

1. Narrative Description Project – Casa Indiana

Type of Housing being Developed & Population to be served

Casa Indiana is designed to provide housing to elderly persons, 62 and over who are currently independent, along with the supportive services that they need in order to continue to work and be otherwise actively involved in community activities, socialize and remain self-sufficient for as long as possible. This new 4-story new construction elevator access building will include: thirty-nine 1-bedroom and eleven 2-bedroom apartments, community rooms, management offices, and supportive space for social activities. Initially, elderly persons eligible for residency in the facility will not be deficient in any (more than one or two) Activities of Daily Living ("ADLs") as defined by the US Department of Housing and Urban Development. In addition, twelve (12) of the units will be designed especially for access by the disabled to accommodate wheelchair-bound or otherwise physically disabled persons and four (4) additional units will be equipped for residents with hearing and/or visual impairments. The remaining 34 units are designed to become adaptable to accommodate the growing needs of the residents as they age in place. Fully 100% of the units provided by Casa Indiana will meet the requirements for visitability.

The proposed development will be located at 2935-65 N. 2nd Street, at the intersection of 2nd Street and Indiana Avenue, in the Fairhill neighborhood; a parcel of land that has been vacant for 30+ years. Second Street is an important bus and "gateway" route from the north connecting to Center City. Casa Indiana will create a landmark presence and contribute to the amenities of the neighborhood through the elimination of blight, redevelopment of a Brownfield site, and creation of affordable housing for low-income elders.

Casa Indiana is located within walking distance of the 5th Street commercial corridor, El Centro de Oro, and the Front and Allegheny commercial corridor providing vital goods and services for the community. Several public bus lines (Routes 47, 50, 54 and 60) run through the neighborhood. Neighborhood amenities include: HACE's Main Office, Mercy Life Center, the Ramonita Rivera Negron City Recreation Center, Mann Adult Senior Center, Congreso, Maria de los Santos Health Care Center, Salvation Army, Projecto Ayuda, Episcopal Hospital, The Lighthouse are but of few of the social and health care service providers located within walking distance of the proposed elderly housing development.

The project will feature 8 apartments at the 1st floor and 14 units on each of the 2nd, 3rd, and 4th floors. Each unit has an open floor plan with living room, eat-in kitchen, one bedroom, and full bathroom. The first floor will include two community rooms, laundry facilities, two management offices, a storage/maintenance room with individual storage for each unit, and a mechanical/trash room. The large community room that includes a small kitchen faces 2nd Street, and has access from both the lobby and direct street access at the corner of 2nd and Indiana. It will be available for programs targeted to seniors, including lunch programs, and other activities. It will also be available for community functions, to better integrate the development into the neighborhood. The smaller community room, overlooking the patio/plaza to the rear will provide an opportunity for quiet relaxation, as well as provide computer/internet-access facilities. The lobby and small community room will have direct access to the large rear paved patio area and garden that will provide an amenity for Casa Indiana residents. The management offices will be located directly adjacent the main entrance lobby, and will have windows both onto 2nd Street, and onto the lobby vestibule, to provide security. All spaces will be flexibly designed to meet the changing need of residents over the next 20 years.

The adaptive design of Casa Indiana and support services program also reflect the fact that, as each of the residents of the facility get older, the physical environment may need to be adapted and additional supportive services must be provided to accommodate each resident. Our objective is to

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enable individuals to "age-in-place" for as long as possible to reduce the incidence of pre-mature institutionalization of elderly residents of the community. In further support of this objective Casa Indiana will feature eleven (11) two (2) bedroom units which will also be made available to those residents who require additional sleeping quarters for potential live-in nurses or caregivers, as it is often difficult for elderly persons to deal with the everyday problems associated with aging; illnesses, living on fixed income and loss of familial support. Casa Indiana will provide the residents of this community a greater choice in housing opportunities within the neighborhood they are familiar with. Each household (100% percent of units) at Casa Indiana must include a resident who is at least 62 years old. 100% of the units will be targeted to elderly residents with incomes between 20%-40% of median. In fact, because of the extremely low-incomes of the population where the housing will be located, we expect that a majority of the residents for Casa Indiana will be closer to 30% of the median income for the area. For this reason HACE is seeking rental subsidies for this development to reduce housing costs for residents that cannot afford LIHTC rents.

Property Location & Status of Acquisition

The proposed development site is located at 2935-65 N. 2nd Street, Philadelphia, PA 19133. It is a vacant parcel of land that was assembled and condemned by the Philadelphia Redevelopment Authority to be conveyed to HACE under one redeveloper's agreement.

This site was authorized for condemnation by City Council and approved by the Mayor in 2003 as part of the Neighborhood Transformation Initiative. The property will be conveyed to HACE upon approval of the development budget, financing, design, PRA Board approval and final City Council approval. At the time of land transfer the Redevelopment Authority clears all liens and judgments on the subject property and provides a fee simple deed to the redeveloper—HACE. The noted properties are presently owned by PRA. See Section 12 which conveys the Redevelopment Authority's intent to select HACE as the redeveloper of the subject property.

Financing Structure

HACE is proposing to develop Casa Indiana using the Low-Income Housing Tax Credit Program. Our application to the Pennsylvania Housing Finance Agency will be submitted in the coming round due January 30, 2015 requesting \$11,146,518 in 9% tax credits, which we project to leverage \$11,809,135 in equity. HACE is working with PNC bank to serve as the equity investor. As part of the tax credit financing structure, HACE will reinvest \$430,468 of its developer fees to the development of the project.

A year ago HACE refinanced Somerset Villas, a HUD Section 202 elderly housing development, to leverage funds for capital improvements to the property and to generate funds for the development of a new senior housing facility. As part of that refinancing HACE has \$456,000 in escrow for the development of Casa Indiana. To fill the remaining gap HACE has applied to the Housing Trust Fund requesting \$1.5 million. For more details see section 11 of this application package.

The supply of affordable housing in HACE's focus area has not kept pace with the demand. Casa Indiana is designed to increase affordable rental housing opportunities for extremely low and low-income seniors in a supportive environment to allow them to age in place with dignity. HACE is herewith requesting unit based operating subsidies (RFP #P-004440) of \$500.00 per unit per month for operating expenses resulting from the provision of affordable rental housing units to elders 62 and older. The requested subsidy will reduce the cost of housing to eligible applicants to 30% or less of their adjusted monthly income the area.