- **1:** Areas of residential development lack transit coverage.

Amenities
- **3:** Excellent access to amenities, including a large, ameni ty-rich park
- **2:** Good access to amenities, including both parks and schools.
- **1:** Only scattered amenities.

Land Use
- **3:** Low levels of industrial property.
- **2:** Some industrial development present with a high presence of residential land use.
- **1:** High incidence of industrial development.

Property Values
- **3:** Median real estate value is affordable with the lowest prices.
- **2:** Median real estate value is higher.
- **1:** Median real estate values are the highest in the study area.

TRACT	Transport. (1.5)	Amenities	Land Use (1.5)	Prop. Values (2)	Score
358000	1	1	1	3	10
355500	2.5	3	2	2	13.75
355600	2.5	2	1	3	13.25
355700	3	2	1	3	14
355900	3	2	3	1	13
356200	3	2	3	1	13
356900	2.5	2	2	2	12.75
357000	2.5	2	3	1	12.25
357100	3	2	3	1	13
357200	3	2	2	1	11.5
357300	3	2	2	3	15.5
357400	1.5	1	1	2	8.75
357500	2	1	2	2	11
357600	1.5	2	3	2	12.75
357800	2.5	2	2	1	10.75
357900	2	3	3	2	14.5

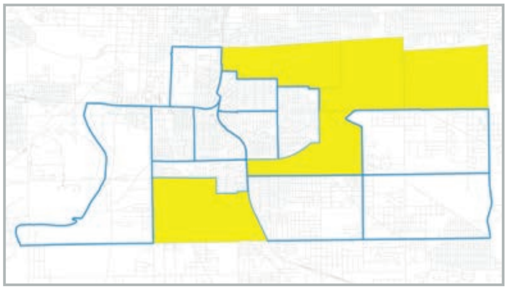


Figure 8: Top five highest weighted scores by census tract highlighted in blue above and displayed at right in yellow.

Multipliers were then applied based on priority. For example, a 1.5 multiplier was applied to the transportation score because transportation provides access to economic opportunities for those with transportation constraints. The same multiplier was also applied to land use scores because the high prevalence of industrial property not only means less residential property is available for assembly, but industrial uses often negatively impact the value of surrounding property. Finally, a multiplier of 2 was placed on the price of real estate. This was given the most "weight" in the score because affordable real estate is paramount to a strategic, at-scale property assembly effort. To see a summary of scores, see figure 8.

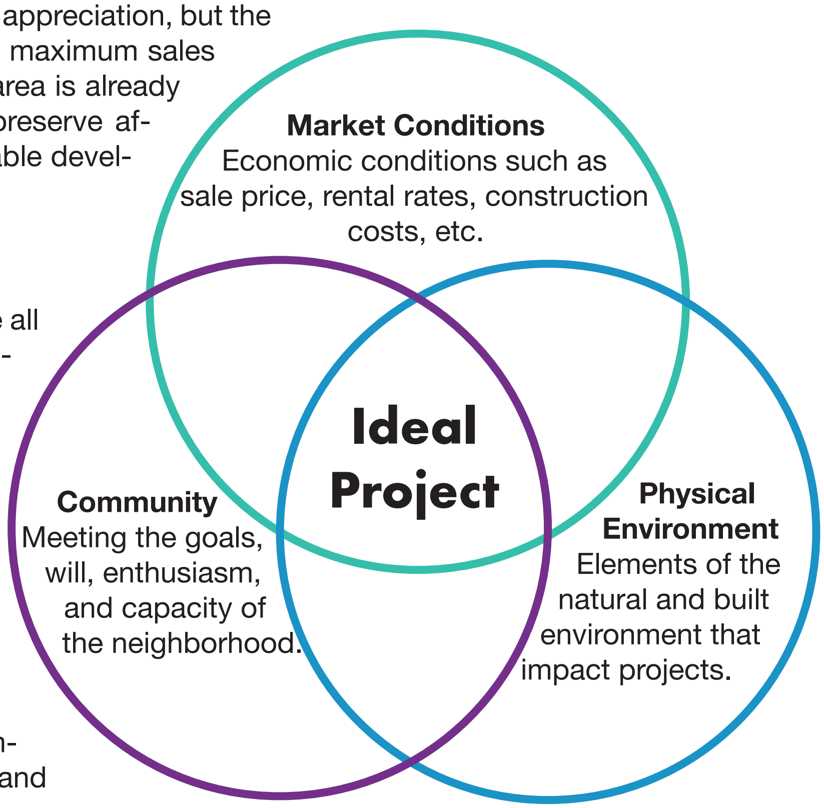
The top 5 scoring census tracts were highlighted, then compared to the affordability analysis presented earlier to further narrow: could the median income of that census tract afford the median cost of housing (see page 10)? In tracts 355500 and 357900, the median household income could afford the median housing price, so those two census tracts were eliminated.

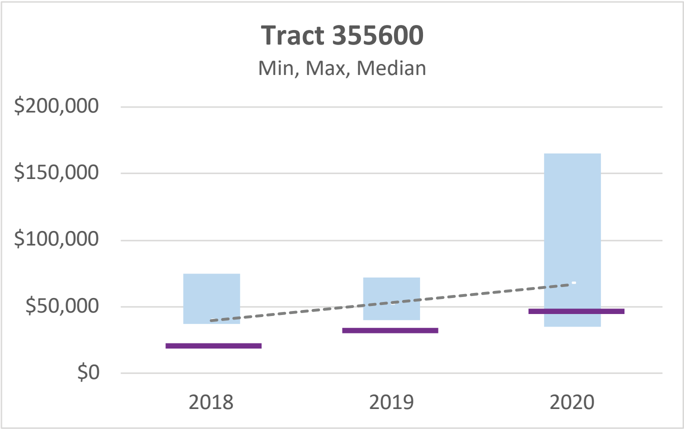
Verify Viability

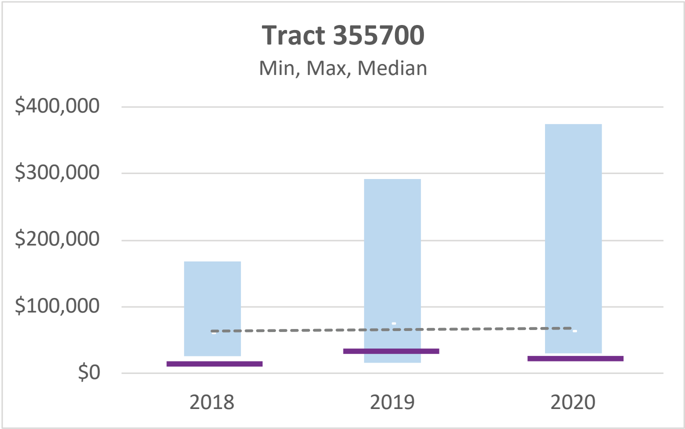
While the scores were used to identify areas that balanced access to transit and amenities while considering the price and land use, an additional analysis was completed to determine whether the three selected census tracts were viable. Sample MLS sales data from 2018, 2019, and 2020 was charted to show the minimum sale price, maximum sale price, and median sales price for each year, then a trend line was added. Each neighborhood is showing appreciation, but the median sales price is still low compared to the maximum sales price of the tract. This is an indicator that the area is already seeing investment. The action of SEND can preserve affordability before market activity makes affordable development more difficult.

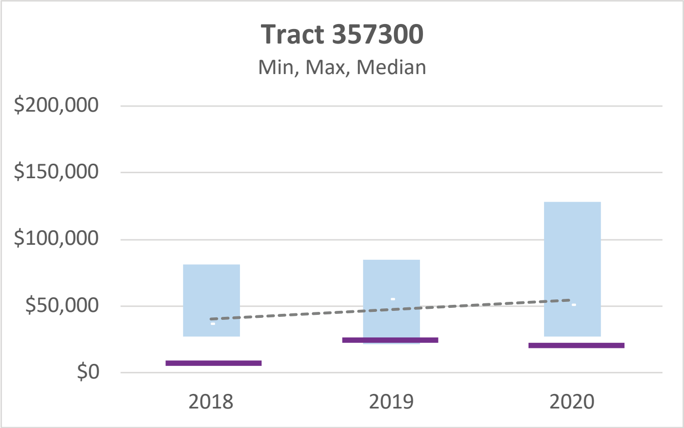
Recommendation

Census tracts 355600, 355700, and 357300 are all well-served by transit, provide access to amenities, and have significant pockets of residential neighborhoods that can be more cost-effectively acquired. These are also adjacent to the Community Justice Campus investment, which will lead to additional spinoff economic development. Thus, there is evidence that investor activity and action now can preserve affordability into the future. However, a successful project requires three things to align: market conditions, the physical environment, and the goals and priorities of the community. The analysis indicates that the market and









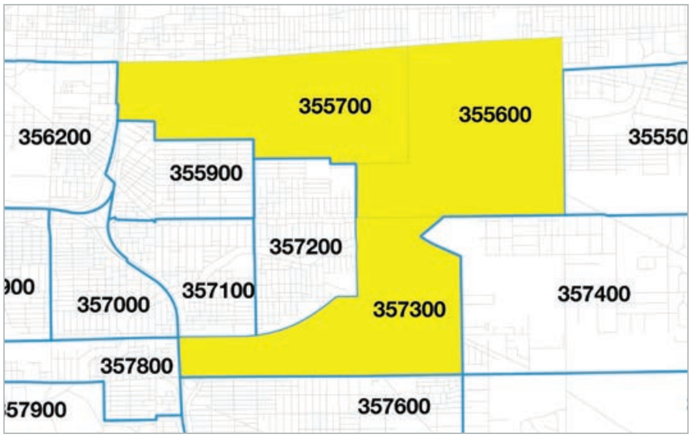


Figure 9: Minimum, maximum, and median sales price data for the three high-opportunity census tracts, with trend lines included. Please note that the Y axis of Tract 355700 spans from $0 to $400,000, while the other two tracts span from $0 to $200,000.

physical environment align, but the residents of the neighborhoods need to be active participants in the process. Does new or rehabilitated housing meet their community goals? The answer to this question may further narrow the geographies.

Additionally, as properties within the focus area are identified, evaluate each to determine an opportunity to employ housing models identified in the "Missing Middle Housing" forms. Finally, particularly along main thoroughfares and transit corridors, opportunities to increase density should be weighed.

Evaluating Other Opportunities

Even after selecting an area of focus, other opportunities may arise for cost-effective acquisition of property. For example, if a parcel of land could be affordably acquired in an area with very little affordable housing availability. Those opportunities should be evaluated based on the capacity of SEND at the time:

- Can the property be acquired and held with available cash?
- With current programmatic workload, can staff resources accommodate an additional project?

Multifamily Development Opportunities

Partnerships will be critical to SEND adding rental units into its portfolio. As organization capacity develops, SEND would benefit from a network of multifamily development partners and focused time to develop relationships with property owners in targeted areas. When functioning well, SEND will be able to identify an opportunity property and match it with the priorities of a developer partner.

Several developers have active projects in the SEND catchment area. For example, UPholdings is already in partnership with SEND to complete a supportive housing project. In addition, stakeholder interviews revealed that Crestline sought an affordable development opportunity in the Old Southside. Networking with these and other developers with experience in affordable housing development will avail joint development opportunities without tying up limited property acquisition resources. It also provides the opportunity to learn the process and regulatory environment from an experienced practitioner.

Larger scale multifamily affordable housing developments will likely include Low Income Housing Tax Credits (LIHTC) in the capital stack. These tax credits are awarded by the Indiana Housing and Community Development Authority on a competitive basis. Developers apply using a scoring rubric outlined in the Qualified Allocation Plan (QAP) that is typically updated biennially. One crucial factor in the scoring is the project's location in a qualified census tract (QCT). Location in a qualified census tract provides a tax credit basis boost, making the project eligible for more investment. The top five scoring QCTs are highlighted in figure 10.

TRACT	Transport. (1.5)	Amenities	Land Use (1.5)	Prop. Values (2)	Score	QCT
358000	1	1	1	3	10	YES
355500	2.5	3	2	2	13.75	YES
355600	2.5	2	1	3	13.25	YES
355700	3	2	1	3	14	
355900	3	2	3	1	13	
356200	3	2	3	1	13	
356900	2.5	2	2	2	12.75	YES
357000	2.5	2	3	1	12.25	YES
357100	3	2	3	1	13	YES
357200	3	2	2	1	11.5	
357300	3	2	2	3	15.5	YES
357400	1.5	1	1	2	8.75	YES
357500	2	1	2	2	11	
357600	1.5	2	3	2	12.75	YES
357800	2.5	2	2	1	10.75	YES
357900	2	3	3	2	14.5	

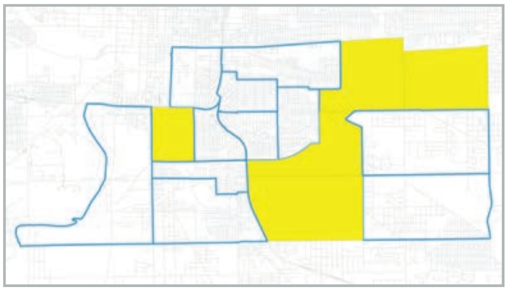


Figure 10: Top five highest weighted scores that are also Qualified Census Tracts highlighted in blue above and displayed at right in yellow.

Ten of the sixteen tracts in the SEND catchment area are currently noted as QCTs. Larger-scale multifamily initiatives should be focused in these areas. Access to amenities and transportation is also essential in the scoring. Layering this information can help focus the initial efforts to build relationships with property owners to identify large sites for development or opportunities to assemble properties.

Methodology

- Maintain a list of affordable housing developers as potential partners.
- Sort lists of property owners to discover owners with substantial holdings in focus areas (see Addendum A for sample lists, current March 13, 2021).
- Schedule meetings with developers in the for-profit sector to discover their priorities and introduce a partnership proposition
  - What do they look for in site selection? Create an ideal site profile for each potential partner.
  - What clientele do they serve? (seniors, families, formerly homeless, workforce, etc.)
  - Gauge interest in a partnership: would a non-profit sector partner benefit beyond participation in the non-profit set-aside?
  - Are there services that SEND provides to the community that could be beneficial to their target tenant population if delivered directly to the development?
  - Discuss the value proposition of SEND's involvement in acquisition: mission, community reputation, service delivery, etc.
- Use developer site profiles to target outreach to property owners. Leverage SEND reputation to open doors for the for-profit partner with the intention of the for-profit partner executing the option or purchase agreement. This keeps limited SEND acquisition capital available for other initiatives where SEND is leading and in control of the timeline.

Sustainability Plan

Critical to the long-term success of the housing program is a sustainable business model. This will require goals and an action plan with clear decision-making parameters to manage the inevitable risk of real estate development. Schedule and budget management are paramount to expand the housing program. Over time, SEND will grow project capacity by increasing developer fee revenue and reinvesting it into the program.

Housing takes many forms, and the execution strategy for each differs. The following pages will outline decision-making parameters for various housing programs. Additionally, it addresses staffing needs and development.

Single-Family Homeownership

SEND has a growing single-family home development program. Beginning in 2019, SEND partnered with the City of Indianapolis to develop three homes utilizing HOME funds. In 2021, SEND expanded the program to include four homes using HOME funds and three additional homes in partnership with Indianapolis Neighborhood Housing Partnership (INHP). Currently in progress, these homes will further build out the Norwood Neighborhood Housing Strategy.

SEND intends to apply for additional HOME funds in the 2022 funding year to continue the work in the Norwood neighborhood but intends to turn its sights to focus areas outlined in this plan for future funding rounds. This approach is supported by the current property acquisition strategy outlined in the Norwood Redevelopment Plan. Site control for the 2022 HOME funding round is complete before application release, and properties are being considered from Renew Indianapolis land bank holdings to populate a 2023 funding application.

Recommendations:

- Establish an acquisition fund as a Standard Operating Procedure (SOP) that sets a budget for property acquisition. This fund can be used to secure lots (and buildings) from the Renew Indianapolis (Renew) listings and the private market. When this fund is exhausted, the focus should be placed on executing the strategy for properties already held in inventory. In addition to replenishing the acquisition cost back to the acquisition fund upon the sale of a property, a portion of developer fees resulting from the completed home sale should be reinvested back into the fund. This will grow purchasing capacity over time, likely in alignment with staff capacity to manage more transactions. Kelli Mirgeaux, SEND President, suggested an initial amount of $50,000 to establish this fund. Additional sale proceeds added back into the fund will broaden opportunities to focus on low-cost lots and Renew inventory to more significant acquisitions. This could include homes for rehabilitation and eventually multifamily properties.
- While executing the Norwood strategy in 2022, begin the groundwork for a 2023 funding round in the new focus area. This should include significant neighborhood engagement to establish priorities for the design, address any concerns or questions, and build support for preserving affordability over time.
- Continue to build relationships with an expanded network of home builders. This will avail more competitive pricing and design styles to meet the needs of neighborhoods.
- Expand and add partnerships. Consider adding additional units to leverage existing partnerships if staff resources can accommodate the workload (for example, consider apply-

ing for five homes in the 2022 HOME round and pursue additional opportunities with INHP). Also, partnerships with other organizations such as Habitat for Humanity can leverage SEND properties and planning investment to create more affordable housing units on the southeast side.

- Utilize the HOME budget proforma but refine it for each funding year. Compare actual costs to the previous year's estimates to ensure that costs are adequately covered each year. This will preserve the limited developer fee to reinvest in expanded housing programming.
- Continue to watch the progress of the Community Land Trust (CLT). While still in its infancy, the CLT could be a solution for more long-term affordability beyond the 5-15 years required by most compliance programs. It has received initial funding from the City of Indianapolis to establish operations.

Single-Family Rental

SEND has several single-family rental properties in its current portfolio. While these units play an important role in providing affordable rental housing in appreciating neighborhoods, many came to the organization with deferred maintenance needs. Maintenance costs are typically higher on single-family rentals when compared to rentals in a multifamily structure, and their scattered nature makes them more challenging to manage. Still, single-family rental units are essential to families with children that need larger floorplans at an economical rate and should be preserved where possible. It is not recommended that SEND invest in additional single-family homes to be held long-term.

Recommendations:

- Review the CNA developed in 2020 to remove items already addressed during unit turns.
- Assess operating expenses to determine debt service capacity.
- Evaluate a CDBG application to address remaining deferred maintenance on the "SEND Homes" portfolio.
- Work with the City of Indianapolis Department of Metropolitan Development to ensure that HOME restrictions have been removed from the properties that could delay a refinance of the units.
- Consider a phased rehabilitation schedule to mitigate displacement time for residents currently in the units.

Single-Family Rehab to Purchase

Areas of opportunity where homes can still be purchased at a reasonable cost may be a match for a rehabilitation to sale process. This process carries more risk than a new construction home due to the likelihood of unforeseen conditions discovered throughout the renovation process. Still, some homes through Renew, tax sale, and even the private market may be in a state that would make a rehabilitation to sale favorable.

Recommendations:

- Once a potential property is identified, evaluate capacity. For example, can staff complete the project promptly? Is the construction line of credit already occupied? Is money available in the acquisition fund to facilitate the purchase?
- Review the comparable sales in the area for sale price and condition. For example, are the homes completely renovated? Is the original floorplan intact? How long was the house on the market? This will help establish an eventual sales price estimate.
- Next, will the estimated home price be attainable for an affordable homebuyer? Consider various mortgage products offered by partner organizations such as INHP.
- If the answer is yes, tour the property with a construction manager to evaluate the condition and get a cost estimate for repairs to make the home safe and match market expectations reviewed in step two. Items to consider: will major systems need to be replaced? What is the condition of the roof and foundation? Can the original floorplan be maintained?
- Utilize the rehabilitation calculator to populate a budget for the project (see figure 11). If the property can be rehabilitated and sold with a contingency of at least 15% and a developer fee exceeding the cost of staff time to oversee the project, it is a good candidate for rehabilitation.

Construction Rehabilitation Budget		
SAMPLE ADDRESS		
Square footage		1200
3 bed, 2 bath single family home with garage		
Acquisition/Holding		25,000.00
Construction Cost		90,000.00
Contingency		13,500.00
Appliances Fixtures		5,000.00
Construction Management		5,400.00
Plans and Specs		600.00
Brokers and Closing Fees		11,830.00
Profit		19,000.00
Projected Sale Price		$170,330.00
Cost/ sq. ft.	$141.94	
Avg. Comparable Cost/sq. ft.	$104.87	

Figure 11: A sample rehabilitation calculator is included as an Excel file.

Lease-to-Purchase

As previously mentioned, scattered-site rental properties can be challenging to maintain and manage. However, a lease-to-purchase arrangement may be a good option for SEND in certain circumstances. For example, if the SEND Homes portfolio cannot be cost-effectively managed and maintained as a rental long term. For instance, if deferred maintenance cannot be addressed and costs exceed the revenue generated off rent, lease to purchase may be a consideration.

Lease-to-purchase, sometimes called “rent to own,” have a storied history. Lease-to-purchase arrangements have been used by unscrupulous investors to lure prospective homeowners into an agreement, often in substandard housing, with unfair terms. The Joint Center for Housing Studies of Harvard University reports that these contracts were often used disproportionately in low-income communities of color (Exploring a Decade of Contract for Deed Sales in the Midwest | Joint Center for Housing Studies, n.d.). Unfair terms included language that specified if a single payment was missed or past due, the tenant forfeited their rights to the agreement, and balloon payments at the end of the lease term that were not properly disclosed. Executing a lease-to-purchase program will require significant trust building with prospective buyers.

A lease-to-purchase agreement contains two parts: a standard lease and an option to purchase at the conclusion of the lease agreement. At the termination of the lease agreement (terms vary, but three years is common), the renter can purchase the home for a price established at the beginning of the lease. This arrangement has pros and cons that should be evaluated before consideration. The following outlines considerations and terms included in the agreement.

- Identifying a candidate for a lease-to-purchase agreement can be challenging. This arrangement works best for a household that can make regular monthly payments but may need time to clean up their credit before securing a mortgage. Consider working with Southeast Community Services to match candidates to credit counseling and personal financial advisory services.
- A non-refundable deposit is typically taken upon entering a lease-to-purchase agreement and is usually more significant than a typical rental agreement. This secures some of the cost of turning a unit should the renter not purchase the home. Should the option-to-purchase be executed, this amount would be applied to the homebuyer's down payment.
- In some arrangements, a portion of the regular lease payment is set aside to build the down payment for the purchaser. This can be particularly helpful for affordable homebuyers who may struggle to save for a down payment. It is ideal to have at least 3.5% of the purchase price saved for the down payment when structuring the agreement. That is the minimum down payment required to secure FHA financing (for households with a credit score above 580.
- Work with legal counsel to develop a model lease agreement with an option to purchase that considers the needs of affordable home buyers but secures SEND's position in the investment.
- The agreement should outline how and when the purchase price will be established. It is possible to include the purchase price at the execution of the lease based on a current appraised value or a projected value at the time of the option's execution or set by an appraisal at the time of the execution of the option. Establishing the sale price at the execution of the lease portion has the benefit of the seller knowing they will see a return on their investment, and the buyer can project their costs of ownership, leaving the interest rate as their only variable. Still, the seller risks setting the purchase price too high. If this happens, the home will

not appraise high enough for the buyer to secure mortgage financing.

- SEND would be responsible for property taxes and insurance on the property throughout the lease portion. Maintenance of the property and utility costs usually fall to the tenant and eventual owner. Considerations for repairs resulting from a pre-sale inspection should be addressed in the agreement.

Multifamily Development

SEND has a multifamily property in its management portfolio that will continue to be held as affordable units over time as they are secured in funding structures that promote preservation. However, as real estate prices continue to rise, adding to the inventory of affordable rental units is essential. Partnerships will be critical in the next few years to add to the affordable rental stock most effectively. However, multifamily development does not only mean large-scale apartment development. As covered earlier, multifamily housing can take many forms and be designed to fit into the scale of most neighborhoods.

Recommendations:

- Execute an engagement strategy to identify the best potential partners for large-scale multifamily development in the near term (see page 35). Work to understand their priorities and utilize SEND's knowledge of the neighborhood to add value to partnerships.
- Compare lot sizes to the Missing Middle housing types in this document. If there is an opportunity to build a triplex, townhomes, or similar, strongly consider the option.
- Work with financial institutions to receive the best terms for construction lines of financing and permanent financing to deploy if the opportunity presents itself.
- While many focus on a multifamily project's front-end sources and uses, success is often determined well after project completion and occupancy. Use in-house property management knowledge to develop realistic operating budgets for all rental properties. Always use an accelerator to account for increases in cost over time and make certain debt service is covered by income with a comfortable debt service coverage ratio.
- HOME and CDBG funds can both be used for smaller-scale multifamily. Consider these as project sources.

Owner-Occupied Repair

SEND has successfully operated an owner-occupied repair program for several years. This program has helped qualifying, long-time homeowners complete high-cost repairs to their homes. This program is an important piece of protecting the interests of long-term homeowners in neighborhoods experiencing rapid change in home values.

In addition to CDBG funds awarded by the City of Indianapolis, SEND recently received additional funding from the Lilly Endowment to perform more owner-occupied repair work. It is expected that these funds will have fewer restrictions and allow for more program flexibility. With a CDBG program in-progress, it is imperative to continue to prioritize deploying that program in accordance with the timeline in-place.

Recommendations:

- Continue direct outreach in neighborhoods surrounding other redevelopment initiatives.
- Consider direct links to the program intake form on SEND's social media platforms to expand the list of applicants.
- Develop and document a standard operating procedure (SOP) of how households will be chosen or prioritized when operating two separate owner-occupied repair funds. If the programs will have different commitments for the homeowners, it will be critical to document eligibility for each fund.
- If the need for homeowner repair becomes larger than SEND can deliver, consider engaging a member bank of the Federal Home Loan Bank of Indianapolis as a referral partner for their Neighborhood Impact Program (FHLBI | Neighborhood Impact Program (NIP), n.d.). While the 2021 funding has been exhausted, an announcement of 2022 funding is expected in Spring of 2022. Households at or below 80% AMI that have lived in their homes for more than 6 months and are current on their mortgages are eligible to facilitate repairs ranging from $1,000 to $7,500. A list of participating member banks can be found in Addendum A.

Staffing

Southeast Neighborhood Development is currently in the process of hiring a Housing Program Manager. This position will be critical to the success of SEND's mission objectives as they pertain to housing. The Housing Program Manager will provide focused attention on current development initiatives but will also work to build staff and financial capacity for the expanded programming outlined in this document. This will require a working knowledge of the market on the southeast side, attention to current sales trends, and working relationships with the individual neighborhood associations in SEND's catchment area.

Recommendations:

- Depending upon experience, begin a training series for the new Housing Program Manager. In addition to HOME and CDBG training programming made available by the City of Indianapolis, also include Fair Housing training. The Fair Housing Center of Central Indiana is a great resource

(Education | Fair Housing Center of Central Indiana | Indianapolis Indiana, n.d.). This will establish a baseline of good practice.

- Consider additional training programs such as the Housing Development Finance series offered by the National Development Council. This provides a comprehensive view of how transactions are structured and are now offered remotely. These courses cover everything from income verification, mortgage programs, tax credit deal structuring, and how the public and private sectors can work together to maximize their impact. This is a significant investment of time but provides a great baseline of knowledge.
- Include regular (consider bi-weekly or monthly) market assessments as part of a standard operating procedure (SOP) for the Housing Program Manager. This should include a search for recent sales, as well as any new listings on the market or with Renew Indianapolis. Focusing on the areas of opportunity identified in this plan, the Housing Program Manager should be aware of comparable sales information, the condition of homes sold, and track trends in the market.
- Consider adding an on-call construction manager as a contract member of the team. When there is capacity for rehab projects, the construction manager should walk any property before an offer is made to assess the structure and provide an estimate of the cost to rehabilitate the property. This information can be included in the rehabilitation budget calculator to determine if the property is a worthy investment They can also manage projects under construction to further extend SEND's personnel resources without additional full-time staff.

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MLS Data was compiled utilized 3rd quarter sales data for each representative year (2018, 2019, and 2020).

Census data was compiled using the most current available datasets from the American Community Survey. Most data is from the 2019 dataset, with the exception of some data depicting the total cost of housing, which was 2015 data.

Addendum A

Federal Home Loan Bank of Indianapolis Partners

2021 Homeownership Initiatives Contact List

HOP	NIP	AMP	Member	Primary Contact Name	City*	State*	Contact Telephone	Email
X			First Merchants Bank	Tracie Marling	Anderson	IN	765-640-4975	tmarling@firstmerchants.com
	X	X	First Merchants Bank	Frank Foster	Anderson	IN	317-566-6147	ffoster@firstmerchants.com
X	X	X	Merchants Bank of Indiana	Carol Gassen	Carmel	IN	317-342-4646	cgassen@merchantsbankofindiana.com
X	X	X	First Farmers Bank & Trust	Chelsey Johanning	Converse	IN	765-395-3316 ext. 6126	chelsey.johanning@ffbt.com
X	X	X	First Federal Savings Bank	Cayce Hernandez	Evansville	IN	812-492-8160	chernandez@fbei.net
X			Old National Bank	Jamie Herman	Evansville	IN	812-461-9057	jamie.herman@oldnational.com
X			United Fidelity Bank, FSB	Stephanie Starkey	Evansville	IN	812-429-0550 ext. 3302	sstarkey@unitedfidelity.com
X			Evansville Teachers Federal Credit Union	Chad Wesselman	Evanville	IN	812-477-9271	cwesselman@etfcu.org
X	X	X	STAR Financial Bank	Tracy Hanlin	Fort Wayne	IN	260-479-1618	tracy.hanlin@starfinancial.com
X			Three Rivers Federal Credit Union	Kelly Shafer	Fort Wayne	IN	260-399-8233	kshafer@trfcu.org
X			The Bippus State Bank	Adam Fusselman	Huntington	IN	260-356-8900	afusselman@bippusbank.com
X	X	X	First Savings Bank	Robin Graf	Jeffersonville	IN	812-218-6816	rgraf@fsbbank.net
X			Solidarity Community Federal Credit Union	Whitney Steltenkamp	Kokomo	IN	765-453-4020	whitney@solfcu.org
X	X	X	Security Federal Savings Bank	Kellie Smith	Logansport	IN	574-722-6261	kellie.smith@secfedbank.com
X	X	X	Home Bank	Bonnie Arnold	Martinsville	IN	765-558-3840	barnold@homebanksb.com
X	X	X	Horizon Bank	Lewis Scott	Michigan City	IN	219-877-0451	lscott@horizonbank.com
X	X		Peoples Bank	Brian Gill	Munster	IN	219-853-7500	bgill@ibankpeoples.com
X			1st Source Bank	Daniel Conroy	South Bend	IN	574-236-6330	conroyd@1stsource.com
	X	X	1st Source Bank	Mark Gould	South Bend	IN	574-236-4562	gouldm@1stsource.com
X			Teachers Credit Union	Tammie Brewer	South Bend	IN	260-330-3783	tbrewer@tcunet.com
X	X	X	Lake City Bank	Ashley Pluta	Warsaw	IN	574-267-9198 ext. 46297	ashley.pluta@lakecitybank.com
X	X	X	State Bank of Lizton	Michelle Grady	Zionsville	IN	317-858-6198	mgrady@statebank1910.bank
X	X	X	Lake-Osceola State Bank	Kristine Fuller	Baldwin	MI	231-745-4601	kfuller@losb.com
X	X	X	Neighborhoods Inc. of Battle Creek	Kristyn Denison	Battle Creek	MI	269-968-1113	kdenison@nibc.org
	X		Southern Michigan Bank & Trust	Deanne Hawley	Coldwater	MI	517-279-5602	dhawley@smb-t.com
X	X	X	Eastern Michigan Bank	Kathleen Wurmlinger	Croswell	MI	810-398-5126	kwurmlinger@emb.bank
X	X	X	First Independence Bank	Lesa Hughes	Detroit	MI	313-256-8430	lhughes@firstindependence.com
	X	X	First National Bank of America	Robin Dick	East Lansing	MI	517-679-6605	robin.dick@fnba.com
	X	X	Michigan State University Federal Credit Union	Jeff Jackson	East Lansing	MI	517-333-2424 ext. 2219	jjackson@msufcu.org
X	X		Baybank	Jamie Frost	Escanaba	MI	906-786-2342	jamie@baybank.us
	X	X	The State Bank	Moteez Wilson	Fenton	MI	810-593-5558	mo.wilson@thestatebank.com
X			Financial Plus Credit Union	Rachelle Kippe	Flint	MI	810-244-2184	rkippe@myfpcu.com
X	X	X	Metro Community Development, Inc.	Matthew Ronan	Flint	MI	810-767-4622 ext. 360	mronan@metroflint.org
X	X	X	First Bank, Upper Michigan	Linda Wicklund	Gladstone	MI	906-428-3535	lwicklund@first-bank.com
X	X	X	Northpointe Bank	Mandi Ludema	Grand Rapids	MI	616-974-8457	mandi.ludema@northpointe.com
X			Old National Bank	Jen Kolb	Grand Rapids	MI	616-228-6088	jen.kolb@oldnational.com
X	X	X	County National Bank	Randy Tate	Hillsdale	MI	517-439-6121	randall.tate@cnbb.bank
X	X	X	Lake Superior Community Development Corp.	Eddy Edwards	L'Anse	MI	906-524-5445	lakesuperiorcdc@gmail.com
X	X	X	CASE Credit Union	Norma McGarry	Lansing	MI	517-393-710	nmcgarry@casecu.org
X	X	X	The Dart Bank	Bryan Clark	Lansing	MI	517-853-5136	bclark@dartbank.com
	X	X	Dow Chemical Employees' Credit Union	Lisa Gray	Midland	MI	989-832-2488	lgray@dcecu.org
X	X	X	The State Savings Bank	Eric Oas	Manistique	MI	906-341-4600	eric@statesavingsbank.com
X	X	X	Mayville State Bank	Shelly Brooks	Mayville	MI	989-843-6145	brookss@mayvillestatebank.com
X	X	X	Isabella Bank	Thomas Wallace	Mt. Pleasant	MI	989-779-3000	twallace@isabellabank.com
X	X	X	Northern Interstate Bank, N.A.	Ann Adams	Norway	MI	906-563-5562	aadams@banknib.com
X	X	X	1st State Bank	Kirsten Parks	Saginaw	MI	989-272-7560	kirstenp@1ststate.bank
X	X	X	Isabella Bank	Shielda Braddock	Saginaw	MI	989-754-0388	sbraddock@isabellabank.com
X			Flagstar Bank	Jason Randall	Troy	MI	248-312-1634	jason.randall@flagstar.com
	X	X	Flagstar Bank	Chris Aikens	Troy	MI	248-312-6380	chris.aikens@flagstar.com

* Location listed is the contact's location. They may or may not serve additional areas

Addendum B

Study Area Demographic Information

TRACT	2010 Population	2019 Population	% Change in Population	% Persons of Color 2010	% Persons of Color 2019	Median Age 2010	Median Age 2019
358000	1430	1251	-14.30%	21.60%	26.20%	37	44
355500	3482	3998	12.90%	25.90%	25.60%	39	35
355600	1721	2075	17.10%	29.10%	43.80%	32	39
355700	2871	2135	-34.50%	33.90%	24.90%	30	43
355900	2404	2045	-17.60%	19.80%	17.30%	35	30
356200	1802	4092	56.00%	34.70%	45.40%	34	32
356900	2313	2195	-5.40%	28.50%	22.40%	41	34
357000	3390	2194	-54.50%	19%	11.90%	32	34
357100	1938	2142	9.50%	25.60%	25.70%	39	29
357200	3146	2355	-33.60%	27.70%	21.50%	30	35
357300	1881	2137	12.00%	46.10%	42.60%	40	31
357400	4592	5070	9.40%	32.20%	43%	31	31
357500	3982	4033	1.30%	7.10%	12.30%	38	39
357600	6059	6613	8.40%	23.30%	34.20%	36	38
357800	2234	1838	-21.50%	19.90%	12.50%	32	35
357900	3869	3428	-12.90%	17.70%	28.60%	38	37

TRACT	Median Household Income 2010	Median Household Income 2019	% Change in Income	Mortgage Loan Applications 2012	Mortgage Loan Applications 2019	% Loans Originated 2019	Home Ownership Rate 2010	Home Ownership Rate 2019
358000	25950	24535	-5.80%	4	18	67%	62.20%	56.80%
355500	42615	35127	-21.30%	25	64	75%	78.60%	58.70%
355600	29086	23150	-25.60%	4	16	37.50%	34.30%	44.50%
355700	27813	23043	-20.70%	3	21	81%	41.10%	38.60%
355900	30208	50694	40.40%	32	113	71.70%	45.80%	55.40%
356200	54864	76471	28.30%	27	66	69.70%	55%	32.40%
356900	23883	29719	19.60%	10	84	70.20%	44.10%	43.60%
357000	32059	40100	20.10%	10	132	64.40%	52.10%	56.60%
357100	23674	46250	48.80%	9	58	72.40%	45.60%	58%
357200	21250	32543	34.70%	6	109	72.50%	56.10%	52.40%
357300	22264	22259	0.00%	3	20	85%	47.30%	36.20%
357400	25997	28654	9.30%	6	50	58%	56%	44.60%
357500	38308	44167	13.30%	37	92	76.10%	67.50%	80.30%
357600	28209	32970	14.40%	39	114	70.20%	63.20%	49.80%
357800	34444	34847	1.20%	10	27	77.80%	63.40%	50.40%
357900	32150	46271	30.50%	36	89	73%	50.30%	61.30%

TRACT	Median Rent 2010	Median Rent 2019	Median Mortgage 2010	Median Mortgage 2019	% Housing Cost Burdened 2019	Vacant Properties 2019
358000	681	696	1,005	856	49%	24.80%
355500	792	918	874	909	32%	12%
355600	593	836	684	818	37.60%	15.50%
355700	632	825	859	587	40.90%	22.70%
355900	764	879	819	1280	32.30%	34.50%
356200	807	1377	1383	1386	27.10%	15.90%
356900	609	814	835	878	43.50%	35.20%
357000	848	883	823	1108	36.60%	37.20%
357100	585	943	845	1151	29.30%	28.80%
357200	716	778	763	929	35.40%	38.30%
357300	518	668	654	793	48.10%	18.60%
357400	575	765	891	839	42.40%	9.52%
357500	813	912	937	968	21.70%	14.20%
357600	752	813	793	891	39.90%	20.90%
357800	780	743	963	931	44.30%	24.40%
357900	599	855	854	867	40%	29.40%

Included electronically

Addendum C

Property Ownership Database

Included electronically

SMITH SOLUTIONS

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