



Supporting neighborhoods

Help for where people live

For three years, Kevin and Coree Bennett tried to become homeowners. Tired of renting apartments and moving every few years, they longed for the stability that homeownership would provide.

They wanted a place of their own where they could rear children and a neighborhood where they could put down roots in Indianapolis.

In theory, buying into the American dream of homeownership should have been a natural next step for the Bennetts. When they began house hunting a few years ago, interest rates were historically low, and a sluggish real-estate market brought home prices down to more affordable levels. Kevin had established a computer repair business, and Coree was working and attending college to finish her degree in accounting.

But the young couple was repeatedly rebuffed in their attempts. "It was always something, some reason we couldn't qualify for a mortgage," says Kevin. "We didn't earn enough, or our credit score was too low, or the down payment was too much."

With knowledge, a plan and confidence gleaned from Indianapolis Neighborhood Housing Partnership programs, the Bennetts found their first home. Baby Lillian, Coree and Kevin wait for Sophie, 3, to catch up. Kevin claims, "It's nice to cut your own grass."

When an acquaintance suggested the couple contact the Indianapolis Neighborhood Housing Partnership (INHP) for help in purchasing their first home, Kevin was skeptical. "I thought, 'What's the catch?' It just didn't seem like anyone would be able to help us," he says. "Why would they?" INHP, however, proved to be just the help the Bennetts needed.

Since its founding in 1988 with Lilly Endowment support, INHP has been committed to its mission of increasing safe, decent and affordable housing opportunities to ensure that Indianapolis maintains healthy, viable neighborhoods. It offers homeownership education, one-on-one mortgage and credit counseling, guidance to find an affordable loan product, and post-purchase support. Through its lending pool, INHP offers direct loans as well as referrals to lender partners.

The Bennetts took advantage of eight hours of INHP's home-buyer education classes, which prepare families for the complicated process of buying a home and covering subjects such as home inspections, mortgage rates, tax implications and insurance. INHP also advised them on ways to shape up their credit scores, save for a down payment, and learn money-management strategies to monitor the ongoing costs of home ownership, such as house payments and repairs. The homeownership counseling "forced us to look at how we spend every penny," Kevin says. "The home-buyer class taught us what to expect at every step. It gave us the tools to be successful."

Armed with knowledge, a financial plan and a mortgage program for which they qualified, the Bennetts zeroed in on a neighborhood they liked on the Southside and in 2010 purchased a suburban four-bedroom home with a two-car garage, a family room and a big backyard with mature trees – perfect for a family that includes their daughters, 3-year-old Sophie and Lillian, nearly 1. The property was in foreclosure, so the Bennetts got a bargain, but so did the neighborhood. The formerly vacant house became a family home again.

"INHP is really the master of what it does.

It works," Kevin says. "We love feeling part of this neighborhood. It's awesome! And it's nice to cut your own grass."

Focused on mission

Operating with the belief that a city's overall vitality lies in neighborhoods that thrive, INHP is one of a network of organizations working to improve the economic and physical conditions in Indianapolis, house by house and block by block.

Since 1988 the Endowment has awarded nearly \$110 million in grant funding to INHP, including \$5.3 million awarded in 2011. The nationally recognized organization has leveraged that support by coordinating efforts with a cadre of partners – the city of Indianapolis, financial institutions, community development corporations, and for-profit development corporations – to help expand the supply of affordable housing in Marion County.

"We're very focused on enabling low- and moderate-income families to become long-term homeowners," says Moira Carlstedt, INHP president.



Moira Carlstedt, president of INHP, works to leverage the investments of the Endowment and several financial institutions to promote homeownership for low- and moderate-income families.

“Because we’ve stayed true to that mission, we’ve been able to strengthen and enhance what we do and, through research and relationships, identify the areas where we have challenges as a community.”

In 2011 INHP invested \$14.5 million in financing for low- and moderate-income families to purchase or repair their homes. Nearly 2,300 individuals graduated from an INHP education program, and 240 families closed on a mortgage to purchase, repair or improve their home in 2011, either through a referral to a local financial institution or through the INHP direct lending program. Despite the fact that 96 percent of the families with a loan from INHP had an income at or below 80 percent of Indianapolis’ area median income, a 2010 study by Ohio State Univer-

sity, the Federal Reserve Bank of Chicago and the U.S. Office of the Comptroller of the Currency showed that INHP buyers were less likely than most buyers to default.

That’s gratifying to INHP, where the focus is on helping, but with a business approach to sound financial management that results in a healthy bottom line and the trust of its private-sector investors and partners. “Otherwise, we can’t help families that need assistance,” Carlstedt says.

Al Smith, president, Chase Central Indiana, has served on the INHP board for many years. “Over the years, INHP has galvanized the support of financial institutions in our community for its programs to help provide affordable housing to low-income

residents,” he says. “It has played a crucial role in our community’s efforts to improve the quality of life in Indianapolis neighborhoods. By strategically marshaling the resources of local financial institutions, INHP has enabled them to magnify the impact of their investments for the betterment of our community.”

Led by JPMorgan Chase Bank, Huntington Bank, BMO Harris and Old National Bank, private-sector financial institutions have invested more than \$118 million during the past 15 years in six INHP multibank loan pools. The current loan pool reflects a total commitment of \$22 million from 13 different financial institutions in INHP’s direct lending program.



Nothin’ better than home. The Bennett family takes a play break in the living room. Until they turned to INHP, their house-hunting efforts were discouraging.

INHP also refers graduates of its housing counseling programs to local financial institutions for mortgage loans. Since 2000 more than \$169 million in mortgage loans has been issued through the INHP lender referral program.

“INHP is one of the best-run organizations in Central Indiana,” says Ellen Annala, former INHP board chair and president and CEO of United Way of Central Indiana, which appoints five of INHP’s 25 board members. “They are focused on outcomes when it comes to helping families, and they work collaboratively with a variety of other organizations that enhance the quality of life in neighborhoods.”

“We know we are part of a bigger infrastructure,” says Carlstedt. “We stand as part of a comprehensive approach in Indianapolis. We don’t duplicate. We leverage resources and identify and nurture relationships.”

One of the key organizations with which INHP collaborates regularly is the Local Initiatives Support Corp. (LISC), a national nonprofit that helps local community development corporations in low-income neighborhoods improve their physical and economic conditions. LISC works at the neighborhood level by supporting housing and commercial projects, and it provides operating, technical and financial advice and assistance to local community development corporations. LISC Indianapolis Executive Director William (Bill) Taft says, “In some cases, LISC has assisted with building homes in neighborhoods that haven’t seen new construction in decades, and INHP has helped provide mortgages for new homeowners.”

Eastside had a plan

In recent years, INHP, LISC and a host of other partners have worked collaboratively to create a structure of support for Indianapolis neighborhoods. Fixing broken neighborhoods requires a comprehensive approach, according to Taft. “Comprehensive community development includes the entire life of the community: housing, education, recreation, health and safety, and commerce,” he says.



LISC’s Bill Taft (left) and James Taylor, CEO of the Boner Center, survey the YET logo (Youth Education Town) in the new community center. The NFL supports the creation of YETs in each city that hosts a Super Bowl.

“Neighborhoods are complex. Doing one or two things will not change a neighborhood that has declined. Real change has to be community-based and unique to the neighborhood. The Endowment has given us the resources to bring best practices in community development from across the country to the city to work at real change,” says Taft. For nearly 20 years the Endowment has provided ongoing support of \$10.5 million, including \$550,000 in 2011, for LISC’s work in Indianapolis.

One of the most visible examples of “real change” is the Super Bowl Legacy Project. In 2008, when the National Football League announced that Indianapolis had won its bid to host the 2012 Super Bowl, a vision for the Near Eastside, a struggling 44-square-block area a mile east of Downtown, unfolded, too.



LISC, which had been assisting the Near Eastside with a quality-of-life plan as part of its Endowment-funded Great Indy Neighborhoods Initiative (GINI), helped steer the Indianapolis Super Bowl bid committee toward the area. With the sustained leadership of the John H. Boner Community Center, an Eastside anchor, residents and community groups already had been working there for years to turn around their troubled part of town. With a commitment from the NFL and dozens of corporate and nonprofit partners, including the Endowment and LISC, the Super Bowl Legacy Project was under way.

Among the lasting legacies is the Chase Near Eastside Legacy Center on the grounds of Arsenal Technical High School. The center houses an NFL Youth Education Town (YET), which offers an array of programs for area youth through partnerships with several community organizations. The center also provides more than 27,000 square feet of facilities for fitness, media, computer, greenhouse, kitchen and art activities for young and old alike. The Endowment provided \$5.5 million for the center.

Also, several new residential developments materially enhance life in the area. Neighbors point to the St. Clair Senior Apartments, which provide 33 new one- and two-bedroom apartments, and the Commonwealth, a 32-unit apartment building that

has transformed the empty Indianapolis Public School 3.

According to Mark Miles, president and CEO of the Central Indiana Corporate Partnership and chairman of the Indianapolis Super Bowl host committee, "Over the years, LISC's intermediary role in engaging and supporting individuals and organizations alike in improving the quality of life in the Near Eastside was critical to the success of the Super Bowl Legacy Project. LISC's work helped set the stage for these impressive developments."

"Long after the Super Bowl is a memory, the investments will pay dividends," Taft says. "All these improvements arose from the GINI planning effort that had been in place for years. The Super Bowl just created more excitement and made things happen in a faster and bigger way than they ever would have."

Of boutiques & groceries

Heather McMullen moved from suburbia to the Englewood neighborhood on the Near Eastside six years ago, attracted to the charms of the area's old homes. Now more than ever, she appreciates the community that has worked its way up from decline.

"I live on a street with 40 houses. I know the name of every child on the street and their pets' names, too," she says. "We're not going to hide the fact that bad things happen here, but those challenges cause us to be a tighter-knit community. The nice thing about what has happened here with LISC and the Legacy Project is that it has helped shine a spotlight on the good things that happen."

(this page and opposite) **The Chase Near Eastside Community Center**, spanning new on the campus of Arsenal Technical High School in Indianapolis, was built as part of the Super Bowl Legacy Project. A years-long history of working and planning together in local initiatives primed the Near Eastside to capitalize on the Super Bowl project.

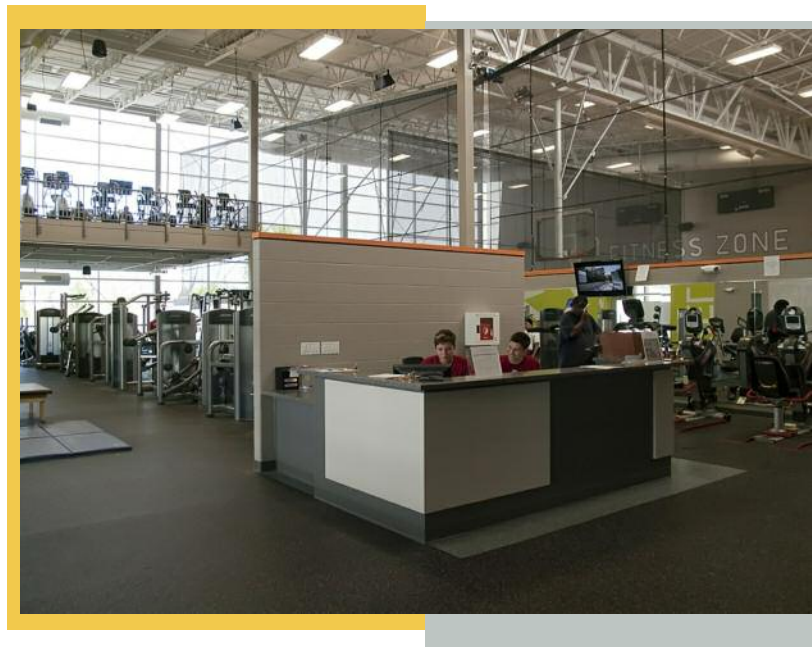
Since moving to the Near Eastside, McMullen has been active with the East 10th Street Civic Association. One of her tasks in 2008 was to help sign up residents for its fledgling business incubator, which helped her develop her own concept for a retail store that sells high-quality new and gently used children's apparel and locally crafted items.

Her shop, the Little Green Bean Boutique, moved out of the incubator space in 2010 and into a storefront of its own in a cluster of new businesses lining East 10th Street, including Pogue's Run Grocer, a cooperative grocery offering healthy, nutritious food options. For a neighborhood that for many years has had no grocery for its 40,000 residents, this is a major breakthrough.

Both the Little Green Bean Boutique and Pogue's Run Grocer benefited from technical assistance, façade improvement and other grants to the East 10th Street Civic Association through the LISC program called Fostering Commercial Urban Strategies (FOCUS). FOCUS has leveraged more than \$46 million in direct capital investment to help attract and improve local businesses. It also has underwritten more than \$1 million in loans for commercial development in urban Indianapolis neighborhoods.

From 2008 through 2010, FOCUS business corridors attracted 100 new businesses that provide employment, allow residents to shop closer to home, and bring more people to the neighborhood for unique shopping experiences. In 2012 LISC will add three new corridors to its FOCUS program, including the East Washington Street area, which is working to bring job-creating businesses – not just traditional retail services – to an area starved for good jobs.

And the work continues on the Near Eastside, where FOCUS is assisting the East 10th Street Civic Association with development of a large, mixed-use commercial and apartment project. Called Clifford Corners, it entirely redevelops a formerly blighted block. "Every day you hear about something new happening," McMullen says. "It's exciting. That's the feel of the whole Near Eastside now."



Not just façades

Another partner in building stronger

Indianapolis neighborhoods is the Indianapolis Neighborhood Resource Center (INRC), which frequently collaborates with INHP and LISC in comprehensive community development. Founded in 1994 with the support of the Endowment, INRC works to engage residents to improve the quality of life in neighborhoods.

Volunteers lead almost all of Marion County's

750 registered neighborhood-based organizations. Many have strong core volunteer leadership but need help engaging more neighbors in their efforts and in identifying and pulling together all the resources available to them, according to Anne-Marie Taylor, executive director of INRC. By building on its experiences and the best practices learned as a partner in the GINI planning effort, INRC continues to find ways to "dive deeper into community building," Taylor says.

In 2009 INRC was selected by the Corporation for National and Community Service to recruit and place young people ages 18-40 as AmeriCorps Public Allies in nonprofit agencies across the city. Participants like Indianapolis resident Larry J. Morris III worked four days per week at an agency and participated in training and education one day per week for

10 months, earning a modest stipend – and loads of experience in community development.

Fresh from another AmeriCorps experience in Washington, Morris was placed as a youth coordinator at Hawthorne Community Center in the tough Westside Haughville neighborhood, where he tutored youth, supervised the gym, escorted students on college tours and organized a community service project. He also worked in the Community Heights neighborhood on the Eastside, helping community members organize the first annual Community Heights Skills Swap, a family-focused event where neighbors could meet, share food, enjoy music and showcase their skills and talents.

“The Public Allies program allowed me to see

programs he found most meaningful: race relations dialogue circles. Working in cooperation with St. Luke’s United Methodist Church, the circles bring together diverse members of the Indianapolis community to discuss one of the touchiest of all subjects.

“Many cities have ‘dialogue-to-change circles’ in response to a crisis,” Morris says. “It made me feel good that we have been able to create a place where people feel comfortable talking honestly about how race affects them outside a crisis context.” The dialogue circles are an example of how INRC works to build relationships – not only neighbor-to-neighbor but also among diverse individuals and community groups. “Fostering better race relations is essential to building stronger neighborhoods.”

“It made me feel good that we have been able to create a place where people feel comfortable talking honestly about how race affects them outside a crisis context.”

the resources that Indianapolis has,” Morris says.

“When I was in Washington, I honestly didn’t want to come back to Indiana. Public Allies, however, showed me the potential we have here. I saw like-minded individuals who have a passion for public service.”

Morris hopes to finish his college degree and work in a youth-serving organization, but he’s still involved with Public Allies, volunteering as an alumnus of the program and working on one of the INRC

Taylor agrees with Carlstedt and Taft that there is a collaborative spirit in Indianapolis. “With Endowment support, INRC, INHP and LISC have been working together for more than 15 years on a range of initiatives and programs aimed at building a better quality of life in Indianapolis’ neighborhoods,” she says. “Sustained, comprehensive efforts are what it takes to address the complex set of challenges that neighborhoods face.”



Anne-Marie Taylor (right), executive director of the Indianapolis Neighborhood Resource Center, drops in on the KI EcoCenter, an organization that is active in study circles, youth programming and in developing the Mid-North Plan for Indianapolis. However, first things first. Chinyelu Mwaafrika (left), 12, needs an answer to a filter “situation.” The kids are into aquaponics (a system in which fish and crops can grow simultaneously), and a working filter is a must. Taylor and INRC staffers regularly visit neighborhood organizations (more than 750 in Indianapolis) to engage residents in issues of collaboration, development, planning and resources. But do they know aquaponics?