City of Elwood
Feasibility Study:
308-310 S. Anderson St., Elwood, IN

October 2005

Prepared by:
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Funded in part by:
Indiana Housing and Community Development Authority
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I. Introduction
INTRODUCTION

The primary goal of this project is to restore the property located at 308-310 South Anderson Street in Elwood for both residential and commercial use. A secondary goal is to promote the redevelopment of downtown.

Currently, the building has commercial use in the southeastern corner of the downstairs (or first floor). The remainder of the downstairs and the upstairs of the building are vacant. The structure has approximately 2,800 square feet on each floor, thus 5,600 square feet total.

To date the owner, an architect, the city, and the Madison County Council of Governments (subrecipient) have met several times regarding the project. Based on preliminary review of the structure, the estimated cost of the building rehabilitation is $307,000. Most of the funding will be used for hard costs (projected at $271,000.00); other costs include program delivery ($21,000.00) and administration ($15,000.00).

The following improvements or work is being proposed:

1. Two, two bedroom rental units located on the first floor
2. One, two bedroom rental units located on the second floor
3. Three, one bedroom rental units located on the second floor
4. Two commercial units located on the first floor
5. Façade restoration where possible to exterior
6. Window and door restoration and replacement
7. Construction of new windows
8. Installation of all new electrical, plumbing, and H/VAC systems
9. Paving of the building parking lot (located on the south side of the structure)

The rental units will accommodate persons with disabilities, single-parent families, and the elderly.

The Indiana Housing and Community Development Authority (IHCDA) through a Community Development Block Grant (CDBG) Rental Rehabilitation Grant and Owner/Developer Contribution will provide funding for the building.
The applicant for this grant is the City of Elwood, with the sub-recipient being Madison County Council of Governments (MCCOG). The chief elected official for the City of Elwood is W. Merrill Taylor, Mayor of Elwood. The MCCOG has chosen Bret Lott, Housing Administrator, to act as the staff person responsible for completing proposed activity and coordinating all third-party contacts. The owner/developer of the proposed structure is Jerry Alexander of Alexander-Bickel L.L.C.

The property is a part of a historic district that represents an integral part of the history of Elwood and Madison County. The intent of rehabilitating 308-310 S. Anderson St. is to provide the city with the same integral epicenter. The rehabilitation will assist in Elwood’s current plans to revitalize the downtown area. Efforts have been extended by the City Council to improve the downtown area; efforts include rehabilitation of the Elwood Historic Opera House Building (owner is Randall Hall) and the Old Leeson Building located by the St. Vincent Mercy Hospital Foundation.
II. Project Profile
A. NEIGHBORHOOD/LOCATION ISSUES

Current Zoning

According to the official zoning map, a majority of Elwood is zoned residential. There is a mixture of Medium Density Residential (R-1), Medium-High Density Residential District (R-2), and High Density Residential (R-3). Most medium density residential areas are located in the northern portion of the city (north of State Road 28). Medium-High Density Residential Districts are located in both the south and western quadrants (South of State Road 28, West of 12th Street). High Density Residential areas not in a centralized area, but rather spread out throughout the city.

Despite the fact that most of Elwood is zoned as residential, the area surrounding and including the proposed construction site (308-310 S. Anderson Street) is primarily zoned as central business district. In fact, there are several businesses located within two blocks of the building. The rehabilitation of apartments within the central business district will provide housing with a close proximity and short walking distance to many downtown businesses, (whether for work or leisure purposes). The easy access to these amenities is ideal for the senior population and individuals who lack modes of transportation.

Industry is not a major component for Elwood. Most light industry is isolated throughout the city. The only large area of light industry exists along the old railroad tracks (between S. “C” St. and S. “P” St. and between S. 18th St. and S. 29th St.). There are only three areas of heavy industry. All areas lay on the outskirts of town -- one lying in the northwest quadrant and two in the southeast quadrant.

There are also four areas within Elwood zoned for Conservation/Public. Two of the areas are on the outskirts of Medium Density Residential, the other two are near or within Medium-High
Residential. Because of the location of these areas, many citizens of the city are within close proximity and therefore more likely to use them.

**Appropriate Infrastructure/Utility Service**

The adequacy of infrastructure and/or utilities must be assessed when looking at the rehabilitation process. It is important to note that all electrical, plumbing, and HVAC systems throughout the structure will be replaced. The following chart outlines the current providers of utilities/services for the City of Elwood, and is applicable to the proposed property site as well:

<table>
<thead>
<tr>
<th>Utility/Service</th>
<th>Service Provider</th>
</tr>
</thead>
</table>
| Water                | City of Elwood  
  1505 South "B" Street  
  Elwood IN 46036  
  (765)552-5076       |
| Sewage               | City of Elwood  
  1505 South "B" Street  
  Elwood IN 46036  
  (765)552-5076       |
| Waste Disposal       | City of Elwood  
  1505 South "B" Street  
  Elwood IN 46036  
  (765)552-5076       |
| Electric             | American Electric Power/Indiana Michigan  
  400 North High Street  
  Muncie, IN 47305  
  (800) 311-4634     |
| Gas                  | Vectren  
  1630 South Meridian Street  
  Indianapolis, IN 46202  
  (800) 777-2060   |
| Telephone            | SBC  
  1099 North Meridian Street  
  Indianapolis, IN 46255  
  (800) 647-9000 |

A key component to housing and other forms of development is the availability of local utilities, with the major utilities of concern being water and sewage provisions. Whether or not
these services are provided can promote or deter possible new housing development within a community.

The City of Elwood offers adequate water and sewage service. The city is able to provide the best services and offer the best opportunities for development within its current framework. The daily average usage is not nearing total capacity of its system, thereby allowing for additional services if necessary. The water service, provided by the City of Elwood, services 3,657 customers within the City of Elwood. The maximum capacity is 2.232 million gallons/day, yet Elwood, on average, only uses 1.6 million gallons/day. In regards to the sewage, there is a maximum capacity of 3.22 million gallons/day.

**Negative Neighborhood Factors**

Surveys were taken, at random, of residents who currently reside within the City of Elwood. The surveys discussed various issues, including current living conditions, neighborhood factors, and importance of historical preservation. A total of 86 surveys pertaining to individual housing preferences were conducted. Of those, 76.7% stated there was little or no crime within their neighborhood. The majority of the remaining surveys classified crime as moderate (only one reported it to be high).

Additional neighborhood factors discussed within the surveys related to infrastructure. Sixty-nine persons stated they considered their neighborhood child friendly; sixty-six stated they considered their neighborhood pedestrian friendly. It can be concluded from the surveys that minimal negative neighborhood factors exist.
Suitability for Residential Development: Homeownership or Rental Use

There are currently 3,817 occupied units within Elwood. These units are comprised of 2,508 owner-occupied units, and 1,062 renter-occupied units (details discussed in “Existing Residents and Relocation Requirements” section). Six of the units located within 308-310 S. Anderson St. will be used for rental purposes only (two additional units on the first floor will be deemed commercial). As shown within “Existing Residents and Relocation Requirements” the need for rental units within Elwood is substantial. Surveys taken by residents of Elwood concluded that approximately 22% of the households surveyed were renters, which is consistent with the 2000 U.S. Census figures.

Community Input Surveys

Information regarding the suitability for residential development can also be determined by the fourteen Community Input Surveys received. First, residents were asked to rank six categories based on housing assistance programs in the community. The scale was 1-6, with 1 representing the “Most Important” and 6 representing “Least Important.” The following are the averages of each category:

<table>
<thead>
<tr>
<th>Average</th>
<th>Housing Assistance Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.85</td>
<td>Owner-occupied Rehabilitation</td>
</tr>
<tr>
<td>3.25</td>
<td>Rental Rehabilitation</td>
</tr>
<tr>
<td>3.54</td>
<td>Home Purchase Counseling</td>
</tr>
<tr>
<td>2.08</td>
<td>Home Purchase Assistance</td>
</tr>
<tr>
<td>3.69</td>
<td>New Construction of Homes</td>
</tr>
<tr>
<td>5.54</td>
<td>New Construction of Rental Properties</td>
</tr>
</tbody>
</table>

The data shows that rental rehabilitation ranks third, behind Home Purchase Assistance and Owner-Occupied Assistance. It also shows that residents would prefer rental rehabilitation above new construction of rental properties.

Second, the residents were asked to classify various housing problems within the community. During this section, residents circled the number corresponding with their response
on housing issues. The ranking for this section is: 1-Not a problem, 2-Minor Problem, 3-Major Problem, 4-Don’t Know. The average for each housing issues is represented below.

<table>
<thead>
<tr>
<th>Average</th>
<th>Housing Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.92</td>
<td>Availability of Quality Homes</td>
</tr>
<tr>
<td>1.92</td>
<td>Availability of Quality Rentals</td>
</tr>
<tr>
<td>2.28</td>
<td>Affordable Homes for Sale</td>
</tr>
<tr>
<td>2.31</td>
<td>Affordable Rental Units</td>
</tr>
<tr>
<td>2.16</td>
<td>Subsidized/assisted housing</td>
</tr>
<tr>
<td>2.50</td>
<td>Housing for Elderly</td>
</tr>
<tr>
<td>2.86</td>
<td>Poor, dilapidated housing</td>
</tr>
<tr>
<td>2.93</td>
<td>Vacant/abandoned housing</td>
</tr>
</tbody>
</table>

This shows that residents believe “Vacant/Abandoned housing” is a major issue within the community. Rehabilitation of the proposed project would assist in eliminating such housing. The rehabilitation would also provide housing for elderly (which was ranked third). “Affordable Rental Units” and “Availability of Quality Rentals” are considered minor problems.

The final section of the Community Input Survey asked residents to rate the difficulty of various persons to find housing within Elwood. The ranking for this section is: 1-Not Difficult, 2-Somewhat Difficult, 3-Very Difficult. The averages are as follows:

<table>
<thead>
<tr>
<th>Average</th>
<th>Persons Needing Housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.64</td>
<td>Single Persons Living Alone</td>
</tr>
<tr>
<td>2.14</td>
<td>Single Persons with Children</td>
</tr>
<tr>
<td>1.36</td>
<td>Married Couples without Children</td>
</tr>
<tr>
<td>1.71</td>
<td>Married Couples with Children</td>
</tr>
<tr>
<td>2.07</td>
<td>People with Disabilities</td>
</tr>
<tr>
<td>2.07</td>
<td>Elderly Persons</td>
</tr>
</tbody>
</table>

This shows that it is difficult for “Elderly Persons,” “People with Disabilities,” and “Single Persons with Children” to find appropriate and affordable housing within Elwood; the rehabilitation would provide housing for these groups of people.

It is obvious that the findings in the Community Survey reinforce the need for quality and affordable rental units. In conjunction with this, the surveys show the importance of housing for the less fortunate within the community.
B. EXISTING CONDITIONS & RELOCATION REQUIREMENTS
(Information provided by 2000 U.S. Census)

Occupied Units:

There are currently 4,122 units within the city of Elwood, with 3,817 currently being occupied. Among those occupied, 2,508 (65.7%) are owned, and 1,062 (27.8%) are rented. There has been significant increase in housing units throughout the years. According to the 1990 U.S. Census data, there were only 3,946 housing units, and the number occupied was 3,630. Most are detached 1-unit structures that were built prior to 1939. Approximately 50% of all owned units have between five and six rooms, with the median number of rooms per unit being 5.3.

Owner-Occupied

The median value of homes within Elwood is $64,000. This value has increased tremendously from 1990, when the median was only $30,500. Although most have adequate services, 12 are lacking complete kitchen facilities, and 188 have no telephone services. Almost half of all owners spend less than 15% of their monthly income towards housing payments; however, 11.7% of owners spend more than 35% of their income for such purposes.

Renter-Occupied

In relation to the 1,062 rental units, 69.8% of renters have an average monthly cost between $300-$749, with the median cost being $440.00. However, 12.6% of renters spent only 15% or less of their income for rent purposes. These figures are significantly lower than the national average, where 33.7% of renters spend between $500 and $749, with a median of over $600. In relation to gross rent, almost 30% of renters across the nation spend more than 35% or more.
Income mix

Both the median income per household and the per capita income for Elwood are below the national average. The median household income for those residing within the city of Elwood is $30,986, whereas the national median is almost $42,000 (thus producing almost a $12,000 difference). Nearly nine-tenths (88.8%) of the income for households is between $15,000 and $74,999. In relation to the per capita income, Elwood totals calculate to $15,402, whereas the United States median is $21,857. This difference does not necessarily reflect a decrease in the standard of living for Elwood because other factors, such as cost of living, must also be integrated.

In 2000, there were 325 families (11.7% of the population) within Elwood who lived below the poverty line. This statistic well above the U.S. average, which stands at a 9.2%.

Low-Income Limits

Each year the Indiana Housing and Community Development Authority (IHCDA) analytically defines the median family income and the low-income limits for specific areas within the state. This information is given for numerous large cities within Indiana. According to the most recent data (received Feb. 2004), information in relation to low-income limits for the city of Elwood can be derived by using the information provided for the city of Indianapolis (provided in Table 1). According to IHCDA, the median family income for the Indianapolis for the fiscal year of 2004 is $63,800.

Table 1: Income Limits for Indianapolis, IN

<table>
<thead>
<tr>
<th>Number of People per Family</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% of Median</td>
<td>$13,450</td>
<td>$15,400</td>
<td>$17,300</td>
<td>$19,250</td>
<td>$20,750</td>
<td>$22,300</td>
<td>$23,850</td>
<td>$25,400</td>
</tr>
<tr>
<td>Very Low Income</td>
<td>$22,450</td>
<td>$25,650</td>
<td>$28,850</td>
<td>$32,050</td>
<td>$34,600</td>
<td>$37,200</td>
<td>$39,750</td>
<td>$42,300</td>
</tr>
<tr>
<td>Low-Income</td>
<td>$35,900</td>
<td>$41,000</td>
<td>$46,150</td>
<td>$51,300</td>
<td>$55,400</td>
<td>$59,500</td>
<td>$63,600</td>
<td>$67,700</td>
</tr>
</tbody>
</table>
Interested Residents

The Owner/Developer, Jerry Alexander, has solicited from the community potential interested tenants. As of October 2005, five households/families have expressed interested in renting units from the proposed development. This coupled with lack of quality and affordable units identified in the Community Input Survey, demonstrates that there is a need among prospective tenants.

Number to Relocate

Currently both commercial properties are vacant. Two rental properties are occupied. During the rehabilitation, these tenants will remain in their existing units until complete rehabilitation of other rental properties occur. Upon this time, the tenants will be moved to rehabilitated units (the construction of their current apartments will occur at this time). The work to be completed in the occupied commercial unit will be very minimal and will not require relocation and/or displacement. Therefore, no relocation, either of a temporary or permanent nature, will be necessary for rehabilitation to occur.
C. USE REQUIREMENTS/POSSIBILITIES

Preferred Use:

The preferred use for the building, located at 308-310 S. Anderson St. is a mixture of both commercial and residential. Providing mixed-use development will assist in Elwood’s current rehabilitation of the downtown area. Community surveys have illustrated the need for residential rental units, while commercial units will assist in improving the economics of the city.

Preferred Mix:

The preferred mix for this building includes both commercial and residential units. A commercial unit currently exists within the structure. While the unit is currently vacant, there is potential for a business to prosper within Elwood’s downtown. While previous commercial businesses have not been success, there has been an increase in downtown rehabilitation in recent years. Such efforts promote and encourage businesses to locate in the downtown district. However, it is impractical to rehabilitate all units within the building located at 308-310 S. Anderson St. into commercial units. A combination mix is more beneficial. Those living within the apartment units are potential employees for the businesses, while the businesses provide for the needs of the residents. Thus, while two businesses may prosper, it is beneficial to rehabilitate the remaining area into residential rental units. This combination mix would be most profitable.

Unit sizes and types:

The first floor will be comprised of two sections. The Eastern portion of the structure will be two commercial units. The owner of the property will use these for any commercial use he
deems appropriate, insomuch as it assists with the advancement and beautification of the downtown area.

Adjacent to the commercial units will be two, two-bedroom rental units. Both units will include kitchenette, two bedrooms, and one bath. However, one unit (located in the south-west corner) will maintain all the characteristics of a rental unit, but will have features that accommodate for handicap persons. It will measure 917 square feet. Unit Two is located on the northwestern corner of the structure, and measures 954 square feet.

The second floor will have four units. Three units will have one-bedroom, and one will have two-bedroom. All units will include a kitchen, living area, and one bath. Unit Three, located in the southwestern quadrant, will have one bedroom and measures 649 square feet. Unit Four is located in northwestern quadrant. It will have two bedrooms and will measure 953 square feet. Unit Five and Unit Six make up the eastern half. Both measure 576 square feet.

**Alternative uses:**

Alternative uses for the structure include:

1. Maintain current conditions. This would be the least beneficial option, both monetarily and socially. The interior and exterior of the building, in conjunction with any historical value associated with the building, will continually decay. The present condition will add no benefits for the surrounding area, and the owner will reap no financial income (except from the pre-existing commercial unit).
2. Rehabilitate for commercial units only. A possibility exists to rehabilitate the entire interior area into commercial units. However, attempts by previous business owners to thrive within the area have continually failed; thus, there is little hope that other businesses will prosper.

3. Rehabilitate for residential units only. Although residential units are financially and socially beneficial, ignoring the need for commercial development within the downtown area may hinder the revitalization of the downtown area.

After consideration of the alternative uses, it is evident that a combination of commercial and residential units is the most beneficial use for the structure.
D. PROPERTY CONDITION

Environmental Issues

As stated within the Environmental Review, there are no environmental issues that prove damaging or harmful as a result of the rehabilitation project. The Federal Emergency Management Agency (FEMA) has mapped the Elwood area: “1801520001C.” The included FIRMette shows that the building located at 308-310 S. Anderson is not located within a floodplain (highlighted area is the location of 308-310 S. Anderson St. Elwood, IN).
In conjunction with this finding, ESRI has concluded that no wetlands exist within the area. Additionally, the project is not located in the Flood Plain District identified by the Federal Insurance Administrator. In reference to any harmful effects that may contribute to the further endangerment of animals, the U.S. Fish and Wildlife stated that the Elwood project is clear of any potential detriment to animals within the area. The Indiana Department of Natural Resources, Division of Historic Preservation and Archaeology, has sent a letter of concurrence with the City of Elwood’s finding of no historic properties affected. Therefore, based on these findings, the environmental review can be deemed complete and that this project has received environmental clearance.

**Lead-Based Paint**

Based on the age and condition of the building, a Lead-Based Paint Inspection will be necessary prior to rehabilitation being started. Tony Rogers of Hydrotech, Inc., (125 West 11th Street, Anderson, Indiana, 46016, 765-642-1581) has offered to conduct a Lead-Based Paint Inspection for $525.00. If Lead-Based Paint Hazards and/or Issues are found, steps will be taken to follow the rehabilitation standards for federally assisted projects containing lead-based paint. This will include abatement and/or interim controls of lead-based paint hazards, using lead-based paint safe work practices, and conducting a lead-based paint clearance test upon completion of the rehabilitation. The Lead-Based Paint Inspection will be scheduled once an award of federal money is made.
**Property Condition**

**Exterior**

There are several cosmetic improvements needed for the exterior of the building. The exterior is currently covered with a combination of paint and siding. The lower level of the façade is painted cream, while the upper level is painted forest green. Original arched windows have been covered and modern windows have replaced several of them (as seen in the picture). Many of the modern windows do not meet regulations, and therefore must be removed. In regards to the façade, most of the structural details remain (such as trim work along the top and arched doorways). However, they have been subdued by the modernization of the building.

The sides of the building are covered with green siding. Prior to the siding, the building was bricked. However, due to severe tuck-pointing and masonry work, the owner removed all brick and replaced it with the current siding in 2002. Thus, the siding is relatively new and has no obvious structural problems. The rear of the building is cream colored vinyl siding. The building had previously been two separate structures, but is now attached by 14” of material (three brick rows plus drywall material).

Functionally, there are little problems. The gutter system appears functional. The foundation of the property is in relatively good condition. There is no considerable sloping of the building or cracking with the foundation. There is a slight lean on the north-east corner of the structure. While no noticeable leaning of the corner has occurred within the last twenty years, architectural
precautions will be taken to prevent further leaning. The roof was replaced in 1999, and has a 20-year guarantee.

**Interior**

There will be six apartments within the building. Three of the units will need substantial rehabilitation, while the other three were recently updated and will only require minor rehabilitation.

*Complete Rehabilitation*

Two of the units to be completely rehabilitated are located on the second floor, on the north side of the building. Currently, the area is one large unit. This room has severely peeling paint and wallpaper on the walls. The ceiling is 12’ high. In previous years there has been a skylight within the ceiling, but it has since been taken out. There is currently no glass covering the existing hole in the ceiling. There are currently three windows located within this unit. They are in good condition but must be removed because they do not meet requirements (they are not 18” from the floor). There is only one doorway within the unit. It is in relatively good condition, with appropriate trim. The unit has no electricity or plumbing. There is no HVAC system.

The remaining unit needing complete rehabilitation is located at the south-west corner of the first floor. This portion of the building was previous used for an auto parts store. The weight of the equipment associated with the store has caused the floorboards to sag near the baseboards in one location. The ceiling is in relatively good condition but does not fulfill code requirements. There is currently fluorescent lighting throughout. The plumbing within this unit is outdated but still functioning. It will be replaced during the rehabilitation. There are no doorways or doorframes. There is no HVAC system.
Partial Rehabilitation

Three units will need partial rehabilitation. Two units, currently 310 S. Anderson St., Apartment A and B, are in good condition. All doorways, in both units, have decorative trim and are in relatively good condition. All rooms have appropriate base and trim board. Electricity is functional throughout. Lighting is both fluorescent and working. Both units have tiled living room and dining room; all bedrooms have relatively new carpet. All windows are recent. Windows in Apartment B will need to be replaced (they are currently too high for standards). Neither unit has air conditioning. Currently outdated bathroom structures exist within Apartment A; these will need to be replaced during rehabilitation. The gas furnace in Apartment B is approximately 20 years old.

The third apartment needing partial rehabilitation is 310 Apartment C. All doorways are in relatively good condition. All rooms have appropriate base and trim board. Electricity is functional throughout. Lighting is fluorescent. The flooring is carpet throughout with concrete underneath. The furnace, through functioning, is relatively old and will need replaced. Some windows are in poor condition.

Improvements Needed

An improvement is necessary to the ground surrounding the building, including an asphalt parking lot in the rear lot of the building. The lot is currently comprised of a mixture of gravel and grass and is unsuitable for parking. However, paving the lot will provide ample area for tenants to park their vehicles.

There are numerous improvements needed to complete the rehabilitation process, and restore the structure to the original architecture. Steel siding on the sides of the structure will be
removed to reveal the original storefront. Exposing the brick under the vinyl siding will require extensive tuck-pointing. This technique will be used on any necessary bricks on the exterior of the structure. It is also vital to replace any eroding bricks. The exterior doors will also need to be replaced to maintain the historic architecture.

In conjunction with these improvements, there are also interior adjustments that will contribute to the nature of the building. Some improvements must be completed to all units, regardless of current condition. For example, all units will require newly painted walls. And, while the condition of lead-based paint within the structure is not available, improvements necessary to accommodate for lead-based paint will be determined based on the inspection results. Smoke detectors must also be installed, at least one detector within each unit.

*Complete Rehabilitation*

Those units requiring complete rehabilitation will require the most extensive work. New flooring is required throughout. Windows that do not comply with code requirements must also be replaced. The ceiling, which is currently 12’ high, will need to be lowered to 10’ high. A handrail leading to the upstairs units must be installed. Along with this, the following elements must also be installed: doors, counters, tables, stoves and refrigerators, sinks (kitchen and bathroom), bathtub and showers, and toilets. However, handicap accessible elements must be located within at least one unit located on the first floor (this may be within a newly renovated or a partial renovated unit). Adjustments to the structure of utilities and safety precautions must also be implemented. New electrical, plumbing and HVAC systems must be replaced throughout all units requiring complete rehabilitation.
Partial Rehabilitation

Those units that require partial rehabilitation are unit specific. Apartment A will require updated bathroom structures, carpet flooring in the living room and dining area, and additional windows. It will also require installing air conditioning. Much like Apartment A, Apartment B will require carpet flooring, additional windows, and installation of air conditioning. It will also require a new furnace. Apartment C will require a new furnace, and repair and/or replacement of existing windows.
E. TOTAL DEVELOPMENT COST ESTIMATE

The Indiana Housing and Community Development Authority (IHCDA) through a Community Development Block Grant (CDBG) Rental Rehabilitation Grant will provide the majority of funding for the rehabilitation of 308-310 S. Anderson St., Elwood. There will be no cost for acquisition. The total cost of the rental rehabilitation is $307,000.00. Most of the funding will be used for hard costs, projected at $271,000.00 (paid in part by IHCDA, $219,000, and Owner Contribution, $52,000. Other costs include program delivery, $21,000.00 (paid by IHCDA Grant) and administration, $15,000.00 (paid by IHCDA Grant). The cost per unit is estimated at approximately $51,166.00. The cost per unit, as per IHCDA guidelines is $40,000, which is comprised of $219,000 in rental rehabilitation and $21,000 in program delivery grant funds dividing by six units. The Owner/Developer is also contributing $15,000 for rehabilitation of the commercial units.
# Elwood Affordable Housing Apartment Project
## Construction Estimate

### Site

<table>
<thead>
<tr>
<th>Calculation rate</th>
<th>Amount</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asphalt Paving – Parking Lot</td>
<td>Lump Sum</td>
<td>10,000</td>
</tr>
<tr>
<td>Landscaping</td>
<td>Lump Sum</td>
<td>15,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$ 25,000</strong></td>
</tr>
</tbody>
</table>

### Exterior Work

<table>
<thead>
<tr>
<th>Calculation rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roof Repair and Flashing</td>
<td>Lump Sum</td>
</tr>
<tr>
<td>Brick Tuck-pointing</td>
<td>Lump Sum</td>
</tr>
<tr>
<td>Masonry Repair Work</td>
<td>Lump Sum</td>
</tr>
<tr>
<td>Structural Repair Work</td>
<td>Lump Sum</td>
</tr>
<tr>
<td>Exterior Painting</td>
<td>Lump Sum</td>
</tr>
<tr>
<td>Siding &amp; Trim Repair</td>
<td>Lump Sum</td>
</tr>
<tr>
<td>Doors &amp; Hardware</td>
<td>4 x $ 1000</td>
</tr>
<tr>
<td>Storefront Re-creation</td>
<td>Lump Sum</td>
</tr>
<tr>
<td>Window Replacement</td>
<td>10 x $ 600</td>
</tr>
<tr>
<td>Window Restoration</td>
<td>Lump Sum</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Interior Work

<table>
<thead>
<tr>
<th>Calculation rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>New wall construction</td>
<td>Lump Sum</td>
</tr>
<tr>
<td>Drywall Work</td>
<td>Lump Sum</td>
</tr>
<tr>
<td>Interior Doors</td>
<td>10 x $ 400</td>
</tr>
<tr>
<td>Wall Finishes</td>
<td>Lump Sum</td>
</tr>
<tr>
<td>Flooring</td>
<td>Lump Sum</td>
</tr>
<tr>
<td>Trim work</td>
<td>Lump Sum</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Mechanical

<table>
<thead>
<tr>
<th>Calculation rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plumbing</td>
<td>10 fixtures x $ 500</td>
</tr>
<tr>
<td>Heating &amp; Cooling</td>
<td>Lump Sum</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Electrical

<table>
<thead>
<tr>
<th>Calculation rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service</td>
<td>Lump Sum</td>
</tr>
<tr>
<td>Lighting</td>
<td>Lump Sum</td>
</tr>
<tr>
<td>Security &amp; Data</td>
<td>Lump Sum</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Other

<table>
<thead>
<tr>
<th>Calculation rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contractor Overhead &amp; Profit</td>
<td>Lump Sum</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Total

- Hard Cost Sub-Total | $ 271,000 |
- Program Delivery | $ 21,000 |
- Administration | $ 15,000 |

**Total** | **$ 307,000** |
III. Market Affordability Assessment
A. COMMUNITY DEMOGRAPHICS

Market Affordability Assessment:
(Information provided by 2000 U.S. Census)

Demographics

The population for Madison County, as of 2000, was 133,358, with 9,737 persons residing within Elwood. The average household size was 2.5 members/family.

In relation to the racial identity of the residents of Elwood, 99.5% classified themselves as being only one race. Of those, 98.3% responded as being white. The minorities included within Elwood include African Americans (0.1%), American Indian and Alaskan Native (0.1%), Asian (0.2%), and Native Hawaiian (0.1%).

The above demographics will have the minimal effects on the housing conditions. Evidence shows there is an increased probability that any renters residing in the newly renovated building will probably be white (although this is not a requirement of the owner).

Economy
(Information provided by 2000 U.S. Census)

The present-day economy for Elwood is an important factor when considering the feasibility of this project. In relation to the local economic base, there are approximately 4,102 people within the labor force (3,854 employed, 248 unemployed) and 3,233 not in the labor force. Thus, 55.9% of the persons residing within Elwood are employed within the civilian work force. In relation to this, the highest percentage of jobs related to the field of production, transportation, and material moving (34.2%). The second and third fields are, respectively, sales and office occupations (20.6%) and management or professional related occupations (17.5%).

Industry

Manufacturing is the highest industry within Elwood, with 1,337 persons (34.7%) currently employed in that industry. Manufacturing businesses within Elwood include: Red

The second industry, Educational, Health, and Social Services employ 766 persons (19.9%). Educational/health/social services include: Elwood Community School Corporation, St. Vincent Mercy Hospital, Elwood Family Medicine, Family Practice Assoc., George Morrisett Center, Salvation Army, St. Vincent Stress Center, Center for Mental Health.

The third highest industry is Retail Trade. Approximately 416 persons (10.8%) work in retail trade. Examples of retail within Elwood include: K-Mart, Dollar General, CVS Drug Stores (2), Marsh Grocery, Harvest Market Grocery, Tops True Value Hardware & Home Center, Wyant Ford, Inc., Adams Mill Works, House of Ivy, Webbs Hallmark Cards & Gifts, Cellular Connection, and Radio Shack.

A complete breakdown of all industries within Elwood is provided below.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry, fishing and hunting, and mining</td>
<td>11</td>
<td>0.3</td>
</tr>
<tr>
<td>Construction</td>
<td>286</td>
<td>7.4</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1,337</td>
<td>34.7</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>86</td>
<td>2.2</td>
</tr>
<tr>
<td>Retail trade</td>
<td>416</td>
<td>10.8</td>
</tr>
<tr>
<td>Transportation and warehousing, and utilities</td>
<td>100</td>
<td>2.6</td>
</tr>
<tr>
<td>Information</td>
<td>54</td>
<td>1.4</td>
</tr>
<tr>
<td>Finance, insurance, real estate, and rental and leasing</td>
<td>235</td>
<td>6.1</td>
</tr>
<tr>
<td>Professional, scientific, management, administrative, and waste management services</td>
<td>125</td>
<td>3.2</td>
</tr>
<tr>
<td>Educational, health, and social services</td>
<td>766</td>
<td>19.9</td>
</tr>
<tr>
<td>Arts, entertainment, recreation, accommodation, and food services</td>
<td>261</td>
<td>6.8</td>
</tr>
<tr>
<td>Other services (except public administration)</td>
<td>123</td>
<td>3.2</td>
</tr>
<tr>
<td>Public administration</td>
<td>54</td>
<td>1.4</td>
</tr>
</tbody>
</table>
The average travel time to work for persons in Elwood is 20.4 minutes. This time is lower than the national average, which is 25.5 minutes.
B. PUBLIC ASSISTED HOUSING

Publicly assisted housing in Madison County outside the city of Anderson currently has a minimal role in low-income housing. There are only a select few organization and programs offered in the county for publicly assisted housing. Though the majority of publicly assisted housing programs are centered in the city of Anderson, rural county and communities within the county, such as Elwood, are in need of assistance as well. The following is a list of organizations and agencies providing public assistance in housing and programs they offer.

**EPHA:**

Elwood Public Housing Authority  
1602 South “A” Street  
Elwood, In 46036  
(765) 552-2148

Section 8 Existing Housing Certificate Program  
This program is offered by the Public Housing Authority (PHA) through funds from the U.S. Department of Housing and Urban Development. The purpose of the program is to provide Section 8 Rental Assistance to low-income residents in northern Madison County, primarily the City of Elwood. Once accepted into the program, the PHA will make housing assistance payments to the landlord to assist low-income families in paying their rental obligations. Rental assistance is given to tenants located at scattered sites in the county.

**USDA:**

United Stated Department of Agriculture  
Rural Development Agency  
2200 Madison Square  
Anderson, IN 46011  
(765) 642-3950

Home Improvement and Repair Loans and Grants  
The Rural Development office has a service area of the entire county excluding the City of Anderson and its surrounding urbanized area. They have provided funding to rehabilitate
numerous owner-occupied and rental units in scattered rural sites throughout the county. In addition to rehabilitation funding, financing low-income homebuyers and first-time homebuyers in the purchase of a home is another program run through the Rural Development office. These programs for the most part give funding in the form of loans, but programs with elderly participants (62 and older) typically are funded by grants.

**MCCOG:**

Madison County Council of Governments  
16 East 9th Street, Room 100  
Anderson, IN 46016  
(765) 641-9482

Various Low-Income Housing Programs  
The Madison County Council of Governments (MCCOG) has administered housing grants from the Indiana Housing Finance Authority and the Farmers Home Administration. The purposes of these grants were to rehabilitate and renovate owner-occupied and rental housing units of low-income families, construct migrant farm worker housing, construct an emergency shelter, and conduct various housing plans and feasibility studies. Programs have been conducted by MCCOG for incorporated towns, cities, and the county excluding the City of Anderson. Grants administered in the past include the Elwood, Alexandria, and Madison County Rental Rehabilitation Programs, Madison County Owner-Occupied Rehabilitation Program, Madison County Housing Preservation Grant, Madison County Housing Plan, Orestes and Elwood Migrant Farm Worker Housing Programs, and the Alternatives, Inc. Emergency Shelter Program. Owner-occupied and rental units rehabilitated in these programs have been located at scattered sites throughout the county. MCCOG intends to continue to administer public assisted housing grants on behalf of the county and its towns and cities. In addition to these grants, certain housing programs are planned to be pursued in the future to address low-income needs.
C. PUBLIC & PRIVATE-SECTOR FUNDING SOURCES

Public Funding
A wide array of federal, state, and local funds and/or financing are available for low-income individuals and families in order to promote affordable housing. This section will outline and discuss the agencies and organizations that provide funding/financing toward affordable housing programs for the low-income population.

IHCDA:
Indiana Housing and Community Development Authority
30 South Meridian Street
Suite 1000
Indianapolis, IN 46024
(800) 872-0371

The Indiana Housing and Community Development Authority (IHCDA) was created by the Indiana General Assembly in 1978. As Indiana’s key housing finance agency, IHCDA financed the purchase, development, or rehabilitation of approximately 40,000 affordable homes for Hoosiers to rent or own between 1989 and 1996.

IHCDA’s mission is to increase access to safe, decent, and affordable housing throughout Indiana by working in a fiscally responsible and efficient manner that will empower people and build communities. Programs offered by IHCDA are as follows:

1. Housing from Shelters to Homeownership
Home Investment Partnership Funds (HOME) and Community Development Block Grants (CDBG) funds are awarded by IHCDA to eligible local units of government, non-for-profit organizations, and Community Housing Development Organizations (CHDOs). The money awarded through these programs must be used for the construction or rehabilitation of single-family housing, rental housing, emergency shelters, transitional housing, migrant farm worker housing, single-family homeownership, lease-purchase programs, homeownership counseling/down payment assistance, and youth shelters. To qualify for these funds, the activities must additionally demonstrate 100% benefit toward low-income families.
2. Foundation
IHCD A accepts applications monthly from local units of governments, CHDOs, and other non-
for-profit organizations for HOME and CDBG funded “Foundation” programs. These programs
fund pre-development activities such as housing needs assessments, planning activities,
feasibility studies, and projects incorporating both homeownership counseling and down
payment assistance.

3. CHDO Works
During competitive funding founds, IHCDA awards HOME funds to CHDOs for activities to
expand the capacity to development and implement affordable housing projects. This program
allows for additional operation funds for expenses such as staffing costs, office expenses,
equipment, hardware and software, strategic planning, organizational development, and
expansion of existing programs.

4. Low Income Housing Trust Fund
IHCD A accepts monthly applications from not-for-profit organization for the development of
safe, decent, and affordable housing. All activities of this program must have a 100% benefit to
low-income persons. Additionally, the state has targeted 50% of the beneficiaries to be at or
below 50% of the area median income.

5. Low Income Tax Credits
Through competitive funding rounds, IHCDA awards federal tax credits to for-profit and not-for-
profit developers of rental housing. The tax credits are to be used to raise funds for for-profit
developers of rental housing. The tax credits are to be used to raise funds for projects involving
the rehabilitation or new construction of rental units. The beneficiaries of this program must be
low-income households at or below 60% of the area’s median income.

6. First Home/One Down
IHCD A has partnered with Fannie Mae to provide this program to first-time homebuyers. The
program allows these first-time homebuyers to obtain mortgages with a down payment of as little
as one percent. The loans are offered through IHCD A and its network of participating lenders.
Participants can receive five or ten percent down payment assistance in the form of a zero-
interest forgivable loan, with the balance of the home purchase price being secured through the
IHCD A First Home program. All applicants must meet income guidelines established by the
U.S. Department of Housing and Urban Development.

7. First Home
The IHCD A offers first-time homebuyers a below market interest rate loan through a
participating lender. The rate varies but is usually ½ point below the current market rate. This
loan may be used in conjunction with FHA/VA, Rural Development, or conventional financing.

8. First Home/PLUS
This program offers first-time buyers a below market interest rate first mortgage through a
participating lender. Additionally, five or ten percent down payment assistance is offered as a
zero-interest no payment no payment second mortgage. There are also First Home programs
called First Home 100, Community, and Opportunity.
9. Mortgage Credit Certificate Program
This program offers first-time homebuyers a Federal tax credit. The tax credit will amount to 20% to 35% of the interest a buyer pays on the mortgage each year, with a maximum credit of $2,000 per year. This program is offered annually, usually in the spring.

**USDA:**
United States Department of Agriculture
Rural Development, Rural Housing Services
801 West Pearl Street
Lebanon, IN 46052
(765) 482-6355

“The Rural Housing Service (RHS) of USDA Rural Development works to improve the quality of life for rural Americans by ensuring that they have access to safe, well-built, affordable homes (USDA, 1). The Lebanon office manages the USDA programs for a multi-county area, which includes Madison County. Listed below are the programs and funding sources available through the RHS.

1. Home Ownership Loans
RHS offers two types of home ownership loans – guaranteed and direct. This program required no down payment and provides favorable rate mortgages through a direct loan from RHS or a loan from a private lending institution that is guaranteed by RHS. These loans are available to low- or moderate-income individuals and families for the purchase, construction, rehabilitation, or relocation of a dwelling located in rural areas.

2. Self-Help Housing
This program provides loans to a group of six to ten low-income families, helping them build their own homes by supplying materials and skilled labor they would be unable to furnish themselves. The families must agree to provide “sweat equity,” working in tandem with the skilled laborers and other families until all homes are finished.

3. Rural Rental Housing Loans
These loans are made to finance building construction and site development of multi-family units for people with low, very low, and moderate incomes. Along with this development, a portion of the units should be set aside for seniors (62 and over). Loans can be made to construct homes that will operate in cooperative form but may not be used to finance individual units.

4. Home Improvement and Repair Loans and Grants
A rural homeowner with a house in need of repair or renovation may be eligible for a loan or grant. Home Improvement Loans are available for those who may not need or cannot afford
new housing, but need assistance to meet minimum housing standards and to remove health and safety concerns. Home Improvement Grants are given to eligible senior homeowners (62 and over). Repair Loans and Grants assist in the completion of general repairs, while Home Improvement Loans and Grants take an additional step by bringing a house up to minimum standards and codes.

5. Site Loans
Rural Housing Site Loans allow the purchase of adequate building sites for development of a desirable community. These loans are given to private and non-profit organizations.

6. Farm Labor Housing
Farm Labor Housing Loans and Grants enable farmers, non-profit organization, and units of government to build, buy, or repair farm labor housing for either dormitory or multi-family apartment uses.

7. Housing Preservation Grants
The Housing Preservation Grant allows low-income homeowners the funds necessary to repair and rehabilitate their homes. Funds are also available to rental property owners for rehabilitation of their units. The rental rehabilitation program requires landlords to make their properties available to low-income tenants.

8. Housing Subsidies
The Housing Subsidies Program offers monthly mortgage and rental payment assistance. This program is designed to assist low-income individuals and families, assuming that they do not pay more than 30% of their monthly income for housing. These subsidies can be used to assist homeowners and tenants of rental and farm labor housing.

FHLB:

Federal Home Loan Bank of Indianapolis
8250 Woodfield Crossing Boulevard
Indianapolis, IN 46206
(317) 465-0428

The Federal Home Loan Bank provides loans and financing program to lower- and moderate-income persons to facilitate affordable housing. There are two programs offered by FHLB of Indianapolis – the Affordable Housing Program and the Community Interest Program.

1. Affordable Housing Program
The Affordable Housing Program (AHP) exists to subsidize the interest rate on advances or to provide direct subsidies to member organization in order to promote long-term lending and support affordable renter- and owner-occupied housing for very low-, low-, and moderate-income households. Subsidies under this program may be used in conjunction with other sources of funds, such as federal, state, or local public or private assistance programs.
2. Community Improvement Program
The Community Improvement Program has been established to provide funding for community-oriented mortgage lending. This program seeks to reduce the risk of making non-conventional mortgages on community development lending by providing funding at less than market rates. The funding for this program benefits low- and moderate-income persons in the financing of home purchases, rehabilitation of housing, and development of the commercial and economic sectors.

_HUD:_

U.S. Department of Housing and Urban Development
Indianapolis Office, Region V
151 North Delaware Street
Indianapolis, IN 46204-2526
(317) 226-6303

The U.S. Department of Housing and Urban Development operates under a multitude of housing programs geared toward low- and moderate-income persons and promotes affordable housing. Through HUD’s programs are federal programs these funds filter down to the state and local level to assist various housing activities. Below are the programs offered by the U.S. Department of Housing and Urban Development.

_HUD Programs:_
- Public and Indiana Housing and Operation
- Public Housing Comprehensive Improvement Assistance Program
- Section 8 Housing Assistance Program
- Family Self-Sufficiency Program
- Section 8 Foster Care Demonstration
- Section 8 Gautreaux Demonstration
- Public and Assisted Housing Drug Elimination
- Public Housing Youth Sports Program
- Section 202 Supportive Housing for Elderly
- Section 811 Supportive Housing for Disabled
- Congregate Housing Services Program (CHSP)
- Mortgage Insurance for Rental Housing and Low- and Moderate-Income Families
- Preservation of Low-Income Housing
- Flexible Subsidy Program
- HOPE I - Public and Indiana Housing Homeownership
- HOPE II – Homeownership for Multi-Family Housing
- HOPE III – Homeownership for Single Family Housing
- HOPE for Elderly Independence
• Housing Counseling Assistance
• Fair Housing Initiatives Program (FHIP)
• Fair Housing Assistance Program (FHAP)
• Community Housing Resource Board Program
• Housing Opportunities for People with AIDS

Private

Local Banks:

Banking institutions provide a valuable resource for funding for many housing initiatives. They are vital partners in many of the above mentioned housing programs. Utilization of these institutions is necessary to adequately meet the housing needs within Elwood. Banks within Elwood include:

1. First Farmers Bank & Trust
   10077 North State Road 37
   Elwood, IN 46036
   (765) 552-3326

2. Huntington National Bank
   101 S. Anderson St.
   Elwood, IN 46036
   (765) 552-5061

3. Star Financial Bank
   7373 West State Road 28
   Elwood, IN 46036
   (765) 552-4501
D. HOUSING REGULATIONS

The City of Elwood’s housing regulations are outlined in the Elwood Code of Laws under Chapter 153: “City of Elwood Zoning Ordinance.” The code was enacted by the city in 1966, and is still the prevailing regulations for the city. The following is a summary of the planning and development code, and its applicability to the property located at 308-310 S. Anderson St., Elwood, Indiana.

Administrative Bodies and Their Responsibilities

Zoning Inspector:
1. Notification of violations of this section;
2. Order discontinuance of illegal use of land;
3. Order removal of illegal buildings;
4. Order discontinuance of illegal work being done; and
5. Any other action authorized to ensure compliance and prevent violation(s).

*The current zoning inspector is Lisa Hobbs.

Plan Commission:
1. Establish the procedures and responsibilities for the administration

Board of Zoning Appeals:
1. To hear and decide appeals of determinations made by the Zoning Inspector
2. Authorize variances
3. Authorize changes of lawful nonconforming uses

Zoning and Districts

The City of Elwood is comprised of nine (9) zoning districts. The zoning districts are labeled as follows:

R-1 Medium Density Residential District
R-2 Medium-High Density Residential District
R-3 High Density Residential District
B-1 Limited Business District
B-2 Central Business District
B-3 General Business District
The proposed development of 308-310 South Anderson Street (located at the intersection of SR 13 and SR 28 approximately), is currently zoned as being part of the Central Business District (B-2). According to the code book, “the districts designed for business, B-1, B-2, and B-3, are limited to business, public and certain residential uses. By establishing compact districts for such uses, more efficient traffic movement, parking facilities, fire protection and police protection may be provided.” Permitted uses for B-2 included such buildings as eating and drinking establishments; office and banks; retail business (no auto service); public parks and playgrounds; and several others (see Elwood Zoning §153.28(7)(a)). The two commercial units located on the first floor will be categorized under the permitted uses: “personal and professional services.”
There are also special exceptions (see Elwood Zoning §153.28(7)(b)). Within this area, multiple-family dwellings are considered exceptions. Thus, both the residential units and commercial units within the proposed buildings are acceptable within Elwood’s B-2 Central Business District.

**Zoning Permits and Certificates of Occupancy**

“No permit shall be issued unless the proposed structure or use of structure or land is in complete conformity with the provisions of this chapter or unless a written order is received from the Board of Zoning Appeals, the Plan Commission or a Court in accordance with this chapter and state legislation.” § 153.72

“An improvement location permit shall be obtained before any structure may be constructed or reconstructed, located or relocated or enlarged or structurally altered. If the permit is issued, then the applicant shall apply for an occupancy permit, which occupancy permit shall not be issued until the structure is complete and complies with the chapter is in evidence.”

**Permit Fees (Zoning §153.73)**

“The following fees shall be charged for the applications for permits, petitions or other zoning relief. No part of the fees shall be returnable to the applicant or petitioner.”

A. Improvement location permit:

1. Single-family dwelling: $35 plus $.05 per square foot
2. Two-family dwelling: $35 plus $.05 per square foot
3. Accessory structures: $35 plus $.02 per square foot
4. Multi-family dwelling: $50 plus $.05 per square foot
5. Commercial or industrial: $75 plus $.05 per square foot
6. Free standing signs, a permanent sign supported by one or more uprights or poles not attached to anything: $50
7. Off-site constructed dwelling:
   a. Single-wide: $30
   b. Multiple wide: $40.
8. Requested inspection.
a. Tenant to notify landlord by certified mail of problem;
b. If no response in ten days from landlord, notify the Building Commissioner’s office; and
c. The Building Commissioner notifies the landlord of the complaint.

B. Occupancy permit, new construction: $20
C. Petition to amend ordinance rezoning: $25
D. Petition to Board of Zoning Appeals: $25
E. Temporary trailer permit: $25 for six months and one renewal.
F. Renewal of temporary permit: $50
G. Petition for plat approval: the greater of $100 or $1 per lot.
H. Demolition permit: $50
I. Swimming pools location permit: No assessment required for approval so as not to interfere with utilities, public rights-of-way, public safety and homeowner safety

**Permit Expiration:**

“A temporary occupancy permit may be issued for a period not exceeding six months during alterations or partial occupancy of land on structures, provided that the temporary permit may include conditions and safeguards as necessary to protect the safety of the occupants and the public.”

“If the work described in any building permit has not begun within six months of the date of issuance thereof, the permit shall expire. Further work shall not proceed unless a new permit is obtained. If the work described in any permit has not been substantially completed within one year of the date of issuance thereof, the permit shall expire and a written cancellation notice shall be sent to the property owner. Further work shall not proceed unless a new permit is obtained. If any work described in a demolition permit has not begun within ten days of the date of issuance, the permit shall expire. If the work describe in the demolition permit has not been completed within 60 days of the issuance thereof, the permit shall expire and written cancellation notice shall be sent to the property owner. Further work shall not proceed unless a new permit is obtained.” § 153.72
**Housing Standards and Regulations**

The Housing Standards and Codes for the City of Elwood are detailed within Elwood’s Town Codes, Chapter 153: Zoning. Regulations are divided into two sections: District and General. “District Regulations” clarify the rules and standards relating to ten various zoning districts established within Elwood. Permitted uses and special exceptions accompany a brief description of each zone. The proposed project site is located within a B-2 zone; thus all information regarding B-2, Central Business District, is provided:

§153.26 BUSINESS DISTRICTS

The districts designed for business, B-1, B-2, and B-3, are limited to business, public and certain residential uses. By establishing compact districts for such uses, more efficient traffic movement, parking facilities, fire protection and police protection may be provided. Industrial uses are excluded in order to reduce the hazards caused by extensive truck and rail movements normally associated with such uses. The purpose of these districts is to provide unified shopping districts conveniently located (’66 Code, § 3-1-2-7) (Ord. 1172, passed 10-3-66).

§153.28(7) B-2 Central Business District

_a. Permitted uses._

1. Retail business, no auto service;
2. Eating and drinking establishments, no drive-ins;
3. Offices and banks;
4. Personal and professional services;
5. Fire stations and municipal buildings;
6. Public parks and playgrounds;
7. Parking lots;
8. Hospitals and clinics;
9. Essential services; and
10. Accessory uses.

_b. Special exceptions_

1. Planned unit business projects;
2. Single-family dwellings;
3. Multiple-family dwellings;
4. Automobile sales; service and repair;
5. Hotels and motels;
6. Commercial recreation;
7. Public utility buildings;
8. Churches;
9. Schools, public and parochial;
10. Private clubs;
11. Drive-in restaurants;
12. Wholesale business;
13. Commercial schools;
14. Funeral homes;
15. Veterinary hospitals;
16. Printing shops;
17. Cleaning and laundry plants; and
18. Theaters.

### Utility Connection Fees

<table>
<thead>
<tr>
<th>Utility/Service</th>
<th>Service Provider</th>
<th>Connection Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>City of Elwood</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1505 South &quot;B&quot;</td>
<td>Deposit for</td>
</tr>
<tr>
<td></td>
<td>Street IN 46036</td>
<td>water connection:</td>
</tr>
<tr>
<td></td>
<td>(765)552-5076</td>
<td>5/8 inch - $42.00</td>
</tr>
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<td></td>
<td></td>
<td>3/4 inch - $60.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Over 1” – Cost</td>
</tr>
<tr>
<td></td>
<td></td>
<td>of service and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>supplies</td>
</tr>
<tr>
<td>Sewage</td>
<td>City of Elwood</td>
<td>Typical tap fee: $600</td>
</tr>
<tr>
<td></td>
<td>1505 South &quot;B&quot;</td>
<td>(6” pipe line)</td>
</tr>
<tr>
<td></td>
<td>Street IN 46036</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(765)552-5076</td>
<td></td>
</tr>
<tr>
<td>Waste Disposal</td>
<td>City of Elwood</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>1505 South &quot;B&quot;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Street IN 46036</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(765)552-5076</td>
<td></td>
</tr>
<tr>
<td>Electric</td>
<td>American Electric</td>
<td>Service Charge: $6.65 per month</td>
</tr>
<tr>
<td></td>
<td>Power/Indiana</td>
<td>&lt; 200 kWh</td>
</tr>
<tr>
<td></td>
<td>Michigan</td>
<td>$7.41 per kWh</td>
</tr>
<tr>
<td></td>
<td>400 North High</td>
<td>Up to 500 kWh</td>
</tr>
<tr>
<td></td>
<td>Street Muncie, IN</td>
<td>$6.162 per kWh</td>
</tr>
<tr>
<td></td>
<td>47305</td>
<td>&gt; 500 kWh</td>
</tr>
<tr>
<td></td>
<td>(800) 311-4634</td>
<td>$5.707 per kWh</td>
</tr>
<tr>
<td>Gas</td>
<td>Vectren</td>
<td>Service Charge: $9.00 per meter</td>
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<tr>
<td></td>
<td>1630 South Meridian</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Street Indianapolis, IN 46202</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(800) 777-2060</td>
<td>First 45 therms $ .5151 per therm</td>
</tr>
<tr>
<td></td>
<td></td>
<td>&gt; 45 therms $ .4449 per therm</td>
</tr>
<tr>
<td>Telephone</td>
<td>SBC</td>
<td>Varies based on Plan Selected</td>
</tr>
<tr>
<td></td>
<td>1099 North Meridian</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Street Indianapolis, IN 46255</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(800) 647-9000</td>
<td></td>
</tr>
</tbody>
</table>
Historic District

The historic district within Elwood lies along both Anderson Street and Main Street, with an additional two blocks on North “A” Street. Sixteen blocks on South Anderson Street (100 to 1500 block) and nine blocks of Main Street (600 to 1600 block) are compromised of historic structures.

The Madison County Interim Report of Indiana Historic Sites & Structures Inventory rates the property at 308-310 S. Anderson St. as being “Contributing.” A rating of “Contributing” for a structure implies it contributes to the density, continuity, and/or uniqueness of the whole county or historic district, but which in the present condition does not appear to meet the general criteria for either the National or State Registers.

According to DNR-Division of Historic Preservation and Archaeology, the property is located within the Elwood Historic District, which was listed on the National Registry of Historic Places on October 15, 2002. Although the structure is not considered historically significant on a national and/or state level, locally the structure is viewed as an integral part of the history and character of downtown Elwood. In fact, the City of Elwood has required specific measurements be taken to ensure historical accuracy during the rehabilitation. The façade of the property, currently compromised of vinyl siding and paint, must be reverted back to original design characteristics (these characteristics will be determined by pictures of the building circa 1940). The façade must return to brick, and the original arch windows must be restored. This building is among the centerpieces of a vibrant community, striving to reestablish their historic downtown. Thus, with the proposed rehabilitation, the building will become a building block for the downtown revitalization process for the city of Elwood.
Floodplains

As stated within the Environmental Review, there are no environmental issues that prove damaging or harmful as a result of the rehabilitation project. The Federal Emergency Management Agency (FEMA) has mapped the Elwood area: “1801520001C.” The included FIRMette shows that the building located at 308-310 S. Anderson is not located within a floodplain (highlighted area is the location of 308-310 S. Anderson St. Elwood, IN).

In conjunction with this finding, ESRI has concluded that no wetlands exist within the area. Additionally, the project is not located in the Flood Plain District identified by the Federal Insurance Administrator.
IV. Supportive Services
A. SUPPORTIVE PROGRAMS & SERVICES

In relation to housing, numerous support services exist within the City of Elwood. Current housing delivery systems and their available assistance is provided within the following sections.

A. Madison County Council of Governments (Low-Income Housing Programs)

The Madison County Council of Governments (MCCOG) has administered housing grants from the Indiana Housing and Community Development Authority and the Farmers Home Administration. The primary purposes of these grants were to address housing needs of low-income families. Programs have been conducted by MCCOG for incorporated towns, cities, and the county excluding the City of Anderson. Grants administered in the past include the Elwood, Alexandria, and Madison County Rental Rehabilitation Programs, Madison County Owner-Occupied Rehabilitation Program, Madison County Housing Preservation Grant, Madison County Housing Plan, Elwood and Orestes Migrant Farm Worker Housing Program, and Alternatives, Inc. Emergency Shelter Program. These programs have been located at scattered sites throughout the county. MCCOG intends to continue to administer public assisted housing grants on behalf of the county and its towns and cities. In addition to these grants, assistance for homeownership, homeownership counseling, transitional housing, and special need housing programs are planned to be pursued in the future to address these specific low-income needs.

B. U.S.D.A. Rural Development (Home Improvement and Repair Loans and Grants)

“The Rural Development Agency provides loans in rural areas to finance homes and building sites. Rural areas include open country and places with population of 10,000 or less and, under certain conditions, towns and cities between 10,000 and 20,000.”
The Rural Development office has a service area of the entire county excluding the City of Anderson and its surrounding urbanized area. They have provided funding to rehabilitate numerous owner-occupied and rental units in scattered rural sites throughout the county. In addition to rehabilitation funding, financing low-income homebuyers and first-time homebuyers in the purchase of a home is another program run through the Rural Development office. This rehabilitation is available for sewer connections and implementing handicap features within a home. These programs for the most part give funding in the forms of loans, but programs with elderly participants (62 or older) are typically funded by grants.

**C. Rural Opportunities of Indiana** (Homeownership Programs)

Rural Opportunities provides housing services that improve the housing conditions and financial stability of participants that, in turn, will help stabilize their communities. These services help families who are living in overpriced, sub-standard and overcrowded conditions by providing access to available resources. Within Indiana the available programs are: Homeownership Program and Housing Technical Assistance. The Homeownership Program assists low and moderate-income households through homebuyer education classes and one-on-one homeownership counseling that enables many families who never believed they could own their own home to become homeowners. Education classes cover several topics, including basic banking, understanding credit, and the home buying process. The Housing Technical Assistance available provides technical assistance to non-profit organizations, municipalities and other agencies to assist them in developing affordable housing to meet the critical needs of farm workers and other low-income families.
D. Alternatives, Inc. of Madison County (Homeless/Victims of Abuse Emergency Shelter)

Alternatives, Inc. is one of the main providers for homeless needs located in Anderson, IN (approximately 18 miles from Summitville). The services are exclusively for women and children that are victims of abuse, violence, and homelessness. They provide shelter for a maximum of 45 days, educational training, counseling, and crisis intervention. Alternatives, Inc. currently has 18 permanent beds within the facility.

E. U.S. Department of Housing and Urban Development (Low-Income Housing Programs)

The U.S. Department of Housing and Urban Development operate a multitude of housing programs that are geared toward benefiting low and moderate income persons, as well as, promoting affordable housing. Though HUD’s programs are federal programs, these funds filter to the state and local level to assist various housing activities.

F. Elwood Public Housing Authority (Rental Assistance Programs)

This program is offered by the Public Housing Authority (PHA) through funds from the U.S. Department of Housing and Urban Development. The purpose of the program is to provide Section 8 Rental Assistance to low-income residents in northern Madison County primarily the City of Elwood. Once accepted into the program, the PHA will make housing assistance payments to the landlord to assist low-income families in paying their rental obligations. Rental assistance is given to tenants located at scattered sites in the county.

G. Christian Center Rescue Ministries (Homeless Shelter)

The Christian Center Rescue Ministries provided emergency shelter for men, women, and children who are homeless. The capacity of the center is 65 people, and it is typically at full capacity.
**H. Dove Harbor (Homeless Women and Children)**

Dove Harbor is affiliated with the North Anderson Church of God, and is centered on women and children in housing and homelessness. They provide transportation, childcare, and counseling for women in their program.

**I. Other**

Other assistance is also available to those in need of financial support. Job opportunities and training exist through JobSource’s Workforce Investment and WorkOne Service (765-642-4981). Additionally, rural transportation services are provided by TRAM - Transportation for Rural Areas of Madison County (765-644-6626).
V. Feasibility Assessment
A. FINANCIAL ANALYSIS

Project Costs and Sources of Funds

When looking at the proposed rehabilitation costs, an examination of the budget needs to be considered. A detailed analysis of costs is more thoroughly covered in the "Total Development Cost Estimate" section of this study. For summary purposes, here is the budget breakdown:

<table>
<thead>
<tr>
<th>Description of Costs</th>
<th>Costs Applied to CDBG</th>
<th>Other Cash Costs</th>
<th>In Kind Donations, Exhibit 12 &amp; H</th>
<th>Total Development Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Land and Buildings</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Acquisition</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal Purchase Land/Builders</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hard Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. New Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rehabilitation</td>
<td>$ 219,000</td>
<td>$ 52,000</td>
<td></td>
<td>$ 271,000</td>
</tr>
<tr>
<td>2. Demolition</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Commercial Development Costs</td>
<td>$ 15,000</td>
<td>$ 15,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal Hard Costs</td>
<td>$ 219,000</td>
<td>$ 67,000</td>
<td></td>
<td>$ 286,000</td>
</tr>
<tr>
<td>Program Delivery</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Architectural Fees</td>
<td>$ 18,600</td>
<td></td>
<td></td>
<td>$ 18,600</td>
</tr>
<tr>
<td>2. Engineering Fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Legal Fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Consultant/Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Work Writ-Ups/Specs (non-architectural)</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>6. Financing Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(construction &amp; permanent loan interest and fees)</td>
<td>$ 2,400</td>
<td>$ 2,400</td>
<td>$ 2,400</td>
<td>$ 2,400</td>
</tr>
<tr>
<td>7. Building Permit and Fee</td>
<td>$ 2400</td>
<td>$ 2400</td>
<td>$ 2400</td>
<td>$ 2400</td>
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<tr>
<td>8. Appeals</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Builder’s Risk Insurance</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>10. Lead Hazard Testing</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>11. Client Related Services</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>12. Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal Program Delivery</td>
<td>$ 21,000</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 21,000</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Relocation (temporary &amp; permanent)</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>2. Developer’s Fee</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-profit % **</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For Profit % **</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Replacement Reserves</td>
<td>$ 1,918</td>
<td>$ 1,918</td>
<td>$ 1,918</td>
<td>$ 1,918</td>
</tr>
<tr>
<td>4. Operating Reserves</td>
<td>$ 10,382</td>
<td></td>
<td></td>
<td>$ 10,382</td>
</tr>
<tr>
<td>5. Rent-up Reserves</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Administration</td>
<td>$ 15,000</td>
<td></td>
<td></td>
<td>$ 15,000</td>
</tr>
<tr>
<td>7. Environmental Review</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>8. Transitional Housing</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>9. Operating Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>***CDBG Only)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal Other</td>
<td>$ 15,000</td>
<td>$ 12,200</td>
<td></td>
<td>$ 27,200</td>
</tr>
<tr>
<td>TOTAL USES OF FUNDS</td>
<td>$ 256,000</td>
<td>$ 79,200</td>
<td></td>
<td>$ 334,200</td>
</tr>
</tbody>
</table>
As noted in the budget, $255,500 will be requested from the Indiana Housing and Community Development Authority (IHCDA) in the form of CDBG funds. The CDBG funding will cover all expenses, including hard costs for rehabilitation, architectural fees, and administrative fees.

**Revenue to Cost Comparison**

The analysis of revenue to cost of the proposed project demonstrates the strength and profitability potential possible. Based on the gross revenue, minus vacancies, operating expenses, and debt service, potential cash flows are projected to result in more than adequate profitability. The 15-Year Proforma gives a better representation of the revenue to cost comparison.

*15-Year Proforma is on the next page.*
15-Year Proforma

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Potential Gross Income</td>
<td>$39,600</td>
<td>$40,788</td>
<td>$42,012</td>
<td>$43,272</td>
<td>$44,570</td>
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<tr>
<td>2. Loss Vacancy Loss</td>
<td>$2,376</td>
<td>$2,447</td>
<td>$2,521</td>
<td>$2,596</td>
<td>$2,674</td>
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<tr>
<td>3. Effective Gross Income (1-2)</td>
<td>$37,224</td>
<td>$38,341</td>
<td>$39,491</td>
<td>$40,676</td>
<td>$41,896</td>
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<tr>
<td>4. Less Operating Expenses</td>
<td>$24,485</td>
<td>$25,464</td>
<td>$26,483</td>
<td>$27,542</td>
<td>$28,644</td>
</tr>
<tr>
<td>5. Less Replacement Reserves</td>
<td>$1,801</td>
<td>$1,801</td>
<td>$1,800</td>
<td>$1,800</td>
<td>$1,800</td>
</tr>
<tr>
<td>6. Plus Tax Abatement (increase by expense rate if applicable)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Net Income (3-4-5+6)</td>
<td>$10,939</td>
<td>$11,076</td>
<td>$11,208</td>
<td>$11,333</td>
<td>$11,452</td>
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<td>8. Less Debt Service #1</td>
<td>$7,374</td>
<td>$7,374</td>
<td>$7,374</td>
<td>$7,374</td>
<td>$7,374</td>
</tr>
<tr>
<td>8b. Less Debt Service #2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Cash Flow (7-8-8b)</td>
<td>$3,565</td>
<td>$3,703</td>
<td>$3,834</td>
<td>$3,960</td>
<td>$4,078</td>
</tr>
<tr>
<td>10. Debt Coverage Ratio (7/8+8b)</td>
<td>1.48</td>
<td>1.50</td>
<td>1.52</td>
<td>1.54</td>
<td>1.55</td>
</tr>
<tr>
<td>11. Deferred Developer Fee Payment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
<th>Year 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Potential Gross Income</td>
<td>$45,907</td>
<td>$47,284</td>
<td>$48,703</td>
<td>$50,164</td>
<td>$51,669</td>
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<tr>
<td>2. Loss Vacancy Loss</td>
<td>$2,754</td>
<td>$2,837</td>
<td>$2,922</td>
<td>$3,010</td>
<td>$3,100</td>
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<tr>
<td>3. Effective Gross Income (1-2)</td>
<td>$43,153</td>
<td>$44,447</td>
<td>$45,781</td>
<td>$47,154</td>
<td>$48,569</td>
</tr>
<tr>
<td>4. Less Operating Expenses</td>
<td>$29,700</td>
<td>$30,981</td>
<td>$32,221</td>
<td>$33,510</td>
<td>$34,830</td>
</tr>
<tr>
<td>5. Less Replacement Reserves</td>
<td>$1,918</td>
<td>$1,918</td>
<td>$1,918</td>
<td>$1,918</td>
<td>$1,918</td>
</tr>
<tr>
<td>6. Plus Tax Abatement (increase by expense rate if applicable)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Net Income (3-4-5+6)</td>
<td>$11,445</td>
<td>$11,548</td>
<td>$11,642</td>
<td>$11,727</td>
<td>$11,801</td>
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<td>8. Less Debt Service #1</td>
<td>$7,374</td>
<td>$7,374</td>
<td>$7,374</td>
<td>$7,374</td>
<td>$7,374</td>
</tr>
<tr>
<td>8b. Less Debt Service #2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Cash Flow (7-8-8b)</td>
<td>$4,071</td>
<td>$4,174</td>
<td>$4,268</td>
<td>$4,353</td>
<td>$4,427</td>
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<tr>
<td>10. Debt Coverage Ratio (7/8+8b)</td>
<td>1.55</td>
<td>1.57</td>
<td>1.58</td>
<td>1.59</td>
<td>1.60</td>
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<tr>
<td>11. Deferred Developer Fee Payment</td>
<td></td>
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<td></td>
<td></td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Year 11</th>
<th>Year 12</th>
<th>Year 13</th>
<th>Year 14</th>
<th>Year 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Potential Gross Income</td>
<td>$53,219</td>
<td>$54,816</td>
<td>$56,460</td>
<td>$58,154</td>
<td>$59,892</td>
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<tr>
<td>3. Effective Gross Income (1-2)</td>
<td>$50,026</td>
<td>$51,527</td>
<td>$53,073</td>
<td>$54,665</td>
<td>$56,315</td>
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<tr>
<td>4. Less Operating Expenses</td>
<td>$36,244</td>
<td>$37,694</td>
<td>$39,201</td>
<td>$40,769</td>
<td>$42,310</td>
</tr>
<tr>
<td>5. Less Replacement Reserves</td>
<td>$1,918</td>
<td>$1,918</td>
<td>$1,918</td>
<td>$1,918</td>
<td>$1,918</td>
</tr>
<tr>
<td>6. Plus Tax Abatement (increase by expense rate if applicable)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Net Income (3-4-5+6)</td>
<td>$11,864</td>
<td>$11,915</td>
<td>$11,953</td>
<td>$11,977</td>
<td>$11,987</td>
</tr>
<tr>
<td>8. Less Debt Service #1</td>
<td>$7,374</td>
<td>$7,374</td>
<td>$7,374</td>
<td>$7,374</td>
<td>$7,374</td>
</tr>
<tr>
<td>8b. Less Debt Service #2</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>9. Cash Flow (7-8-8b)</td>
<td>$4,490</td>
<td>$4,541</td>
<td>$4,579</td>
<td>$4,604</td>
<td>$4,613</td>
</tr>
<tr>
<td>10. Debt Coverage Ratio (7/8+8b)</td>
<td>1.61</td>
<td>1.62</td>
<td>1.62</td>
<td>1.62</td>
<td>1.63</td>
</tr>
<tr>
<td>11. Deferred Developer Fee Payment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Cash Flow after Def. Dev. Fee Fmt.</td>
<td>$4,490</td>
<td>$4,541</td>
<td>$4,579</td>
<td>$4,604</td>
<td>$4,613</td>
</tr>
</tbody>
</table>
B. CONCLUSIONS & RECOMMENDATIONS

Conclusions

Through extensive research, conducting surveys, and public input, the City of Elwood has been able to ascertain the feasibility of the proposed project. The building located at 308-310 South Anderson Street in Elwood was originally established for commercial use, and while the proposal includes maintaining some commercial space, the building will also house several residential units. During examination of the preferred use, preferred mix, and alternative uses, it becomes evident that the proposed development is the best alternative in terms of viability and profitability. This coupled with the property being properly zoned gives more credence to the project. The local government and community members are very supportive of the project, as it fits well the City’s desire to revitalize the downtown area. There seems to be a demand for these types of rental units, as is evident with the waiting list of prospective tenants the Owner/Developer maintains. Other positive aspects of the project include; a low crime rate, pedestrian and children friendly neighborhoods, close proximity to amenities, and its central location. Finally, through the financial analysis, the positive cash flows and profit margins lead the City and the Developer to believe in the feasibility of this project.

Recommendations

Based on the aforementioned conclusions, it is recommended that the project move forward as proposed. This would include the rehabilitation of two commercial units and six residential units in the building located at 308-310 S. Anderson Street in Elwood. This project should be submitted for funding to the Indiana Housing and Community Development Authority, in which the grant application is due October 31, 2005.
VI. Implementation Plan
A. STRATEGY & ACTION PLAN

The action plan is comprised of implementation of the building project located at 308-310 S. Anderson Street, Elwood. The implementation strategy for the proposed project is outlined below. Refer to the next section, “Major Milestones and Timetable,” for a detailed timeline of the project activities. The timeline reviews completed activities started in July 2005 and runs through to project expiration projected to be in May 2007.

308-310 S. Anderson St., Elwood, Indiana Rehabilitation Program

A. Activity
- Apply for Community Development Block Grant (CDBG) funds from the Indiana Housing and Community Development Authority (IHCDA), and secure the remaining funds to complete the project from Jerry Alexander (Owner/Developer).
- Conduct a rehabilitation project that will result in two-(2) commercial unit and six-(6) rental units being rehabilitated.

B. Funding Sources
- CDBG Rental Rehabilitation Funds – Provided by the IHCDA to conduct rental rehabilitation of existing units and structures.

C. Implementing Organizations and Their Roles
- The City of Elwood – The City is the eligible applicant for CDBG funds.
- Jerry Alexander/Alexander-Bickel L.L.C. – As the owner/developer of the project, he will serve as the subgrantee.
- Subrecipient Grant Administrator – Will implement the IHCDA funded rental rehabilitation program while adhering to the project guidelines and regulations.
- Architect – Will develop the site and design plans, work specifications, and bid documents for the project.
- Construction Contractor – Procured to complete the rehabilitation activities.
VI. Implementation Plan

B. MAJOR MILESTONES & TIMETABLE

Major Milestones

This project began in July 2005 and will be completed in May 2007. The following dates are milestones that have either occurred or are anticipated throughout the project:

<table>
<thead>
<tr>
<th>Month/Year</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>July to September 2005</td>
<td>Predevelopment Activity Begins (Feasibility Study)</td>
</tr>
<tr>
<td>Complete</td>
<td>Site Control Obtained</td>
</tr>
<tr>
<td>October 2005</td>
<td>Public Comment Period</td>
</tr>
<tr>
<td>October 2005</td>
<td>Completed Feasibility Study Submitted to IHCDA</td>
</tr>
<tr>
<td>October 2005</td>
<td>Apply for Rental Rehabilitation Funding (IHCDA)</td>
</tr>
<tr>
<td>March 2006</td>
<td>Rehabilitation Start Date</td>
</tr>
<tr>
<td>December 2006</td>
<td>Rehabilitation Completion Date</td>
</tr>
<tr>
<td>January 2007</td>
<td>Final Draw, Completion Report, and Closeout</td>
</tr>
<tr>
<td>May 2007</td>
<td>Expiration Date</td>
</tr>
</tbody>
</table>
C. ORGANIZATIONAL & ADMINISTRATIVE STRUCTURE

Administrative Structure

The City of Elwood, City Council, will act as the Local Unit of Government and the Legal Applicant for funding to the Indiana Housing Finance Authority. The Owner-Developer, Jerry Alexander of Alexander-Bickel L.L.C. will be the Subgrantee on the project and is contributing leveraging funds toward the development. As owner of the property, he will serve as the Property Manager upon completion of the project. A Grant Administrator and Architect has been procured.

Organizations Involved

There will be several organizations involved with the implementation of any and all activities associated with the rehabilitation process. The organizations and/or entities include City of Elwood, Owner/Developer (Jerry Alexander of Alexander-Bickel L.L.C.), and a Procured Grant Administrator, Architect, and Construction Contractor. The Madison County Council of Governments has been a vital member of the Feasibility Study and would be an ideal agency to perform the role of Subrecipient/Grant Administrator.
D. LOCAL GOVERNMENT & TASK FORCE

Public Participation

There are numerous ways to involve the public in the decision and rehabilitation process of the building located in Elwood, Madison County, Indiana. General public surveys were passed out throughout the community to gain public input in relation to the rehabilitation. Surveys were collected via phone surveys, during festivals within the community, and from the town hall. In order to gain public input accurately, it is important to continually involve the public throughout all steps and processes. Therefore, meetings will also be held throughout the entire process. They will be open to the public and will occur either during Board of Works or City Council meetings to capitalize on the greatest opportunity for input and attendance. Additionally, one public hearing introduced photomontages and sketches of interior and exterior proposed changes. It is hoped, that these efforts have and will afford the greatest amount of public participation, especially from the low-income population.

Local Government & Task Force

Aside from public input, the City of Elwood, Owner/Developer (Jerry Alexander of Alexander-Bickell L.L.C.), Madison County Council of Governments, and Architect (Kato Smith) have played major roles in construction of this feasibility study and continued collaboration is anticipated to see this development come to fruition. There will be no “Task Force” for this development, rather a collaborative effort of the aforementioned organizations and continued input from the public.
VII. Exhibits & References
Rental Rehabilitation on
308 - 310 S. Anderson St. - Elwood

Rehabilitation Location
State Highways
Local Streets
Elwood Incorporated Area
County Boundary
Elwood Affordable Housing Apartment Project

Key Plan - Second Floor Plan

Kato Smith & Associates, Inc.
7 East 12th Street, Anderson, Indiana 46016 Tel: 765-644-3712 Fax: 765-644-3724 Email: kdsmithe@msn.com
Elwood Affordable Housing Apartment Project

East Elevation – Existing

East Elevation – Proposed

Kato Smith & Associates, Inc.
7 East 12th Street, Anderson, Indiana 46016 Tel: 765-644-3712 Fax: 765-644-3724 Email: kdsmitthe@man.com
Elwood Affordable Housing Apartment Project

North Elevation – Existing

North Elevation – Proposed
Elwood Affordable Housing Apartment Project

South Elevation – Existing

South Elevation – Proposed

Kato Smith & Associates, Inc.
7 East 12th Street, Anderson, Indiana 46016 Tel: 765-644-3712 Fax: 765-644-3724 Email: kdsmithar@msn.com
Elwood Affordable Housing Apartment Project

West Elevation – Existing

West Elevation – Proposed

Kato Smith & Associates, Inc.
7 East 12th Street, Anderson, Indiana 46016 Tel: 765-644-3712 Fax: 765-644-3724 Email: kdsmlther@msn.com
Community Input Survey

1. Living Conditions:
   A. Are you currently living in a home or a rental property?
      67 – 77% Home  19 – 22% Rental  86 – 100% Total

2. Home:
   A. Do you presently have a mortgage or is your home paid for?
      45 – 67.16% Mortgage  22 – 32.84% Paid For
   B. Overall, how do you feel about your present housing situation?
      26 – 38.8% Very Satisfied  36 – 53.7% Satisfied  4 – 6.0% Dissatisfied  0 – 0% Very Dissatisfied
   C. Which best describes the condition of your home?
      19 – 28.4% Excellent  43 – 64.2% Good  3 – 4.5% Poor
   D. How many bedrooms does your home have? 2.40 Average
   E. For your household, is the size of your home?
      5 - 7.56% Too small  53 - 79.1% Just right  8 - 11.9% Too large

3. Rental:
   A. Which best describes the rental you live in?
      6 - 31.6% House  4 - 21.1% House Unit  2 - 10.5% Duplex  6 - 31.6% Apartment building
   B. Overall, how do you feel about your present housing situation?
      2 - 10.5% Very Satisfied  9 - 47.4% Satisfied  8 - 42.1% Dissatisfied  0 – 0% Very Dissatisfied
   C. Which best describes the condition of your rental?
      5 - 26.3% Excellent  11 - 57.9% Good  3 - 15.8% Poor
   D. For your household, is the size of your rental?
      10 - 52.6% Too small  8 - 42.1% Just right  1 - 5.3% Too large
   E. How many bedrooms does your rental have? _1.25 Average
   F. Do you pay more or less than ($Fair Market) a month for your rental?
      0 – 0% More  16 – 100% Less
      (Fair Market: Efficiency - $336; 1 BR - $492; 2 BR - $592; 3 BR - $741; 4 BR - $830; 5 BR - $955; 6 BR - $1,079)
   G. Are utilities included in your rent?
      7 – 36.8% Yes  12-63.1% No

4. All:
   A. How many people live in your household?  _ 2.6 Average

5. Neighborhood Factors:
   A. How would you describe the utility providers of your neighborhood?
      13 – 15.5% Excellent  56 – 66.6% Good  13 - 15.5% Adequate  2 - 2.4% Poor
   B. Would you consider your neighborhood child friendly?
      69 – 81.2% Yes  16 – 18.6% No
   C. Would you consider your neighborhood pedestrian friendly?
      66 – 76.7% Yes  20 – 23.3% No
   D. How would you rate the crime in your neighborhood?
      1 – 1.2% High  18 – 20.9% Moderate  66 – 76.7% Low

6. Historical Preservation:
   A. How would you rate the importance of historic preservation in your community?
      29 – 33.7% Very Important  45 – 52.3% Important  12 – 14.0% Not Important
B. How important are historical buildings in relation to the character of the town?
   \[39 - 45.4\% \text{ Very Important} \quad 35 - 40.7\% \text{ Important} \quad 11 - 12.8\% \text{ Not Important}\]

7. Household Income:
   A. Is your household income more or less than ($Low-Income Limit) annually?
      (Low-Income limit: 1 person - $35,900; 2 persons - $41,000; 3 persons - $46,150; 4 persons -
      $51,300; 5 persons - $55,400; 6 persons - $59,500; 7 persons - $63,600; 8 persons - $67,700.)
      \[8 - 30\% \text{ More} \quad 19 - 70\% \text{ Less}\]
The Madison County Council of Governments (MCCOG) is currently conducting housing surveys throughout the city of Elwood for the purpose of assessing the housing needs within the town. Please complete these questions to the best of your ability as it pertains to housing in your community, particularly with an emphasis on low/moderate income individuals and families. It is our goal to integrate information gathered from this questionnaire and through research to develop a better understanding of housing in your community.

1. The following categories are types of housing assistance programs. Please rank these six categories based on housing needs in your community (1-Most Important to 6-Least Important, when ranking use each number 1-6 only once.)

<table>
<thead>
<tr>
<th>Avg.</th>
<th>Owner-Occupied Rehabilitation:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.71</td>
<td>1 (6-46.1%) 2 (1-7.7%) 3 (1-7.7%) 4 (1-7.7%) 5 (2-15.4%) 6 (2-15.4%)</td>
</tr>
<tr>
<td></td>
<td>Rental Rehabilitation</td>
</tr>
<tr>
<td></td>
<td>1 (1-8.3%) 2 (3-25.0%) 3 (3-25.0%) 4 (2-16.6%) 5 (3-25.0%) 6 (0-0.0%)</td>
</tr>
<tr>
<td>3.71</td>
<td>Home Purchase Counseling (Guidance for the Home Purchase Process)</td>
</tr>
<tr>
<td></td>
<td>1 (0-0.0%) 2 (4-30.7%) 3 (2-15.4%) 4 (5-38.4%) 5 (0-0.0%) 6 (2-15.4%)</td>
</tr>
<tr>
<td>5.43</td>
<td>Home Purchase Assistance (Low-interest Loans and Mortgage Buy Downs)</td>
</tr>
<tr>
<td></td>
<td>1 (7-53.8%) 2 (1-7.7%) 3 (3-23.0%) 4 (1-7.7%) 5 (1-7.7%) 6 (0-0.0%)</td>
</tr>
<tr>
<td>4.43</td>
<td>New Construction of Homes</td>
</tr>
<tr>
<td></td>
<td>1 (2-15.4%) 2 (3-23.0%) 3 (0-0.0%) 4 (2-15.4%) 5 (4-30.7%) 6 (2-15.4%)</td>
</tr>
<tr>
<td>1.57</td>
<td>New Construction of Rental Properties</td>
</tr>
<tr>
<td></td>
<td>1 (0-0.0%) 2 (0-0.0%) 3 (1-7.7%) 4 (1-7.7%) 5 (1-7.7%) 6 (10-77.0%)</td>
</tr>
</tbody>
</table>

2. Of the following housing issues, which are problems in your community? (Circle the number that corresponds with your response)

<table>
<thead>
<tr>
<th>Avg.</th>
<th>Availability of quality homes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.5</td>
<td>1 (5-38.5%) 2 (4-30.8%) 3 (4-30.8%) 4 (0-0.0%)</td>
</tr>
<tr>
<td>2.5</td>
<td>Availability of quality rentals</td>
</tr>
<tr>
<td></td>
<td>1 (5-38.5%) 2 (4-30.7%) 3 (3-20.7%) 4 (0-0.0%)</td>
</tr>
<tr>
<td>2.5</td>
<td>Affordable homes for sale</td>
</tr>
<tr>
<td></td>
<td>1 (5-35.7%) 2 (0-0.0%) 3 (9-64.3%) 4 (0-0.0%)</td>
</tr>
<tr>
<td>2.4</td>
<td>Affordable rental units</td>
</tr>
<tr>
<td></td>
<td>1 (3-23.0%) 2 (3-23.0%) 3 (7-53.8%) 4 (0-0.0%)</td>
</tr>
<tr>
<td>2.1</td>
<td>Subsidized/Assisted Housing</td>
</tr>
<tr>
<td></td>
<td>1 (0-0.0%) 2 (10-83.3%) 3 (2-16.6%) 4 (0-0.0%)</td>
</tr>
<tr>
<td>2.5</td>
<td>Housing for elderly</td>
</tr>
<tr>
<td></td>
<td>1 (0-0.0%) 2 (6-50.0%) 3 (6-50.0%) 4 (0-0.0%)</td>
</tr>
<tr>
<td>2.6</td>
<td>Poor, dilapidated housing</td>
</tr>
<tr>
<td></td>
<td>1 (0-0.0%) 2 (2-14.3%) 3 (12-85.7%) 4 (0-0.0%)</td>
</tr>
<tr>
<td>2.5</td>
<td>Vacant/abandoned housing</td>
</tr>
<tr>
<td></td>
<td>1 (0-0.0%) 2 (1-7.1%) 3 (13-92.8%) 4 (0-0.0%)</td>
</tr>
</tbody>
</table>
3. Would you say it is difficult for the following people to find appropriate and affordable housing in your community?

<table>
<thead>
<tr>
<th>Avg.</th>
<th>Not Difficult</th>
<th>Somewhat Difficult</th>
<th>Very Difficult</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.71</td>
<td>Single persons living alone</td>
<td>1 (6-42.8%)</td>
<td>2 (7-50.0%)</td>
</tr>
<tr>
<td>2.00</td>
<td>Single persons with children</td>
<td>1 (3-21.4%)</td>
<td>2 (6-42.8%)</td>
</tr>
<tr>
<td>1.57</td>
<td>Married couples without children</td>
<td>1 (9-64.2%)</td>
<td>2 (5-35.7%)</td>
</tr>
<tr>
<td>2.29</td>
<td>Married couples with children</td>
<td>1 (5-35.7%)</td>
<td>2 (8-57.1%)</td>
</tr>
<tr>
<td>2.29</td>
<td>People with disabilities</td>
<td>1 (2-14.3%)</td>
<td>2 (9-64.3%)</td>
</tr>
<tr>
<td>2.14</td>
<td>Elderly Persons</td>
<td>1 (4-28.5%)</td>
<td>2 (5-35.7%)</td>
</tr>
</tbody>
</table>

4. Do you think the preservation of historical properties is important in your community? If so, what historical buildings or areas of town need revitalization?

- City buildings
- Yes, old buildings downtown
- Yes, Elwood City Building
- Nope

5. Additional comments?

- Too much HUD & welfare
SPECIAL MEETING OF THE BOARD OF PUBLIC WORKS AND SAFETY
CITY OF ELWOOD, MADISON COUNTY, INDIANA
COUNCIL CHAMBERS MUNICIPAL BUILDING
JUNE 1, 2005 4:30 PM

Meeting called to order by Mayor Merrill Taylor. Members present: Bill Brogdon, Bert Litherland. City attorney, Thomas Beeman, was not present for the meeting.

This is a public hearing for the IHFA Grant/Feasibility Study Rental Rehab for 308/310 South Anderson Street. Amanda, representing Madison County Council of Governments advised the council that after the renovations to the building, there will be two commercial and two two-bedroom units on the main level and two two-bedroom and two one-bedroom units upstairs. The front of the building will be returned to its original façade. There will also be a paved parking lot to the south of the building. Taylor made a motion to approve the application for the grant; seconded by Litherland. All in favor.

Taylor made a motion to adjourn; seconded by Brogdon. All in favor; meeting adjourned.

W. Merrill Taylor, Mayor

ATTEST: Sandra R. Brewer, Clerk-Treasurer
VIII. Works Cited
WORKS CITED

Division of Historic Preservation and Archaeology, Indiana Department of Natural Resources. Madison County Interim Report: Indiana Historic Sites and Structure Inventory. Indianapolis, IN: Historic Landmarks Foundation of Indiana; 1984.


